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AGENDA FOR THE
CONCURRENT 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, NOVEMBER 19, 2013 – 6:30 P.M.

CALL TO ORDER

Mayor/Chairperson Aguilar

PLEDGE OF ALLEGIANCE

Mike Casalou,
Director of Human Resources

INVOCATION

Councilmember/Boardmember Baca Del Rio

ROLL CALL

Deputy City Clerk Alexander

APPEARANCES AND PRESENTATIONS

1. Commendation -- Ali Pakravan, President and Owner of Arya Ice Cream Company

The **City Council** will present a Commendation to Ali Pakravan, President and Owner of Arya Ice Cream Company for the generous donation of ice cream to the 2013 Commerce Relay for Life Event.

2. Certificate of Appreciation – California Commerce Club (Commerce Casino)

At the request of Councilmember Baca Del Rio, the **City Council** will present the Commerce Casino with a certificate of appreciation for their role in facilitating the first annual Clippers Community Night held on Friday, October 25, 2013.

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

CONCURRENT REGULAR COUNCIL/SUCCESSOR AGENCY AGENDA

11/19/2013 – 6:30 p.m.

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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.

3. Approval of Minutes

The **City Council and Successor Agency** will consider for approval, respectively, the minutes of the Concurrent Adjourned Regular Meetings of Tuesday, July 2, 2013, held at 5:00 p.m.; Concurrent Regular Meetings of Tuesday, July 2, 2013, held at 6:30 p.m.; Concurrent Regular Meetings of Tuesday, September 17, 2013, held at 6:30 p.m.; Concurrent Adjourned Regular Meetings of Tuesday, October 1, 2013, held at 5:00 p.m.; Concurrent Regular Meetings of Tuesday, October 1, 2013, held at 6:30 p.m.; Concurrent Regular Meetings of Tuesday, October 8, 2013, held at 11:00 a.m.; Concurrent Regular Meetings of Tuesday, October 15, 2013, held at 6:30 p.m. and Concurrent Adjourned Regular Meetings of Tuesday, November 5, 2013, held at 5:00 p.m.

4. Approval of Warrant Register Nos. 8A and 8B

The **City Council and Successor Agency** will consider for approval, respectively, the bills and claims set forth in Warrant Registers No. 8A, dated November 19, 2013, and 8B for the period November 6, 2013 to November 14, 2013.

5. Surplus Vehicles

The **City Council** will consider declaring units 420 and 546 as surplus vehicles, and authorizing Purchasing to sell them via a public auction on the City's website.

6. Amendment to the Personnel Classification and Compensation Plan

The **City Council** will consider for approval an amendment to the Classification and Compensation Plan revising the Classification Specifications for Recreation Coordinator, Class Instructor and Tap and Ballet Instructor.

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7. A Resolution of the City Council of the City of Commerce, California, Approving a Fund Trade Agreement for the Exchange of Proposition A Funds with the City of Montebello

Prop A Funds in the County of Los Angeles are restricted for transit purposes only. By exchanging the unrestricted General Fund dollars for other cities' Prop A Funds, the City is able to minimize the amount of subsidy the General Fund must provide to the City's Transit Fund.

The **City Council** will consider for approval and adoption a proposed Resolution approving a Fund Trade agreement for the exchange of Proposition A Funds with the City of Montebello

8. A Resolution of the City Council of the City of Commerce, California, Accepting the Work Performed by Mike Rose Masonry of Crestline, California, under the City of Commerce Standard Contract for City Project No. 1304 – Camp Commerce Retaining Wall Project

The **City Council** will consider for approval and adoption a proposed Resolution accepting the work performed by Mike Rose Masonry of Crestline, California, under the City of Commerce Standard Contract for City Project No. 1304 – Camp Commerce Retaining Wall Project and filing of the Notice of Completion with the County Recorder's Office of San Bernardino.

PUBLIC HEARINGS -- None

SCHEDULED MATTERS

9. Presentation – Bristow Park Action Plan

At the request of Councilmember Baca Del Rio and Councilmember Altamirano the **City Council** will receive a presentation on, and provide appropriate direction as deemed necessary with respect to, the Los Angeles County Sheriff's Department Bristow Park Action Plan.

10. Appointment of Council Representative for the Metro Eastside Light Rail Extension Project

At the request of Councilmember Altamirano, the **City Council** will consider appointing Councilmember Altamirano as the City's representative to the Metro Eastside Light Rail Extension Project in support of the Washington Boulevard Light Rail Alternative Proposal.

11. Consideration of Campaign Contribution Limitations Established by Section 2.10.045 of the Commerce Municipal Code

At the request of Mayor Pro Tempore Leon, the **City Council** will consider and take the appropriate action as deemed necessary with respect to, reconsidering the campaign contribution limitations imposed by Section 2.10.045 and provide appropriate direction in connection with such consideration.

ORDINANCES AND RESOLUTIONS

12. An Ordinance of the City Council of the City of Commerce, California, Amending Title 19 ("Zoning") of the Commerce Municipal Code by Adding Chapter 19.47 (Housing Opportunity Overlay); Amending Chapter 19.07 Division 3 (Density Bonuses); Adding Chapter 19.07 Division 4 (Reasonable Accommodation); Amending Tables 19.07.020A (Permitted and Conditional Uses-Residential Zones) and Table 19.11.030A (Uses in Industrial Districts); Adding Chapter 19.31 Division 22 (Emergency Residential Shelters and Transitional Housing); Amending Section

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19.07.090 (Second Units); and Chapter 19.45 (Definitions) – Second Reading

The **City Council** will consider for approval and adoption a proposed Ordinance amending Title 19 (“Zoning”) of the Commerce Municipal Code by adding Chapter 19.47 (Housing Opportunity Overlay); amending Chapter 19.07 Division 3 (Density Bonuses); adding Chapter 19.07 Division 4 (Reasonable Accommodation); amending Table 19.07.020A (Permitted and Conditional Uses-Residential Zones) and Table 19.11.030A (Uses in Industrial Districts); adding Chapter 19.31 Division 22 (Emergency Residential Shelters and Transitional Housing); amending Section 19.07.090 (Second Units); and Chapter 19.45 (Definitions).

The proposed Ordinance was approved for first reading on November 5, 2013.

13. A Resolution of the City Council of the City of Commerce, California, Approving an Assignment and Assumption of Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants Between the Commerce Senior Partners, L.P., Rosewood Senior Apartments, L.P. and the City of Commerce

The **City Council** will consider for approval and adoption a proposed Resolution approving an Assignment and Assumption of Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants between the Commerce Senior Partners, L.P., Rosewood Senior Apartments, L.P. and the City of Commerce.

14. A Resolution of the Successor Agency to the Commerce Community Development Commission, Approving a Long-Range Property Management Plan pursuant to Health and Safety Code §34191.5

The **Successor Agency** will consider for approval and adoption a proposed Resolution approving a Long-Range Property Management Plan pursuant to Health and Safety Code §34191.5.

CIP PROGRESS REPORT

I-710 LOCAL ADVISORY COMMITTEE UPDATE – None

RECESS TO CLOSED SESSION – No Items

ADJOURNMENT

Adjourn in memory of Mr. George Tumanjan, former President and CEO of the California Commerce Club; Ed Miles, Education Commissioner and longtime Commerce resident; Rosa Olmedo, longtime Commerce resident and Roger Presgrove, President and CEO of ‘Help the Children’ to Tuesday, December 3, 2013, at 5:00 p.m. in the City Council Chambers.

**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.**



AGENDA REPORT

Meeting date: November 19, 2013

TO: Honorable City Council

FROM: City Administrator

SUBJECT: PRESENTATION OF COMMENDATION TO ALI PAKRAVAN,
PRESIDENT AND OWNER OF ARYA ICE CREAM COMPANY.

RECOMMENDATION:

The City Council will present a commendation to Ali Pakravan, President and Owner of Arya Ice Cream Company for his generous donation of ice cream to the 2013 Commerce Relay for Life.

MOTION:

Move to approve the recommendation.

BACKGROUND AND ANALYSIS:

The 2013 Commerce Relay for Life was held on August 3-4, 2013 at Veterans Memorial Park. Mr. Ali Pakravan, President and Owner of Arya Ice Cream Company, in support of breast cancer, generously donated ice cream to the event.


FISCAL IMPACT:

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


RELATIONSHIP TO STRATEGIC GOALS:

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

Recommended by:


Scott Wasserman
Interim Director of Parks & Recreation

Respectfully submitted,


Jorge Rifa
City Administrator

Approved as to Form:


Eduardo Olivo
City Attorney

AGENDA ITEM No. 1



AGENDA REPORT

Meeting Date: November 19, 2013

TO: Honorable City Council

FROM: City Administrator

SUBJECT: CERTIFICATE OF APPRECIATION - COMMERCE CASINO

RECOMMENDATION:

At the request of Councilmember Baca Del Rio, the City Council will present the Commerce Casino with a certificate of appreciation for their role in facilitating the first annual Clippers Community Night held on Friday, October 25, 2013.

MOTION:

Move to approve the recommendation.

BACKGROUND:

On Friday, October 25, 2013, Commerce residents enjoyed a successful community night at the Los Angeles Clippers game where 2013 Miss Clippers Alyssa Rubio and the City Council were introduced at midcourt during the pregame ceremonies.

ANALYSIS:

Through the efforts and strong relationship the Commerce Casino has with the Los Angeles Clippers, the Commerce community was able to enjoy, alongside Miss Clippers, Alyssa Rubio, this special day, which included midcourt introductions and a televised interview.


FISCAL IMPACT:

The Commerce Casino is recognized as a key sponsor of the Los Angeles Clippers, allowing the City the ability to purchase a minimal amount of tickets for this event.

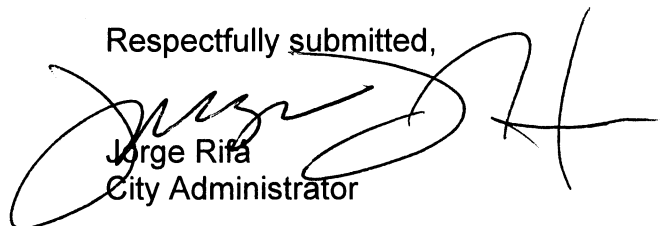
RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to Council's historic commitment to the Miss Commerce Program and the community outing to the Clippers Game.

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: November 19, 2013

TO: Honorable City Council

FROM: City Administrator

SUBJECT: SURPLUS VEHICLES

RECOMMENDATION:

Declare units 420 and 546 as surplus vehicles, and authorize Purchasing to sell them via a public auction on the City's website.

MOTION:

Move to approve recommendation.

BACKGROUND:

Unit	Year	Make	Description	License Number	VIN Number
420	1992	FORD	F150 TRUCK	E341980	2FTEF15Y2NCA40671
546	2000	FORD	CROWN VICTORIA	1020576	2FAFP71W3YX104017

These vehicles are in poor condition and are no longer cost effective to maintain. The auction value of units 420 and 546 is minimal. Unit 420 has been replaced by unit 421, and unit 546 has been replaced by unit 554.

FISCAL IMPACT:

This activity can be carried out without additional impact on the current operating budget. Finance will receive all the funds from the sale of the surplus vehicles and process the revenue accordingly.

STRATEGIC GOALS:

This agenda item relates to the 2012 strategic planning goal: "Grow revenues to ensure all expenses are being met so that we can remain fiscally responsible and continue to provide services to the residents," as the sale of these vehicles will assist in mitigating the City's fleet maintenance expenses. Additionally, the surplus vehicles noted above have reached their service life and are no longer cost effective to maintain.

Recommended by:



Claude McFerguson
Director of Transportation

Respectfully submitted,



Jorge Rifá
City Administrator

Budget Impact Reviewed by:



Vilko Domic
Director of Finance

Approved as to Form:



Eduardo Olivo
City Attorney





AGENDA REPORT

MEETING DATE: November 19, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: PROPOSED AMENDMENT TO THE PERSONNEL CLASSIFICATION AND COMPENSATION PLAN TO REVISE THE CLASSIFICATION SPECIFICATIONS FOR RECREATION COORDINATOR, CLASS INSTRUCTOR AND TAP AND BALLET INSTRUCTOR

RECOMMENDATION:

City staff is recommending the City Council amend the Classification and Compensation Plan by revising the classification specification for Recreation Coordinator, Class Instructor and Tap and Ballet Instructor.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The classification specification for Recreation Coordinator currently requires an Associate's Degree and three years of experience, including supervisory experience. In an effort to continue to provide flexibility, both now and into the future, staff is recommending that flexible minimum qualifications language be added to this classification specification.

Additionally, as part of the recent contract negotiation process, staff agreed to review Class "B" license requirements for Parks and Recreation employees. As a result, staff is recommending the removal of the requirement for the classifications of Class Instructor and Tap and Ballet Instructor. This revision was discussed with the Employees' Association.

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 position of Recreation Coordinator currently has firm minimum qualifications in the classification specification. Staff is recommending more flexible language be approved which will result in a larger applicant pool and will provide Department Heads with flexibility in filling these positions. The change being proposed would maintain the existing minimum requirements, but would be preceded by:

"Any combination of education and experience that would provide the required knowledge, skills and abilities is qualifying. A typical way to achieve this is"


The intent of flexible minimum requirements is not to lower the educational and experience standards to obtain employment in the City, rather to expand the applicant pool and to simply provide flexibility in unique cases where applicants will have an opportunity to compete who might reasonably have the ability to do the job. The goal of any recruitment would still be to find applicants who meet or exceed our "ideal" education and experience requirements. Additionally, the practice of utilizing flexible education and experience requirements is not uncommon. A recent survey of Los Angeles County cities revealed that more than 50% of cities use similar language in their job descriptions. This item was discussed and approved at the November 13, 2013 Joint Labor/Management meeting.

Staff is also recommending revising the classification specifications for Class Instructor and Tap and Ballet Instructor. The City agreed during the recently completed contract negotiations to review positions in the Parks and Recreation Department that currently require a Class "B" license. The City believes that the Class "B" requirements can be removed from these two classifications without disrupting departmental operations.

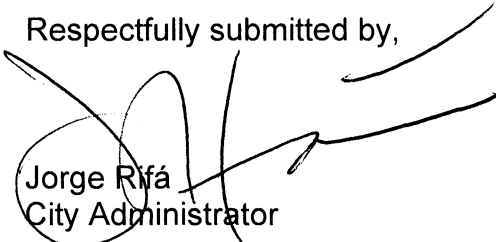
FISCAL IMPACT/ALTERNATIVES:

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

Prepared by:


Michael A Casalou
Director of Human Resources


Respectfully submitted by,


Jorge Rifa
City Administrator

Fiscal Impact Reviewed by:


Vilko Domic
Director of Finance

Approved as to Form:


Eduardo Olivo
City Attorney

Attachments:

Recreation Coordinator Classification Specification
Class Instructor Classification Specification
Class Instructor – Tap and Ballet Instructor Classification Specification



City of Commerce

Recreation Coordinator

Department: **Parks & Recreation**
Revised Date:

Class Code:
FLSA Status: **Non-Exempt**

GENERAL PURPOSE: Under general supervision, plans, organizes, coordinates and supervises special events and various Recreation Programs.

PRIMARY DUTIES AND RESPONSIBILITIES:

*The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification, only a representative summary of the primary duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Plans, develops, organizes, recreation programs and classes
- Conducts field inspections and reviews and monitors work in progress
- Plans, coordinates, develops, schedules, provides feedback and evaluates special events for effectiveness and recommends program changes
- Assists in the development of the annual calendar of special events
- Develops program formats
- Conducts meetings with staff, community groups, school representatives, and residents as needed to coordinate programs
- May assist in organizing various recreation programs
- Establishes program, staff schedules and monitors staffing levels
- Provides recommendations to the Recreation Manager regarding staff training and development
- Works under the Recreation Manager to plan and organize special events and programs
- Performs related duties as required

MINIMUM QUALIFICATIONS:

Education and Experience:

Any combination of education and experience that would provide the required knowledge, skills and abilities is qualifying. A typical way to achieve this is:

Equivalent to an Associate's Degree from an accredited college or university with an emphasis in recreation, physical education, social services, child development or a related field; AND three year's work experience in recreation programs involving services to Teens, Adults, Children or Seniors, including supervisory experience.

Deleted: Associate's Degree in Social Services, Psychology, Child Development or related field

Recreation Coordinator

JOB DESCRIPTION
Recreation Coordinator

Required Licenses or Certifications:

- Must possess a valid California Driver's License, and First Aid CPR AED certifications. Required to pass a background investigation; may be required to obtain specific training and technical certifications.

Required Knowledge of:

- City policies and procedures.
- City policies, rules and regulations governing the conduct and safety of persons using municipal recreational facilities, programs and equipment.
- Purpose, use and benefits of municipal recreational activities.
- Legal liabilities and responsibilities for recreation services staff.
- Community resources and community services programs.
- Record keeping and bookkeeping principles and procedures.
- Occupational hazards and safety precautions

Required Skill in:

- Supervising and controlling recreation activities and participants.
- Coordinating work activities and training recreation staff and volunteers.
- Promoting a positive recreation environment and good personal behavior, and enforcing safety rules.
- Providing effective customer service, and dealing tactfully and courteously with the public.
- Operating a personal computer utilizing standard and specialized software.
- Establishing and maintaining effective working relationships with co-workers and the public.
- Effective verbal and written communication.

Physical Demands / Work Environment:

- Work is performed indoors and outdoors at City recreation facilities and venues; required to perform moderate physical work, and lift and carry up to 50 pounds.



City of Commerce

CLASS INSTRUCTOR

Department: **Parks & Recreation**
Revised Date: **November 2013**

Class Code: **5640**
FLSA Status: **Non-Exempt**

Deleted: April 2009

GENERAL PURPOSE: Under general supervision, instructs and supervises individual and group classes, special programs and recreational activities for citizens of the City of Commerce,

PRIMARY DUTIES AND RESPONSIBILITIES:

*The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification, only a representative summary of the primary duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Organizes, schedules, develops and teaches group classes, special programs and recreation activities and events; assures activities are in compliance with all laws, policies, regulations and goals; duties will vary according to job assignment.
- Teaches specialized classes and recreational activities, including aerobics, arts & crafts, ceramics, dance, knit & crochet, macramé, and other special programs to meet the needs of the community; controls, inventories, maintains and issues an assortment of materials and equipment
- Explains the rules and techniques for specialized recreation and creative activities; evaluates performance of program participants and assists with skills improvement.
- Supervises program participants, and enforces rules, regulations and safety precautions at indoor and outdoor recreation facilities; maintains discipline, monitors behavior and resolves issues; monitors program activities, and assists participants in recreation activities and special programs; reports and resolves complaints, requests, safety conditions, security issues and illegal activities.
- Sets up and takes down equipment and prepares venue for activities and events; supervises, instructs and coaches participants; maintains equipment and facilities in clean and safe condition; communicates with general public, community resource agencies, and other organizations in order to coordinate and promote program activities.
- Evaluates programs for effectiveness and participation levels; tracks services provided, monitors results, and generates operational reports as needed.

MINIMUM QUALIFICATIONS:

Education and Experience:

High School diploma or GED equivalent; AND two year's experience in recreation programs.

Required Licenses or Certifications:

- May be required to pass a background investigation. First Aid training is required.

Deleted: Must possess a valid California Commercial Driver's License

Deleted: Class Instructor

JOB DESCRIPTION

job description -Class Instructor with track changes 11-7-13.doc

Deleted: Class Instructor

Required Knowledge of:

- City policies and procedures.
- City policies, rules and regulations governing the conduct and safety of persons using municipal recreational facilities, programs and equipment.
- Purpose, use and benefits of municipal recreational activities.
- Customer service standards and protocols.
- Occupational hazards and safety precautions

Required Skill in:

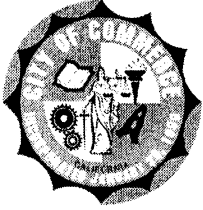
- Supervising and controlling recreation activities and participants.
- Teaching specialized recreational programs in area of expertise.
- Promoting and enforcing safe work practices
- Providing effective customer service, and dealing tactfully and courteously with the public.
- Operating a personal computer utilizing standard and specialized software.
- Establishing and maintaining effective working relationships with co-workers and the public.
- Effective verbal and written communication.

Physical Demands / Work Environment:

- Work is performed indoors and outdoors at City recreation facilities and venues; required to perform moderate physical work, and lift and carry up to 25 pounds.

Deleted: Class Instructor

job description -Class Instructor with track changes 11-7-13.doc



City of Commerce

TAP AND BALLET INSTRUCTOR

Department: **Parks & Recreation**

Class Code: **5640**

Revised Date: **November 2013**

FLSA Status: **Non-Exempt**

GENERAL PURPOSE: Under general supervision, organizes, conducts and supervises tap and ballet classes; prepares and maintains facilities and equipment for classes and special events.

PRIMARY DUTIES AND RESPONSIBILITIES:

*The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification, only a representative summary of the primary duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Organize, schedule, develop and teach progressive tap and ballet classes for different age groups.
- Teach skills and techniques in an assigned instruction class.
- Take registration and record attendance
- May assist in preparing special events.
- May assist in organizing and supervising various recreational programs.
- Perform related duties as assigned.

MINIMUM QUALIFICATIONS:

Education and Experience:

High School diploma or GED equivalent; AND experience and training in conducting organized programs and teaching various specialized classes in tap and ballet.

Required Licenses or Certifications:

- May be required to pass a background investigation. First Aid training is required.

Required Knowledge of:

- City policies and procedures.
- City policies, rules and regulations governing the conduct and safety of persons using municipal recreational facilities, programs and equipment.
- Purpose, use and benefits of municipal recreational activities.
- Customer service standards and protocols.
- Occupational hazards and safety precautions.

Required Skill in:

- Supervising and controlling recreation activities and participants.
- Teaching specialized recreational programs in area of expertise.
- Promoting and enforcing safe work practices.

Tap and Ballet Instructor

JOB DESCRIPTION

Tap and Ballet Instructor

- Providing effective customer service, and dealing tactfully and courteously with the public.
- Operating a personal computer utilizing standard and specialized software.
- Establishing and maintaining effective working relationships with co-workers and the public.
- Effective verbal and written communication.

Physical Demands / Work Environment:

- Work is performed indoors and outdoors at City recreation facilities and venues; required to perform moderate physical work, and lift and carry up to 25 pounds.



AGENDA REPORT

MEETING DATE: November 19, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING A FUND TRADE AGREEMENT FOR THE EXCHANGE OF PROPOSITION A FUNDS WITH THE CITY OF MONTEBELLO

RECOMMENDATION:

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

ACTION:

Move to approve the recommendation.

BACKGROUND:

Prop "A" funds in the County of Los Angeles are restricted for transit purposes only. Many cities have had difficulties expending the Prop A funds that have been allocated to them. The Los Angeles Metropolitan Transportation Authority (LAMTA), which administers such funds, has allowed cities that can expend the restricted Prop "A" funds to exchange their unrestricted revenues for the right to use another city's Prop "A" funds for approved projects. Such exchanges usually involve an agreement by a city that can utilize the restricted funds to pay the city that has available Prop A funds a sum that is less than the amount of the Prop A funds. The city that can utilize the restricted Prop A funds is therefore able to obtain such funds at a discounted rate. On the other hand, the city that cannot utilize its Prop A funds is able to receive unrestricted funds that can be put to use for other purposes. The arrangement is deemed beneficial to both cities.

ANALYSIS:


The City of Commerce is proposing to provide ongoing operating funding providing fixed route, medi-ride, and recreation services to the residents of the City and to provide for certain capital projects that are eligible for Prop A Funds. Adequate Proposition A Local Return funding for such services is not available to the City of Commerce because of the City's Local Return allocation. The City of Montebello has uncommitted funding authority for its Fiscal Year 2013-14 allocation of Proposition "A" Local Return funds that can be made available to Commerce to assist in providing these services. Montebello is willing to assign One Million Dollars (\$1,000,000) of its uncommitted Proposition "A" Local Return funding to Commerce in exchange for the assignment by Commerce of Seven Hundred and Fifty Thousand Dollars (\$750,000) of its general funds to Montebello. The transaction, which is documented in the attached agreement, is contingent upon approval by the LAMTA.

The ratio contained in the proposed Agreement is an exchange of 75 cents of the City's unrestricted general fund for each dollar of Prop "A" funds to be received and expended by the City for its transit operations. Thus, the City will receive One Million Dollars (\$1,000,000) of Prop A funds in exchange for the payment of Seven Hundred and Fifty Thousand Dollars (\$750,000). This exchange will result in a Two Hundred and Fifty Thousand Dollar (\$250,000) benefit for the City of Commerce. The City of Montebello approved the Agreement on November 13, 2013.

FISCAL IMPACT:

The City Council approved an amount of Seven Hundred and Fifty (\$750,000) in account #10-8804-73980 for Prop A Exchanges during the fiscal year 2013-14 budget process. The exchanged dollar amounts are then recognized in account #025-5400-30120.

Recommended by:



Vilko Domic
Director of Finance

Respectfully submitted,



Jorge Rifa
City Administrator

Approved as to Form



Eduardo Olivo
City Attorney

Attachment: Resolution
Agreement

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, APPROVING A FUND TRADE AGREEMENT
FOR THE EXCHANGE OF PROPOSITION A FUNDS
WITH THE CITY OF MONTEBELLO

WHEREAS, Proposition A ("Prop A") Funds in the County of Los Angeles are restricted for transit purposes only; and

WHEREAS, many cities have had difficulties expending allocated Prop A Funds due to said restricted purposes; and

WHEREAS, the Los Angeles Metropolitan Transportation Authority ("LACMTA"), which administers such funds, has allowed cities that can expend the restricted Prop A Funds to exchange unrestricted revenues for the right to use another city's Prop A Funds for approved projects; and

WHEREAS, such exchanges usually involve an agreement by a city that can utilize the restricted Prop A Funds to pay the city that has available Prop A Funds a sum that is less than the amount of the Prop A Funds; and

WHEREAS, the city that can utilize the restricted Prop A Funds is therefore able to obtain these funds at a discounted rate while the other city that cannot utilize its Prop A Funds is able to receive unrestricted funds that can be put to use for other purposes; and

WHEREAS, the City of Commerce is proposing to provide ongoing operating funding for fixed route, Medi-ride and recreation services to the residents of the City and certain capital projects that are eligible for Prop A Funds; and

WHEREAS, adequate Proposition A Local Return funding for such services is not available to the City of Commerce because of the City's Local Return allocation; and

WHEREAS, the City of Montebello has uncommitted funding authority for its Fiscal Year 2013-14 allocation of Proposition A Local Return Funds that can be made available to the City of Commerce to assist in providing these services; and

WHEREAS, the City of Montebello is willing to assign one million dollars (\$1,000,000) of its uncommitted Proposition A Local Return Funds to the City of Commerce in exchange for the assignment by the City of Commerce of seven hundred and fifty thousand dollars (\$750,000) of its general funds to the City of Montebello; and

WHEREAS, the transaction set forth above is contingent upon approval by the LACMTA.

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

Section 1. The Proposition A Fund Trade Agreement between the City of Montebello and the City of Commerce, California, is hereby approved and the Mayor is authorized to execute the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED AND ADOPTED this _____ day of _____,
2013.

Joe Aguilar
Mayor

ATTEST:

Teresa Jackson, CMC
Interim City Clerk

FUND TRADE AGREEMENT

BETWEEN THE CITY OF MONTEBELLO AND THE CITY OF COMMERCE, CALIFORNIA

This Assignment Agreement is made and entered into this 13 day of November, 2013, by and between the City of Montebello California ("Montebello") and the City of Commerce, California ("Commerce") with respect to the following facts:

- A. Montebello has uncommitted funding authority for its Fiscal Year 2013-14 allocation of Proposition "A" Local Return funds that can be made available to Commerce to assist in providing the services discussed in Paragraph below. Montebello is willing to assign uncommitted Proposition "A" Local Return funding to Commerce for the purpose identified in Paragraph B in exchange for the assignment by Commerce of the amount of its general funds indicated in Section I below.
- B. Commerce proposes to provide ongoing operating funding providing fixed route, medi-ride, and recreation services to the residents of Commerce and to provide for certain capital projects eligible for Prop A Funds. Adequate Proposition A Local Return funding for such services is not available given the limited amount of Commerce's Local Return allocation.

Now, therefore, in consideration of the mutual benefits to be derived by the parties and of the premises herein contained, it is mutually agreed as follows:

1. Exchange. Montebello agrees to assign One Million Dollars (\$1,000,000) of its Fiscal Year 2013-14 Proposition "A" Local Return funding authority to Commerce. In return, Commerce agrees to assign Seven Hundred and Fifty Thousand Dollars (\$750,000) of its general funds to Montebello.
2. Consideration. Montebello shall assign the agreed upon Proposition "A" Local Return funds to Commerce in one lump sum payment. Commerce shall also assign the agreed upon general funds to Montebello in one lump sum payment. The lump sum payment by Commerce shall be due and payable upon approval by the Los Angeles Metropolitan Transportation Authority (LAMTA) of Montebello's project description FORM (Form A) covering the services discussed in Paragraph B.
3. Term. This Agreement is effective on the date above written and for such time as is necessary for both parties to complete their mutual obligations set forth herein.
4. Termination. Termination of this Agreement may be made by either party so long as written Notice of Intent to terminate is given to the other party at least 5 days prior to the termination.
5. Notices. Notices shall be given pursuant to this Agreement by personal service on the party to be notified or by written notice upon such party by certified mail deposited in the custody of the United States Postal Service addressed as follows:

CITY OF MONTEBELLO
1600 W. Beverly Boulevard
Montebello, CA 90640
Attn: Francesca Tucker-Schuyler, City Administrator

CITY OF COMMERCE
2535 Commerce Way
Commerce, CA 90040
Attn: Jorge Rifá, City Administrator

6. Assurances.

- a. Commerce shall use the assigned Proposition "A" Local Return funds only for the purpose of providing the services discussed in Paragraph A of this Agreement and within the time limits specified in LAMTA's Proposition "A" Local Return Program Guidelines.
- b. Concurrently with the execution of this Agreement Commerce shall provide LAMTA with the Standard Assurances and Understandings Regarding Receipt and Use of Proposition "A" funds specified in the Guidelines regarding the use of the assigned Proposition "A" Local Return Funds.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers, duly authorized, on the day and year above written.

CITY OF MONTEBELLO

CITY OF COMMERCE

By _____
Francesca Tucker-Schuyler
City Administrator

By _____
Joe Aguilar
Mayor

ATTEST:

Daniel Hernandez
City Clerk

Teresa Jackson, CMC
Interim City Clerk

Approved as to Form:

Approved as to Form:

Arnold M. Alvarez-Glasman
City Attorney

Eduardo Olivo
City Attorney



AGENDA REPORT

MEETING DATE: November 19, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, ACCEPTING THE WORK PERFORMED BY MIKE ROSE MASONRY OF CRESTLINE, CALIFORNIA, UNDER THE CITY OF COMMERCE STANDARD CONTRACT FOR CITY PROJECT NO. 1304 - CAMP COMMERCE RETAINING WALL PROJECT

RECOMMENDATION:

Approve the Resolution accepting the work performed by Mike Rose Masonry under the Standard Contract for City Project No. 1304 – Camp Commerce Retaining Wall Project, filing the Notice of Completion with the County Recorder's Office of San Bernardino, and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

On June 19, 2012, as part of the Fiscal Year 2012/13 Capital Improvement Program Budget, the City Council allocated \$40,000 to install a retaining wall and repair the driveway entrance to Camp Commerce, under Camp Commerce Driveway Improvements Project.

On December 5, 2012, Kadtec Engineering prepared the project plans required by the County of San Bernardino in order to approve the construction of a retaining wall at Camp Commerce.

On August 5, 2013, the City Council approved a Standard Contract with Mike Rose Masonry of Crestline, California in the amount of \$17,420.00, as well a project contingency of 20% or \$3,484.00 to complete the proposed improvements.

ANALYSIS:

The contractor provided all labor, materials, equipment, tools and incidentals necessary to complete the work requested in accordance with the project plans as prepared by Kadtec Engineering.

Mike Rose Masonry has completed the work in conformance with the project plans and contract documents as of November 6, 2013. Staff recommends that the City Council can accept the project as satisfactory and complete. Upon acceptance of the project, staff will file the "Notice of Completion" with the County Recorder's Office in San Bernardino for the project. Thirty-five (35) days after the recordation of the Notice of Completion by the County Recorder's Office, the City will make final payment of the 5% retention being withheld from the payment to Contractor if no Stop Notices are filed within the 35-day period.

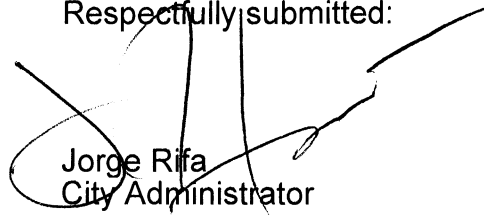
FISCAL IMPACT:

No adverse fiscal impact. The project contingency of 20% or \$3,484.00 was not used and results in a net savings.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: *"Improve and maintain infrastructure and beautify our community"* as identified in the 2012 Strategic Plan.

Respectfully submitted:



Jorge Rifa
City Administrator

Reviewed by:



Scott Wasserman
Director of Parks & Recreation

Recommended and prepared by:



Alex Hamilton
Assistant Director of Community Development

Fiscal Impact Reviewed by:



Vilko Domic
Director of Finance

Approved as to form:



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, ACCEPTING THE WORK PERFORMED BY MIKE ROSE MASONRY
OF CRESTLINE, CALIFORNIA, UNDER THE CITY OF COMMERCE STANDARD
CONTRACT FOR CITY PROJECT NO. 1304 - CAMP COMMERCE RETAINING
WALL PROJECT

WHEREAS, on June 19, 2012, as part of the Fiscal Year 2012/13 Capital Improvement Program Budget, the City Council allocated \$40,000 to design and construct a retaining wall and repair the driveway entrance to Camp Commerce, under Camp Commerce Driveway Improvements Project; and

WHEREAS, on December 5, 2012, Kadtec Engineering prepared the project plans required by the County of San Bernardino in order to approve the construction of a retaining wall at Camp Commerce; and

WHEREAS, On August 5, 2013, the City Council approved a Standard Contract with Mike Rose Masonry of Crestline, California, in the amount of \$17,420.00, as well a project contingency of 20% or \$3,484.00 to complete the proposed improvements; and

WHEREAS, the work has been completed and performed in accordance with the project plans and contract documents as of November 6, 2013, and the total project expenditures for the installation of the retaining wall were \$17,420.00.

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

Section 1. The work performed by Mike Rose Masonry under the City of Commerce Standard Contract for City Project No. 1304 – Camp Commerce Retaining Wall Project is accepted as being satisfactory and complete.

Section 2. City staff is authorized to file the “Notice of Completion” with the San Bernardino County Recorder’s Office for the project, and thirty-five (35) days thereafter, to make final payment of the 5% retention to contractor.

PASSED, APPROVED AND ADOPTED this ____ day of _____ 2013.

Joe Aguilar, Mayor

ATTEST:

Teresa Jackson, CMC
Interim City Clerk



AGENDA REPORT

MEETING DATE: 11/19/2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: PRESENTATION: BRISTOW PARK ACTION PLAN

RECOMMENDATION:

At the request of Councilmember Baca Del Rio and Councilmember Altamirano, the City Council will receive a presentation on, and provide appropriate direction as deemed necessary with respect to, the Los Angeles County Sheriff's Department's Bristow Park Action Plan.

MOTION:

City Council discretion.

BACKGROUND:

Bristow Park in the City of Commerce has recently seen an increase in quality of life issues that have negatively impacted the overall enjoyment of Commerce residents who use the park. Additionally, park staff has observed disputes and disturbances among individuals and illegal activity such as the drinking of alcoholic beverages and marijuana use in and around the park.

ANALYSIS:

The Commerce Special Assignment team shall deploy several strategies to reduce criminal activity and improve the quality of the park experience for all Commerce residents, based on best practices available. The Bristow Park Action Plan will serve as a template to be used throughout the City in other community areas.

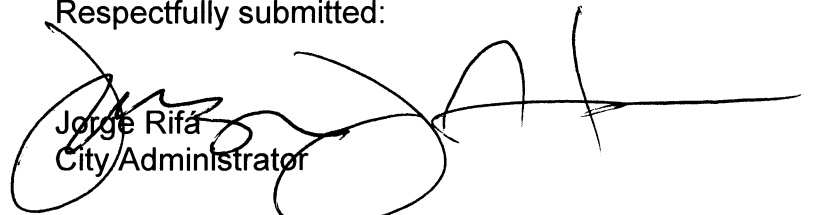
FISCAL IMPACT:

There is no fiscal impact associated with this agenda item report.

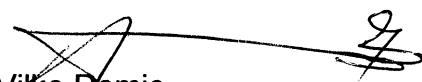
RELATIONSHIP TO 2012 STRATEGIC GOALS:

This agenda report before Council has no relation to a specific strategic objective; however, it is applicable to the following strategic goal: *Implement strategic communication plan for all key stakeholders.*

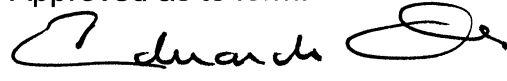
Respectfully submitted:


Jorge Rifa
City Administrator

Fiscal impact reviewed by:


Vitko Domic
Director

Approved as to form:


Eduardo Olivo
City Attorney

**CITY OF COMMERCE/LOS ANGELES COUNTY
SHERIFF'S DEPARTMENT**



BRISTOW PARK ACTION PLAN

**A PARTNERSHIP BETWEEN THE CITY OF COMMERCE AND
THEIR SHERIFF'S DEPARTMENT TO IMPROVE THE PARK
EXPERIENCE AT BRISTOW PARK**

INTRODUCTION

Bristow Park in the City of Commerce has recently seen an increase in quality of life issues that have negatively impacted the overall enjoyment of Commerce residents who use the park. Additionally, park staff has observed many family disturbances and illegal activity such as the drinking of alcoholic beverages and marijuana use in and around the park.

The Commerce Special Assignment team shall deploy several strategies to reduce criminal activity and improve the quality of the park experience for all Commerce residents. These strategies include, but are not limited to, additional patrol checks, black and white decoy vehicles, re-establishing a strong relationship/presence with park staff, special enforcement operations, identification and monitoring of individuals on parole/probation in and around the immediate residential community, identification and enforcement of transients in the area, and many other tactics will be deployed. The Commerce Special Assignment Deputies will seek input from valuable resources such as City Council Members, Community Leaders, Park Staff and Neighborhood Block Watch Residents in developing a successful strategy. Additional training of city staff and Sheriff's personnel shall be a part of this strategy. This action plan shall have a deployment period of one hundred eighty days.

BRISTOW PARK ACTION PLAN

Table of Contents

Introduction	I
Phase 1- Information Gathering	1
Phase II- Analysis	2
Phase III- Staff Training	3
Phase IV- Response/Enforcement	4
Phase V- Post Enforcement Analysis	5

PHASE 1

INFORMATION GATHERING/ANALYSIS

The Objective in Phase One is to gather as much information regarding the problems in the park as possible. This intelligence shall be accumulated by conferring with:

- City Council Members,
- Community Leaders
- Neighborhood Watch Groups
- Park Staff
- Information received from Patrol Deputies
- Probation and Parole Officers
- Complaints from the Community
- Crime Analysis
- Nearby Residents
- Surveys
- Community Service Officers
- Community Services Commission

PHASE 2
INFORMATION ANALYSIS

The objective in this phase is to identify the problems and issues facing Bristow Park and the Commerce Residents who use the park. A priority list shall be compiled with the information obtained in this phase.

PHASE 3
STAFF TRAINING

The objective in Phase 3 is to provide training to city staff and desk personnel.

Park Staff Training- Sheriff's Department Personnel shall provide crime prevention/reporting training at each Commerce City Park. Orientation on being a good witness, noting suspicious conduct/individuals, clothing description, vehicle description shall be a part of this training.

ELA Desk Training- Sheriff's Department Personnel shall provide training to desk personnel while receiving calls from the public at Commerce Parks and from Park Staff

PHASE 4
ENFORCEMENT

The phase four objective is the enforcement component of this plan. All types of enforcement efforts, traditional and innovative, shall be used. A variety of enforcement strategies that have been successful in the past may be used in this deployment.

PHASE 5

POST ENFORCEMENT ANALYSIS

The Commerce Special Assignment Team shall provide an after action report on this action plan after the one hundred eighty day deployment period.



AGENDA REPORT

MEETING DATE: November 19, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: APPOINTMENT OF COUNCIL REPRESENTATIVE FOR THE METRO EASTSIDE LIGHT RAIL EXTENSION PROJECT

RECOMMENDATION:

Councilmember Altamirano has requested that the City Council appoint him as the City's representative on the Metro Eastside Light Rail Extension Project in support of the Washington Boulevard Metro Light Rail Alternative Proposal.

MOTION:

Move to approve the recommendation.

BACKGROUND/ANALYSIS:

Previously Councilmembers Del Rio and Argumedo served as the City's representatives on this project. The City Council is asked to consider appointing Councilmember Altamirano to serve as the City's representative on the Metro Eastside Light Rail Project oversight. As the project moves forward, it is critical to have council representation and oversight to ensure the City has proper input during the project review and comment period.

In the spring of 2010, Metro began preparing the Draft Environmental Impact Statement/Environmental Impact Report (Draft EIS/EIR) for the Metro Eastside Light Rail Transit Corridor Phase 2 Project. This study evaluates the two build alternatives, State Route 60 Light Rail Transit (LRT) and Washington Boulevard LRT, along with the required No Build and Transportation System Management (TSM) alternatives. It is anticipated that the DEIR/DEIS will be released early Spring 2014.

The goal of the proposed study is to improve mobility in the corridor by connecting to communities farther east of Los Angeles. Communities in the project area include Commerce, Montebello, Monterey Park, Pico Rivera, Rosemead, Santa Fe Springs, South El Monte, Whittier and the unincorporated portions of Los Angeles County.

The SR-60 and Washington Boulevard proposed alternatives use the same light rail technology (LRT) as the Gold Line Eastside Extension Phase 1, allowing a seamless extension to cities east of the existing Pomona and Atlantic terminus. The DEIR/DEIS would include both alternative routes. The following is a detailed description of the two alternatives under consideration:

SR-60 LRT

This proposed alignment generally follows the southern edge of the SR-60 Freeway within the freeway right-of-way, on an elevated track crossing over freeway ramps, and terminates at Peck Rd in the City of South El Monte. The proposed station locations include:

- Garfield Avenue Station

- The Shops at Montebello
- Santa Anita Avenue Station
- Peck Road Station

Washington Boulevard LRT

This proposed alignment follows the SR-60 Freeway to Garfield Av, and then travels south to Washington Boulevard From there, the alignment continues east and terminates at Lambert Road in the City of Whittier. This alternative includes both at-grade and elevated sections of track. The proposed station locations include:

- Garfield Avenue Station
- Whittier Boulevard Station
- Greenwood Avenue Station
- Rosemead Boulevard Station
- Norwalk Avenue Station
- Lambert Road Station

The Cities or jurisdictions along the Washington Boulevard LRT include the County of Los Angeles, and City's of Commerce, Montebello, Pico Rivera, Santa Fe Springs and Whittier. Most of these cities have embraced this alignment and feel that a greater level of participation will be necessary over the next several months as the project DEIR/DEIS will released for public review and comment.

FISCAL IMPACT:

There is no fiscal impact associated with this agenda item report.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

This agenda report before is applicable to the following strategic goal: *Protect and Enhance Quality of Life in the City of Commerce*. Active City participation in regional projects of local significance is essential to protecting and enhancing the quality of life for all of our residents.

Recommended by:


Alex Hamilton
Assistant Director of Community Development

Respectfully submitted,


Jorge Rifá
City Administrator

Fiscal impact reviewed by:


Vilko Domic
Director of Finance

Approved as to form:


Eduardo Olivo
City Attorney



AGENDA REPORT

DATE: November 19, 2013

TO: HONORABLE CITY COUNCIL
FROM: CITY ADMINISTRATOR
SUBJECT: CONSIDERATION OF CAMPAIGN CONTRIBUTION LIMITATIONS
ESTABLISHED BY SECTION 2.10.045 OF THE COMMERCE
MUNICIPAL CODE

RECOMMENDATION:

None.

MOTION:

City Council discretion.

ANALYSIS:

Section 2.10.040 of the City of Commerce Municipal Code imposes campaign contribution limitations of one thousand dollars with respect to a single election in support of or opposition to a single candidate or measure, including contributions to all committees supporting or opposing such candidate or measure. Section 2.10.045, which was added in 2012, further provides that, notwithstanding the provisions set forth in Section 2.10.040, no person or councilmember shall solicit or accept, any contribution which will cause the total amount contributed by such person with respect to any calendar year at which said councilmember has not declared his or her candidacy, to exceed one thousand dollars. Mayor Pro Tem, Lilia Leon, has requested that the City Council reconsider the campaign contribution limitations imposed by Section 2.10.040 and provide appropriate direction in connection with such consideration.

FISCAL IMPACT:

There will be no fiscal impact as a result of the consideration of this item.

Approved as to form,

Eduardo Olivo
City Attorney

Respectfully submitted,

Jorge Rifa
City Administrator



AGENDA REPORT

DATE: November 19, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, AMENDING TITLE 19 ("ZONING") OF THE COMMERCE MUNICIPAL CODE BY ADDING CHAPTER 19.47 (HOUSING OPPORUTNITY OVERLAY); AMENDING CHAPTER 19.07 DIVISION 3 (DENSITY BONUSES); ADDING CHAPTER 19.07 DIVISION 4 (REASONABLE ACCOMMODATION); AMENDING TABLES 19.07.020A (PERMITTED AND CONDITIONAL USES-RESIDENTIAL ZONES) AND TABLE 19.11.030A (USES IN INDUSTRIAL DISTRICTS); ADDING CHAPTER 19.31 DIVISION 22 (EMERGENCY RESIDENTIAL SHELTERS AND TRANSITIONAL HOUSING); AMENDING SECTION 19.07.090 (SECOND UNITS); AND CHAPTER 19.45 (DEFINITIONS) – SECOND READING

RECOMMENDATION:

Approve and adopt the Ordinance and assign the number next in order.

MOTION:

- 1) Move to read the Ordinance by title only.
- 2) Move to approve and adopt the Ordinance and assign the number next in order.
- 3) Roll Call Vote

BACKGROUND:

The City of Commerce is in the process of updating its Housing Element for the 2014-2021 planning period. On May 23, 2013, a draft of the Housing Element was submitted to the Department of Housing and Community Development (HCD) for review. After discussions with HCD staff, additional revisions to the document were made. The document was sent back to HCD on July 11, 2013. On July 22, 2013, HCD issued a letter to the City finding that the Element meets the statutory requirements of State housing law with implementation of the programs (Housing Opportunity Overlay, Senate Bill 2 Compliance, etc) indentified in the document. These additional programs take the form of Zoning Ordinance Text Amendments and will be discussed in this staff report. Once these zoning matters are approved, the Element will fully comply with State law and the final document can be submitted to HCD.

ZONING ORDINANCE TEXT AMENDMENTS:

In order to gain compliance with HCD and State law, Zoning Ordinance text amendments are being proposed to address the following issues:

Housing Opportunity Overlay (HOO)

In order to accommodate the City 2014-2021 total RHNA allocation and AB 1233 carryover, the City has identified the Housing Opportunity Overlay area to facilitate and encourage the development of residential uses. Specific development standards were created for this area with the intent to facilitate the development of housing "by-right" on underutilized industrial sites. The HOO zone is intended to be applied to properties that are currently zoned Heavy Manufacturing (M-2) and permits discontinued manufacturing uses to recycle to residential development. The Overlay Zone is further intended to serve as an implementation tool of the Housing Element by facilitating residential development on identified "housing opportunity sites."

The HOO has the following major objectives:

1. Create “by-right” opportunities for residential development on underutilized manufacturing sites.
2. Implement state laws that require cities to demonstrate available land capacity and zoning tools to accommodate the City’s projected need for housing.
3. Provide a mix of housing types.
4. Facilitate well-designed new mixed-use development projects that combine residential and nonresidential uses (e.g., office, retail, business services, personal services, public spaces and uses, other community amenities, etc.) to promote a better balance of jobs and housing.
5. Stimulate economic development and reinvestment through regulations based upon recognized urban design principles that allow property owners to respond with flexibility to market forces;
6. Provide additional property rights while preserving existing property rights. This intent is achieved by providing additional development rights in compliance with this Chapter, which property owners may exercise under certain conditions, while retaining all development rights conferred by the underlying zone to property owners in the HOO zone. Incentives and advantages include allowing a greater range and mix of uses and specifying more permissive dimensional specifications (e.g., greater floor area ratio, lot coverage ratio, and height; reduced setbacks);

It is important to note that HOO is an overlay zone to be used only in conjunction with an underlying Heavy Manufacturing (M-2) zone. For property within the HOO zone, the newly created regulations would allow residential and mixed-use development as an alternative to the stand-alone industrial development allowed under the base (underlying) zone standard. The complete text of the HOO zone is attached to this staff report for review.

Density Bonus

In 2005, the State statute was modified, requiring density bonus law to give greater density bonuses for lower income housing. In compliance with State law, housing developments proposed within the City of Commerce are eligible for a 20% density bonus if 5% percent of the units are affordable to very low-income households or if 10% of the units are affordable to lower income households. Similarly, housing developments may qualify for a 5% density bonus if 10% of the units are affordable to moderate-income families.

To further facilitate the development of additional affordable units additional bonuses are granted according to a sliding scale. For example, an additional 2.5% density bonus is granted for each additional increase of 1% very low-income units, an additional 1.5% density bonus for each additional increase in lower income units, and an additional 1% density bonus for each 1% increase in moderate-income units. No total density bonus can be greater than 35% percent. The City evaluated its existing density bonus provisions as part of the Housing Element process. It was determined that revisions were necessary in order to conform to current State requirements. Therefore, revisions to the City’s density bonus standards have been proposed. The complete text of the proposed amendments is attached to this staff report for review.

Reasonable Accommodation

All cities must ensure that sufficient provisions are provided to facilitate a resident’s request for “reasonable accommodation.” This means that City Staff will ensure that the established development requirements do not place an undue burden on disabled persons living or moving into the City. For example, a household with a handicapped resident may require modifications to the housing unit to accommodate that individual. Typical modification

requests include the installation of wheel chair ramps (both interior and exterior), wider doorways, and installation of wheelchair elevators in units containing multiple-levels, and the installation of handrails and modified plumbing fixtures in bathrooms. In order to make specific housing available to an individual with a disability, any person may request a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice. In order to comply with provisions of California Government Code, an amendment to the City's Zoning Ordinance is proposed (the full text of which is attached).

SB 2 Compliance

Extremely low-income households and households with special needs have limited housing options in Commerce. Housing types appropriate for these groups include: emergency shelters, transitional housing, supportive housing, and single-room occupancy (SRO) units. To accommodate this population group the City is proposing an amendment to the Zoning Ordinance to allow emergency housing by right in the Heavy Industrial (M-2) zone. The M-2 zone was selected as it is the City's most prevalent land use and allows for a significant number of opportunities to facilitate the provision of emergency housing. Additionally, the City is proposing amended the language for the residential zones to permit transitional and supportive housing, including SRO units as a residential use, subject only to those regulations that apply to other residential uses within that zone. The full text of the proposed amendments is attached to this report.

Second Units

To comply with amendments made in 2002 to State Law §65852.2, the City is proposing amendments to the existing second unit standards contained in the CMC. The updated standards seek to increase the supply of smaller and affordable housing while ensuring that they remain compatible with the existing neighborhoods. A secondary housing unit means an additional dwelling unit constructed or adapted within, onto, or apart from an existing, or built concurrently with, a single-family dwelling in the Single Family Residential (R-1) District. The standards would not allow for more than one second unit on a lot, and set forth criteria for items such as unit size, parking, parking, and architectural treatment. The full text of the proposed amendment is attached to this report.

On October 23, 2013 the Planning Commission reviewed the subject Zoning Ordinance Text Amendments. At that time, the Commission unanimously recommended approval to the City Council. On November 5, 2013 the City Council conducted the required public hearing on this matter and approved the proposed Ordinance for first reading. The City Council is now being asked to consider the subject Ordinance for second reading and adoption.

FINDINGS:

Based on the results of the environmental assessment, the following mandatory findings of significance set forth in the CEQA Guidelines can be made:

- a) The Housing Element Update and the associated housing programs and policies do not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of major periods of California history or prehistory. The Housing Element Update is consistent with the City of Commerce's General Plan. The Housing Element Update itself does not approve specific developments or specific housing programs that outline a change in zoning; all future development and implementation of housing programs must be evaluated and potentially approved on a case-by-case basis. Subsequently, impacts associated with each potential development would be analyzed to ensure the preservation of the environment.

- b) The Housing Element Update is a policy document that sets forth housing programs to meet State requirements and regional housing needs and identifies sites suitable for future residential development. The programs outlined and the sites identified within the Housing Element Update would cumulatively increase residential development opportunities within the City during the 2014-2021 planning period. Overall, the long-term development of the housing opportunity areas are consistent with the growth projections identified in the General Plan; the anticipated additional units within the HOO have been evaluated in the General Plan EIR. Therefore, the proposed Housing Element Update would not result in new or additional cumulative impacts.
- c) The Housing Element Update and the housing programs and policies contained within that document would not cause substantial direct or indirect adverse environmental effects on human beings. The Housing Element Update is a policy document that does not approve specific residential development. Potential residential development would be evaluated on a case-by-case basis to ensure no substantial direct or indirect adverse environmental effects.

The Commerce Municipal Code Section 19.39.370 also requires that the City make the following findings:

1. **That the proposed amendment is in the public interest and that there will be a community benefit resulting from the amendment.** *The City of Commerce first initiated a comprehensive general plan update, including an update of the Housing Element, in the mid-1980s. This earlier Element was subsequently updated and adopted in January 2008 pursuant to the required updates by the HCD. The current Housing Element builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs. In addition, the current Element outlines those strategies and programs that will enable the City to meet its current Regional Housing Needs Assessment (RHNA). Finally, the document serves as a critical link between housing policy and the long-range land use plan that calls for continued infill housing development as well as new opportunities for housing in areas that were previously developed as commercial or industrial uses.*
2. **That the proposed amendment is consistent with the other goals, policies, and objectives of the general plan.** *The Elements that comprise the Commerce General Plan are required by State law to be internally consistent. Together these Elements provide the framework for the development of facilities, services, and land uses necessary to address the needs and desires of the City's residents. To ensure that these needs are clearly addressed throughout the General Plan, the Elements must be interrelated and interdependent.*

This Housing Element is most directly related to the Community Development Element, since the Community Development Element designates the location and extent of residential development throughout the City. With regard to the other General Plan Elements, the following findings of conformity may be made:

- *This Housing Element promotes the development of new housing in certain areas where housing does not presently exist. New housing is encouraged in the HOO. This Element does not involve any land use recommendations that are inconsistent with the Community Development Element or with the other General Plan Elements.*
- *This Housing Element does not promote or propose any land use changes requiring the instillation of any new streets or infrastructure not already anticipated in the General Plan.*
- *The focus of this Housing Element is to identify strategies that will be effective in conserving existing housing, while at the same time, to investigate opportunities to accommodate new infill residential development.*

3. **That the proposed amendment will not conflict with provisions of the zoning ordinance or subdivision regulations.** *Market and governmental factors pose constraints to the provision of adequate and affordable housing. These factors tend to disproportionately impact lower and moderate-income households due to their limited resources for absorbing the costs. The City is committed to removing governmental constraints that hinder the production of housing and offers a streamlined permitting process to facilitate efficient entitlement and building permit processing. In addition to existing development standards already in place, the City proposes revisions to the Zoning Ordinance to encourage housing opportunities for extremely low-income households and special needs persons. The proposed amendment would not conflict with any provisions of the zoning ordinance or subdivision regulations.*

4. **In the event that the proposed amendment is a change to the land use policy map, that the amendment will not adversely affect surrounding properties.** *The Housing Element update will not adversely affect surrounding properties as it does not call for any changes to the land use policy map. The last changes to the Land Use policy map were made in 2008 during the last comprehensive General Plan update. The subject update builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs.*

ENVIRONMENTAL ASSESSMENT:

Environmental review conducted pursuant to the California Environmental Quality Act (CEQA), indicated that the project will not have the potential to generate an impact which may be considered as a significant effect on the environment. Therefore, a Negative Declaration was prepared and is attached as an exhibit to this report.

FISCAL IMPACT:

None.

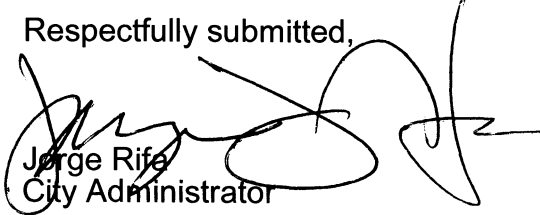
RELATIONSHIP TO 2009 STRATEGIC GOALS:

This agenda report relates to the 2009 strategic planning goal: "*Protect and Enhance the Quality of Life in the City of Commerce*".

Recommended by:


Alex Hamilton
Assistant Director of Development Services

Respectfully submitted,


Jorge Rife
City Administrator

Prepared by:


Matt Marquez
City Planner

Fiscal impact reviewed by:


Vilko Domic
Director of Finance

Approved as to form:


Eduardo Olivo
City Attorney

Attachments: 1) Proposed Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA AMENDING TITLE 19 ("ZONING") OF THE COMMERCE MUNICIPAL CODE BY ADDING CHAPTER 19.47 (HOUSING OPPORUTNITY OVERLAY); AMENDING CHPATER 19.07 DIVISION 3 (DENSITY BONUSES); ADDING CHAPTER 19.07 DIVISION 4 (REASONABLE ACCOMMODATION); AMENDING TABLES 19.07.020A (PERMITTED AND CONDITIONAL USES-RESIDENTIAL ZONES) AND TABLE 19.11.030A (USES IN INDUSTRIAL DISTRICTS); ADDING CHAPTER 19.31 DIVISION 22 (EMERGENCY RESIDENTIAL SHELTERS AND TRANSITIONAL HOUSING); AMENDING SECTION 19.07.090 (SECOND UNITS); AND CHAPTER 19.45 (DEFINITIONS)

WHEREAS, the State of California requires cities to maintain an updated General Plan including their Housing Elements; and

WHEREAS, the City has updated its Housing Element for the 2014-2021 planning period; and

WHEREAS, this update also requires that certain Chapters and Sections of the Commerce Municipal Code be amended to ensure consistency between the Zoning Ordinance and General Plan, as well as consistency with State law; and

WHEREAS, on October 23, 2013 the Planning Commission held a public hearing on the subject matter and recommended that the City Council adopt the subject Ordinance

WHEREAS, the City Council conducted a public hearing on the subject matter, has reviewed all facts concerning the subject matter, and has considered all evidence submitted at said public hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, DOES ORDAIN AS FOLLOWS;

SECTION 1: That the project qualifies for a Negative Declaration pursuant to the provisions of the California Environmental Quality Act (CEQA).

SECTION 2: Based on the results of the environmental assessment, the City Council reaches the following conclusions regarding the mandatory findings of significance set forth in the CEQA Guidelines:

- a) The Housing Element Update and the associated housing programs and policies do not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of major periods of California history or prehistory. The Housing Element Update is consistent with the City of Commerce's General Plan. The Housing Element Update itself does not approve specific developments or specific housing programs that outline a change in zoning; all future development and implementation of housing programs must be evaluated and potentially approved on a case-by-case basis. Subsequently, impacts associated with each potential development would be analyzed to ensure the preservation of the environment.
- b) The Housing Element Update is a policy document that sets forth housing programs to meet State requirements and regional housing needs as well as identifies sites suitable for future residential development. The programs outlined and the sites identified within the Housing Element Update would cumulatively increase residential development opportunities within the city during the 2014-2021 planning period. Overall, the long-term development of the housing

opportunity areas are consistent with the growth projections identified in the General Plan and the anticipation of the additional units within the HOO have been evaluated in the General Plan EIR. Therefore, the proposed Housing Element Update would not result in new or additional cumulative impacts.

- c) The Housing Element Update and the housing programs and policies contained within the document do not have environmental effect that would cause substantial direct or indirect adverse effects. The Housing Element Update is a policy document that does not approve specific residential development. Potential residential development would be evaluated on a case-by-case basis to ensure no substantial direct or indirect adverse environmental effects.

SECTION 3: Pursuant to Commerce Municipal Code Section 19.39.370 the City Council makes the following findings:

1. **That the proposed amendment is in the public interest and that there will be a community benefit resulting from the amendment.** *The City of Commerce first initiated a comprehensive general plan update, including an update of the Housing Element, in the mid-1980s. This earlier Element was subsequently updated and adopted in January 2008 pursuant to the required updates by the California Department of Housing and Community Development. The current Housing Element builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs. In addition, the current Element outlines those strategies and programs that will enable the City to meet its current Regional Housing Needs Assessment). Finally, the document serves as a critical link between housing policy and the long-range land use plan that calls for continued infill housing development as well as new opportunities for housing in areas that were previously developed as commercial or industrial uses.*
2. **That the proposed amendment is consistent with the other goals, policies, and objectives of the general plan.** *The Elements that comprise the Commerce General Plan are required by State law to be internally consistent. Together these Elements provide the framework for the development of facilities, services, and land uses necessary to address the needs and desires of the City's residents. To ensure that these needs are clearly addressed throughout the General Plan, the Elements must be interrelated and interdependent.*

This Housing Element is most directly related to the Community Development Element, since the Community Development Element that designates the location and extent of residential development throughout the City. With regard to the other General Plan Elements, the following findings of conformity may be made:

- *This Housing Element promotes the development of new housing in certain areas where housing does not presently exist. New housing is encouraged in the Housing Opportunity Overlay zone. This Element does not involve any land use recommendations that are inconsistent with the Community Development Element or with the other General Plan Elements.*
 - *This Housing Element does not promote or propose any land use changes requiring the instillation of any new streets or infrastructure not already anticipated in the General Plan.*
 - *The focus of this Housing Element is to identify strategies that will be effective in conserving existing housing, while at the same time, to investigate opportunities to accommodate new infill residential development.*
3. **That the proposed amendment will not conflict with provisions of the zoning ordinance or subdivision regulations.** *Market and governmental factors pose constraints to the provision of adequate and affordable housing. These factors tend to disproportionately impact lower and moderate-income*

households due to their limited resources for absorbing the costs. The City is committed to removing governmental constraints that hinder the production of housing and offers a streamlined permitting process to facilitate efficient entitlement and building permit processing. In addition to existing development standards already in place, the City proposes revisions to the Zoning Ordinance to encourage housing opportunities for extremely low-income households and special needs persons. The proposed amendment would not conflict with any provisions of the zoning ordinance or subdivision regulations.

4. **In the event that the proposed amendment is a change to the land use policy map, that the amendment will not adversely affect surrounding properties.** *The Housing Element update will not adversely affect surrounding properties as it does not call for any changes to the land use policy map. The last changes to the Land Use policy map were made in 2008 during the last comprehensive General Plan update. The subject update builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs*

SECTION 4: Title 19 (Zoning) of the Commerce Municipal Code is hereby amended to add Chapter 19.47 (Housing Opportunity Overlay Zone), as shown in Exhibit A which is attached hereto and incorporated herein by reference.

SECTION 5: Chapter 19.07 (Residential Zones) of the Commerce Municipal Code is hereby amended to rescind Sections 19.07.150 (Intent and Purpose), 19.07.160 (Minimum Requirements) and 19.07.170 (Affordability Controls) and add a new Division 3 (Density Bonuses), which includes Sections 19.07.150 to 19.07.290, as shown in Exhibit B which is attached hereto and incorporated herein by reference.

SECTION 6: Chapter 19.07 (Residential Zones) of the Commerce Municipal Code is hereby amended to add a new Division 4 (Reasonable Accommodation), as shown in Exhibit C which is attached hereto and incorporated herein by reference.

SECTION 7: Table 19.07.020A (Permitted and Conditional Uses – Residential Zones) of the Commerce Municipal Code is hereby amended to read as shown in Exhibit D which is attached hereto and incorporated herein by reference.

SECTION 8: Chapter 19.31 (Standards for Specific Land Use) of the Commerce Municipal Code is hereby amended to establish Division 22 (Emergency Residential Shelters and Transitional Housing), as shown in Exhibit E which is attached hereto and incorporated herein by reference.

SECTION 9: Section 19.07.090 (Second Units) of the Commerce Municipal Code is hereby amended in its entirety to read as shown in Exhibit F, which is attached hereto and incorporated herein by reference.

SECTION 10: Chapter 19.45 of the Commerce Municipal Code is hereby amended to read as shown in Exhibit G, which is attached hereto and incorporated herein by reference.

SECTION 11: If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remainder of the Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions may be declared invalid or unconstitutional.

SECTION 12: This Ordinance shall take effect on the thirty-first (31st) day after its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2013.

Joe Aguilar
Mayor

ATTEST:

Teresa Jackson, CMC
Interim City Clerk

EXHIBIT A

The Commerce Municipal Code is hereby amended adding Chapter 19.47 to read as follows:

CHAPTER 19.47 HOUSING OPPORTUNITY OVERLAY ZONE

- 19.47.010 Intent and purpose.
- 19.47.020 Applicability.
- 19.47.030 Use regulations.
- 19.47.040 Development standards.
- 19.47.050 Frontage type standards
- 19.47.060 Open space standards
- 19.47.070 Public space amenities requirements
- 19.47.080 Live-work development
- 19.47.090 Mixed use development
- 19.47.100 Outdoor dining
- 19.47.110 Signs
- 19.47.120 Driveways
- 19.47.130 Other applicable regulations.

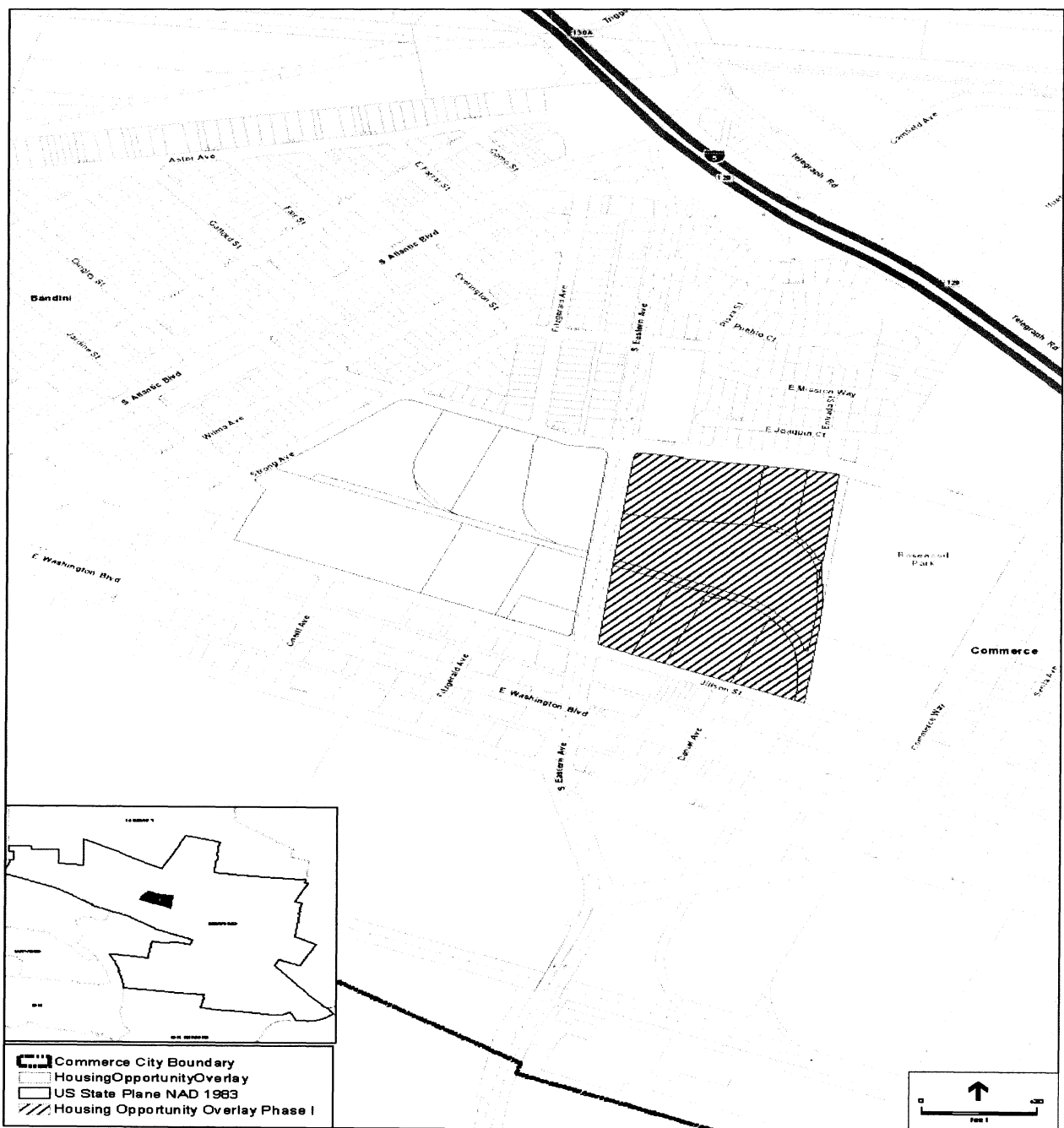
19.47.110 Intent and purpose.

- A. The Housing Opportunity Overlay zone (HOO) is established to facilitate the development of housing “by-right” on underutilized industrial sites. The HOO zone is intended to be applied to properties that are currently zoned Heavy Manufacturing (M-2) and permits discontinued manufacturing uses to recycle to residential development. The Overlay Zone is further intended to serve as an implementation tool of the City’s Housing Element of the General Plan by facilitating residential development on identified “housing opportunity sites.”
- B. The HOO has the following major objectives:
 - 1. Create “by-right” opportunities for residential development on underutilized manufacturing sites.
 - 2. Implement state laws that require cities to demonstrate available land capacity and zoning tools to accommodate the City’s projected need for housing.
 - 3. Provide a mix of housing types.
 - 4. Facilitate well-designed new mixed-use development projects that combine residential and nonresidential uses (e.g., office, retail, business services, personal services, public spaces and uses, other community amenities, etc.) to promote a better balance of jobs and housing.
 - 5. Stimulate economic development and reinvestment through regulations based upon recognized urban design principles that allow property owners to respond with flexibility to market forces;
 - 6. Provide additional property rights while preserving existing property rights. This intent is achieved by providing additional development rights in compliance with this Chapter, which property owners may exercise under certain conditions, while retaining all development rights conferred by the underlying zone to property owners in the HOO zone. Incentives and advantages include allowing a greater range and mix of uses and specifying more permissive dimensional specifications (e.g., greater floor area ratio, lot coverage ratio, and height; reduced setbacks; etc.).

19.47.020 Applicability.

- A. Application to Area. The HOO is an overlay zone to be used only in conjunction with an underlying Heavy Manufacturing (M-2) zone. The HOO area applies to approximately forty-four (44) acres within the Rosewood Planning Area and is generally bounded by Harbor Street on the north, the Jillson Street on the south, Strong Avenue on the west and with no formal boundary on the east (eastern boundary is the Commerce Civic Center, Aquatorium and Rosewood Park), as depicted in Figure 1.

FIGURE 1: HOUSING OPPORTUNITY OVERLAY ZONE



- B. Relationship between base zone standards and overlay zone standards. For property within the HOO zone, the regulations in this Chapter allow residential and mixed-use development as an alternative to the stand-alone industrial development allowed under the base (underlying) zone standard.
- C. Base zone standards.
 1. The provisions in this Chapter shall apply to all properties within the HOO zone, but the provisions do not supersede the underlying base zone provisions until a property is developed in compliance with the provisions of this Chapter.
New projects may be developed in compliance with the existing underlying base zone, provided that all standards and requirements of the underlying base zone are met.
 2. Regulations, development standards, and requirements in the underlying base zone shall continue to apply to those projects that are currently developed according to the existing standards.
 3. For legal non-conforming uses (i.e., uses that do not comply with the provisions of the base zone), the provisions in Chapter 19.37 (Nonconforming Uses and Structures) shall apply.
- D. Option to apply HOO zone standards. The owner or developer of any property within the HOO zone may choose to develop in compliance with the standards and procedures in this Chapter.
- E. Conversion of existing non-residential structures into a residential use may be permitted subject to a conditional use permit pursuant to Chapter 19.39, Division 7 (Conditional Use Permit).
- F. After completion of development. Once a property is developed in compliance with the provisions of this Chapter, the provisions of this Chapter completely supersede the provisions of the underlying base zone. Whenever the requirements of the HOO zone impose a more or less restrictive standard than the provisions of the underlying base zone, the requirements of the HOO zone shall govern.

19.47.030 Use regulations.

- A. All uses in the applicable underlying zone are allowed. In addition, Table 19.47.030A identifies the uses permitted in the HOO zone.
- B. Certain permitted uses and conditionally permitted uses may be subject to special conditions regarding location, operation or the design of the use. Such uses are marked in Table 19.47.030A with an asterisk (*), and the special conditions that apply are contained in Chapter 19.31 (Standards for Specific Land Uses) of this title.
- C. The "notes and exceptions" column of Table 19.47.030A indicates more precisely the use regulations for specific operating characteristics. The notes and exceptions must be reviewed in conjunction with the other information for that class of use.
- D. For uses or activities not specifically identified in Table 19.47.030A, the community development director shall have the authority to interpret and assign the use. The decision of the community development director can be appealed to the planning commission pursuant to Chapter 19.39, Division 4 (Appeals and Revocations) of this title.
- E. Any use or activity not identified in Table 19.47.030A, or any use or activity not interpreted by the community development director, shall be prohibited.

**Table 19.47.030A
Uses in Housing Opportunity Overlay Zone**

Use	HOO	*Notes and Exceptions
Accessory Buildings	A	
Child Care Center	P/C*	*See Chapter 19.31 Division 8
Care Facilities (<6 persons)	P	
Child Facilities (>6 persons)	C	
Clubs, Private and Fraternities/Sororities	X	
Community Gardens	C	
Dwelling, Multi-family Attached	P	Attached multifamily dwellings could be apartments, condominium or other attached multiple family dwellings.
Dwelling, Single-Family Attached	X	Attached single family dwellings could include attached townhomes, rowhouses, courtyard and/or cluster housing
Dwelling, Single-Family	X	
Dwelling, Single-Family; new construction and additions where the total floor area of all structures is greater than 2,300 square feet	X	
Emergency Shelters	X	
Greenhouses	A	
Home Occupations	P/C*	See Chapter 19.31 Division 13
Live/Work	P	See Section 19.47.080 for additional standards
Manufactured Housing	X	
Mobile Home Parks	X	

Use	HOO	*Notes and Exceptions
<p>Mixed-Use Development, where residential and non-residential uses are integrated vertically, including live/work opportunities. Non-residential uses in vertical mixed-use projects shall be limited to:</p> <ul style="list-style-type: none"> ▪ Health and Fitness Centers; ▪ Schools, Specialized Education and Training; ▪ Studios, Professional; ▪ Printing and Publishing; ▪ Studios – Art, Dance, Music, Photography, etc.; ▪ Retail Trade uses that can only include: <ul style="list-style-type: none"> ○ Appliance Sales ○ Arts, Antiques, Collectibles, and Gifts ○ Convenience Stores ○ Furniture and Furnishings ○ Grocery Stores ○ Pet Shops ○ Restaurants ○ Retail, General Merchandise ▪ Bank and Financial Services; ▪ Day Care Centers; ▪ Laundry and Dry Cleaning; ▪ Laundromats, Self Service; ▪ Offices; and 	P	Non-residential uses are permitted in vertical mixed-use projects and shall be restricted to the ground floor only.
Nursing/Rest Homes	C	
Parking Lots, Surface	P	
Parking Structure, Above Ground	P	Permitted if screened from views from public right-of-way and adjacent single-family residential districts
Public or Quasi-public uses of educational/recreational nature	X	
Public or Quasi-public use of religious, cultural public services nature	X	
Second Dwelling Unit	X	
Senior Housing	P	
Supportive Housing	P	
Swimming Pools, Private	A	
Transitional Housing	P	

NOTE: All uses are subject to performance standards as defined in Chapter 19.19

* = See "Notes and Exceptions" column.

P = Permitted by right.

X = Not permitted.

P/C = Either permitted by right or subject to conditional use permit review, depending upon criteria contained in Chapter 19.31

C = Conditional use permit required.

19.47.040 Development standards.

A. All development in the HOO zone shall conform to the development standards set forth in Table 19.47.040A.

**Table 19.47.040A
Development Standards—Housing Opportunity Overlay Zone (HOO)**

Development Standards	HOO	Notes
1. Maximum Density (residential uses)	40 du/ac	Maximum density for residential uses expressed as dwelling units per acre.
2. Maximum Intensity (nonresidential uses)	1.0 FAR	Maximum floor area ratio (FAR) for nonresidential uses. Podium and underground parking is not counted toward floor area ratio (FAR).
3. Minimum Lot Area	None Required	
4. Minimum Dwelling Unit Size	Studio: 500 sf 1-bdrm: 600 sf 2-bdrm: 800 sf 3-bdrm: 1,000 sf	
5. Maximum Building Height	5 Stories/60 ft	Height calculated from grade.
6. Distance Between Buildings (Minimum)	10 ft*	Increase of 5 ft. for every 10 ft. of height, or fraction thereof, above 25 ft.
7. Front Yard Setback	0 ft (min); 15 ft (max)	
8. Street Side Setback	0 ft (min); 15 ft (max)	
9. Interior Side Setback	5 ft (min); No max	Minimum 10 ft if abutting residential zone district
10. Rear Yard Setback	10 ft (min) for residential portion, no requirement for commercial portion	Minimum 10 ft if abutting residential zone district

Development Standards	HOO	Notes
11. Permitted Setback Encroachments	6 ft into setbacks	Balconies, awning, porches, stairways & similar elements may extend up to 6 ft. into the setback. Cornices, eaves, fireplaces, similar architectural features may extend 4 ft into the front & rear setbacks and 3 ft in interior setbacks.
12. Maximum Lot Coverage	None	
Landscape/Open Space Standards		
13. Publicly Accessible Open Space (nonresidential)	15% of net lot area	See Section 19.47.060 for additional standards
14. Private Open Space (multi-family residential)	1st floor-150 sf per unit Upper floor-100 sf per unit	See Section 19.47.060 for additional standards
15. Common Open Space (multi-family residential)	200 sq ft per unit	See Section 19.47.060 for additional standards
Parking Standards		
16. Surface Parking	20 ft min setback from front lot; 15 ft min setback from side lot line	
17. Garage / Tuck-Under Parking	Prohibited along front lot lines	
18. Underground / Podium Parking	Allowed beneath building footprint	
19. Above-Ground Parking Structure	Permitted if screened from views from public right-of-way and adjacent single-family residential districts	

Abbreviations: sf = square feet; ft. = feet or foot

19.47.050 Frontage type standards

- A. This section provides frontage type standards for buildings in the HOO zone. Types of frontages include:

1. Live-Work/Office Fronts: A frontage that reinforces both residential and work activities that can occur in the building. The elevation of the ground floor is located at or near the grade of sidewalk to provide direct public access to the building. Entrances and windows are provided on the front of the facade to provide eyes on the street and direct sidewalk access to commercial and office uses. The front setback (if provided) may be improved with landscaping or as an extension of the public sidewalk to create a more pedestrian-friendly environment.
 - a. Elevation of ground floor. The ground floor elevation shall be located near the elevation of the sidewalk to minimize the need for external steps and external ADA ramps at public entrances.
 - b. Minimum Ground Floor Interior Height. 12 feet minimum (floor-to-floor height - Commercial Ready).
 - c. Ground Floor Unit Entrances. All ground floor tenant spaces that have street frontage shall have entrances on a facade fronting a street. All other ground floor uses may have a common lobby entrance along the front facade or private entrances along other facades.
 - d. Upper Floor Unit Entrances. Entrances to upper floor units may be provided through a common lobby entrance and/or by a common entrance along a facade fronting a street.
 - e. Recessed Entrances. Entrances may be recessed into the facade.
 - f. Awnings and Marquees. Awnings or marquees may be provided over storefront windows and entrances. Awning and marquees may project up to 6 feet from the facade and extend over the sidewalk provided that at least 8 feet of vertical clearance is provided.
 - g. Projecting Elements (Balconies, Roof Overhangs, Shade Structures, and Bay Windows). Projecting Elements on upper floors may project 4 feet from the facade and project into the setback.
 - h. Sidewalk and Setback Treatment. The public sidewalk shall be improved with street trees with an average spacing of 30 feet on-center and pedestrian-scaled street lights (no taller than 14 feet). If the front facade is setback from the public sidewalk, the setback shall be landscaped and/or improved as an extension of the public sidewalk.
2. Residential Fronts: A frontage that reinforces the residential character and use of the building. The elevation of the ground floor is elevated above the grade of the lot to provide privacy for residences by preventing direct views into the home from the sidewalk. Entrances and windows are provided on the front of the facade to provide eyes on the street and direct sidewalk access to the building. Stoops are allowed to project into the front setback to enhance entrances. The front setback is primarily improved with landscaping.
 - a. Elevation of Ground Floor. The ground floor elevation shall be located within six feet of the ground surface of the adjacent sidewalk or walkway.
 - b. Minimum Ground Floor Ceiling Height. 10 feet minimum (floor-to-floor height).
 - c. Ground Floor Unit Entrances. Entrances to ground floor units that have street frontage may be provided through a common lobby entrance and/or by private entrances from the adjacent sidewalk.
 - d. Upper Floor Unit Entrances. Entrances to upper floor units may be provided through a common lobby entrance and/or by a common entrance along a facade fronting a street.

- e. Recessed Entrances. Entrances may be recessed into the façade.
 - f. Stoops and Front Porches. Stoops and front porches may be provided in front of building and unit entrances. Stoops and front porches may project up to 6 feet from the facade and project into the setback.
 - g. Projecting Elements (Balconies, Roof Overhangs, Shade Structures, and Bay Windows). Projecting Elements on upper floors may project 4 feet from the facade and project into the setback.
 - h. Sidewalk and Setback Treatment. The public sidewalk shall be improved with street trees with an average spacing of 30 feet on-center and pedestrian-scaled street lights (no taller than 14 feet). If the front facade is setback from the public sidewalk, the setback shall be landscaped (excluding stoops/front porches and paved paths to building entrances).
3. Storefronts: A frontage that reinforces the commercial character and use of the ground floor of the building. The elevation of the ground floor is located at or near the grade of sidewalk to provide direct public access into the building. Large storefront display windows are provided on the front of the facade to encourage visual access to merchandise displays and to encourage window shopping. Awnings or marquees are provided over storefront windows and entrances. The front setback (if provided) is primarily improved as an extension of the public sidewalk to create a more pedestrian-friendly environment.
- a. Elevation of Ground Floor. The ground floor elevation shall be located near the elevation of the sidewalk to minimize the need for external steps and external ADA ramps at public entrances.
 - b. Minimum Ground Floor Ceiling Height. 15 feet minimum (floor-to-floor height).
 - c. Storefront Entrances. All ground floor tenant spaces that have street frontage shall have storefront entrances on the facade fronting a street.
 - d. Lobby Entrances. Lobby entrances to upper floor uses shall be located on a facade fronting a street.
 - e. Recessed Entrances. Storefront and lobby entrances may be recessed into the facade.
 - f. Awnings and Marquees. Awnings or marquees are required over storefront windows and entrances. Awning and marquees may project up to 6 feet from the facade and extend over the sidewalk provided that at least 8 feet of vertical clearance is provided.
 - g. Projecting Elements (Balconies, Shade Structures, and Bay Windows). Projecting Elements on upper floors may project 4 feet from the facade and project into the setback.
 - h. Sidewalk and Setback Treatment. The public sidewalk shall be improved with street trees with an average spacing of 30 feet on-center and pedestrian-scaled street lights (no taller than 14 feet). If the front facade is setback from the public sidewalk, the setback shall be improved as an extension of the public sidewalk.

19.47.060 Open space standards

This Section provides open space standards for development within the HOO zone.

- A. Usable Open Space Defined. Usable open space areas are an open area or an indoor or outdoor recreational facility which is designed and intended to be used for outdoor living and/or recreation.

Usable open space shall not include any portion of parking areas, streets, driveways, sidewalks, or turnaround areas.

B. The following standards shall apply to the requirements for open space:

1. Private Residential Open Space

- a. For stand-alone multi-family residential projects or as part of a mixed-use development, each residential unit shall be provided with at least one area of private open space accessible directly from the living area of the unit, in the form of a fenced yard or patio, a deck or balcony at a minimum area of 150 square feet per unit for 1st floor units and 100 square feet per unit for upper floors.
- b. The minimum dimension, width or depth, of a balcony shall be 5 feet.

2. Common Residential Open Space

- a. For stand-alone multi-family residential developments, each residential unit shall be provided with at least 200 square feet of common residential open space.
- b. All common open space shall be conveniently located and accessible to all dwelling units on the site.
- c. Common open space areas may include landscaping, pedestrian paths, and recreational facilities.
- d. In projects containing fewer than ten units, the common open space shall have a minimum width and depth of 10 feet. In projects containing ten or more units, the minimum width and depth shall be 20 feet.

3. Recreational Amenities/Facilities

- a. For projects containing twenty-five or more residential units in stand-alone multi-family residential developments and as part of a mixed-use development, one common recreational amenity shall be provided for each thirty units or fraction thereof. The following listed amenities satisfy the above recreational facilities requirements. Recognizing that certain facilities serve more people than others, have a wider interest or appeal, and/or occupy more area, specified items may be counted as two amenities, as noted. In all cases, each square foot of land area devoted to a recreational amenity shall be credited as common open space on a 1:1 basis.

- i. Clubhouse (two)
- ii. Swimming Pool (two)
- iii. Tennis court (one per court)
- iv. Basketball court (one per court)
- v. Racquetball court (one per court)
- vi. Weightlifting facility
- vii. Children's playground equipment
- viii. Sauna
- ix. Jacuzzi
- x. Day Care facility (two)
- xi. Other recreational amenities deemed adequate by the Community Development Director.

19.47.070 Public space amenities requirements

- A. Each project proposed within the HOO zone must include a public open space amenity, or some form of physical interface for the pedestrian. Such features may include, but not be limited to:
1. **Formal Plazas.** A formal plaza would be a publicly accessible open space which has a design that is influenced by classical urban planning design. A formal plaza would typically include some sort of central water fountain and/or symmetrical landscaping.
 2. **Urban Gardens.** An urban garden can be located on the ground level, or on upper levels of a structure. Urban gardens include ornamental landscaping arranged in raised or at-grade planters or planting areas, potted plants and trees. Many times there are sculptures or other forms of public art that are included within the urban garden.
 3. **Covered Colonnades.** Colonnades are linear in design and generous in depth. The intent is to provide a comfortably wide, covered pathway that is adjacent to the openings of a building. Sometimes the second floor of a building is utilized to create the "covered" element of the colonnade.
 4. **Sidewalk Dining.** Sidewalk dining may occur wherever a sidewalk space is ample enough to accommodate dining furniture without impeding pedestrian access of the sidewalk. Sidewalk dining may be defined with a railing or planters, or be open and accessible.
 5. **Pedestrian Alleys and Walkways.** A pedestrian alley or walkway is typically a "lane" that does not follow the alignment of a vehicular street, but provides a pedestrian access to either a public space or some other feature within the interior of a development. Pedestrian alleys or walkways must be designed in such a manner so as to be inviting to pedestrians. Therefore, issues such as lighting, security, line of sight, cleanliness and visual appeal are important considerations to a well designed pedestrian alley or walkway. Sometimes public art, street furniture and access to shops and public spaces are features of pedestrian alleys and walkways.

Chapter 19.47.080 Live-work development

This Section provides operational and compatibility standards for the development of live/work units within the HOO.

- A. **Allowed Uses.**
1. The nonresidential component of a live/work unit shall only be a nonresidential use allowed within the HOO zone, except that certain uses are determined to be not appropriate within a residential environment and are therefore prohibited as provided in subsection B, below.
 2. The residential component of a live/work unit shall only be a residential use allowed within the HOO zone.
- B. **Prohibited Uses.**
1. A live/work unit shall not be used for any of the following activities or similar activities as determined by the Director:
 - a. Adult-oriented businesses;
 - b. Animal care or boarding;

- c. Classroom instruction (e.g., art/music lessons, tutoring, and similar uses) involving five or more students at any one time;
 - d. Commercial food preparation activities;
 - e. Industrial uses;
 - f. Vehicle maintenance or repair (i.e., body or mechanical work, including boats and recreational vehicles), vehicle detailing and painting, upholstery, etc.;
 - g. Storage of flammable liquids or hazardous materials beyond that normally associated with a residential use;
 - h. Medical and dental offices, clinics, and laboratories (not including chiropractors or counselors/psychotherapists).
- 2. Activities or uses that are not compatible with residential activities or that would clearly conflict with other live/work activities or the character of the surrounding neighborhood as determined by the Director; and
 - 3. Activities or uses that would adversely affect the health or safety of live/work unit residents, because of dust, glare, heat, noise, noxious gases, odor, smoke, traffic, vibration, or other impacts, or that would be hazardous because of materials, processes, products, or wastes.

C. Site Planning and Design Standards.

- 1. Each live/work unit fronting a public right-of-way shall have a pedestrian-oriented frontage that allows views into the interior of the nonresidential areas of the unit.
- 2. Each live/work unit shall have a clearly identified, separate access from other live/work units within the structure or development. Access to individual units shall be from common access areas, parking lots, or walkways. Access to each unit shall be clearly identified to provide for emergency services.
- 3. The living space within the live/work unit shall be contiguous with the working space, with direct access between the two areas.

D. Operational standards.

- 1. No portion of a live/work unit shall be separately sold or rented.
- 2. The owner or developer of a structure containing live/work units shall provide written notice to all occupants, tenants, and users that the surrounding area may be subject to higher impacts associated with nonresidential uses (e.g., noise) than exist in more predominantly residential areas. Performance standards for live/work units shall be those applicable to nonresidential uses allowed in the zone in which the live/work units are located.
- 3. All activities related to the "work" component of a live/work unit shall be conducted within a completely enclosed building.
- 4. Up to two additional persons who do not reside in the live/work unit may work in the unit.
- 5. Client and customer visits to live/work units are allowed.
- 6. Parking for each live/work unit shall be provided in compliance with Chapter 19.21 (Off-Street Parking Requirements).

7. A live/work unit shall not be converted to either entirely residential use or entirely nonresidential use.
8. A live/work use may display a window or building-mounted sign up to a maximum of five percent of the building frontage area used for commercial purposes. Signs shall not be illuminated, including neon signs.

Chapter 19.47.090 Mixed-use development

This Section provides operational and compatibility standards for mixed-use development within the HOO zone. Non-residential uses are restricted to the ground floor only.

A. Operational standards.

1. Joint tenants and owners association.
 - a. A joint tenants and owners association shall be formed to ensure the well-being of each tenant and owner in a mixed-use project.
 - b. The association bylaws, including voting rights, shall be subject to review by the City Attorney and approval by the Director. The association's bylaws shall include the following:
 - i. Assignment of parking spaces per each use.
 - ii. Identification of maintenance responsibilities for landscaping, parking facilities, and recycling and refuse storage facilities.
Noise notification procedures.
 - iii. Relationship between uses regarding association representation
 - iv. Voting procedures.
 - v. Procedures for solving problems that may arise between the different types of uses or residents.
 2. Loading and unloading activities. Where applicable, the covenants, conditions, and restrictions of a mixed-use project shall indicate the times when the loading and unloading of goods may occur on the street, provided that in no event shall loading or unloading take place after 10:00 p.m. or before 7:00 a.m. on any day of the week.
 3. Noise notification.
 - a. Residents, whether owners or tenants, of a mixed-use development project shall be notified in writing before taking up residence that they will be living in an urban type of environment and that the noise levels may be higher than a typical residential area.
 - b. The covenants, conditions, and restrictions of a mixed-use project shall require that the residents acknowledge their receipt of the written noise notification. Their signatures shall confirm receipt and understanding of this information
- B. Fences and walls.** In addition to the regulations in Table 19.090.60 (Fences, hedges, and walls, Commercial Zone), fences and walls shall be subject to the following regulations:
1. Separation wall required. A masonry separation wall shall be constructed on all property lines adjacent to any single-family residential district. Pedestrian access points are encouraged and may be allowed subject to approval of the Director. The separation wall shall be 6 feet in height, as measured from the highest elevation of land contiguous to the wall, except in a required front

setback area and in a required exterior side setback area for a corner, reverse corner or key lot, where the wall shall be limited to 36 inches in height.

2. Other fences and walls. Fences and walls are allowed in any yard area subject to the following height regulations:
 - a. Front yard area. In the front yard area, the height shall be limited to 36 inches.
 - b. Street side yard. In street side yard areas, the height shall be limited to 36 inches.
 - c. All other areas. In all other areas, the height shall be limited to 6 feet, as measured from the side of the fence or wall with the highest grade.
3. Location. All perimeter fences and walls shall be constructed on the property line unless a different location is permitted by the Community Development Director. No parallel wall or fence shall be constructed less than 5 feet from an existing wall or fence, unless approved by the Community Development Director.
4. Materials.
 - a. Chain link fencing shall not be erected between a primary or accessory structure and a public or private street, except that chain link fencing may be used for security purposes for public utility structures and for temporary fencing needs (construction sites, special events, vacant lots, etc.).
 - b. Barbed wire and concertina wire are prohibited, except at public utility structures
- C. Landscaping. Landscaping shall comply with Section 19.23 (Landscaping).
- D. Screening and buffering – Mechanical equipment and trash facilities. Mechanical and air-conditioning equipment shall be screened and buffered in compliance with Section 19.19.100 (Mechanical equipment screening) and trash facilities shall be screened and buffered in compliance with Section 19.19.04040 (Solid waste receptacles and enclosures)
- E. Signs. Signs shall comply with Section 19.25 (Signs). In addition, in the HOO zone where both residential and nonresidential uses are allowed, the signage rights and responsibilities applicable to a particular use shall be determined as follows: residential uses shall be treated as if they were located in the residential area where that type of use would be allowed as a matter of right, and nonresidential uses shall be treated as if they were located in a zone where that particular use would be allowed, either as a matter of right or subject to a discretionary process.
- F. Sound mitigation. Residential dwelling units shall be designed to be sound attenuated against present and future project noise. New projects or new nonresidential uses in existing projects shall provide an acoustical analysis report, by an acoustical engineer, describing the acoustical design features of the structure required to satisfy the exterior and interior noise standards.
- G. Design criteria.
 1. A mixed-use development project shall be designed and constructed to:
 - a. Be pedestrian in its focus by:
 - i. Providing direct pedestrian linkages to adjacent public sidewalks.
 - ii. Creating enhanced pedestrian connections throughout the project between residential and nonresidential uses and parking areas.

- iii. Providing enhanced pedestrian amenities throughout the project, including seating, pedestrian area lighting, special paving, public art, water features, common open space, directories, and similar items to create a pleasant pedestrian experience.
 - b. Incorporating architectural design elements and materials that relate to a pedestrian scale.
 - c. Locate uses in proximity to one another without large intervening parking lots so that it is convenient for people to walk between the various uses and park their vehicles only once.
 - d. Create a pedestrian scale and character of development along the street by providing significant wall articulation and varying roof heights, incorporating pedestrian scale elements (e.g., doors, windows, lighting, landscaping), and locating storefronts and common open space areas (e.g., plaza, courtyard, outdoor dining) near the public sidewalk to contribute to an active street environment.
- 2. Consistent use of architectural details and materials. Architectural style and use of quality materials shall be compatible and consistent throughout an entire mixed-use project. However, differences in architectural details and materials may occur to differentiate between the residential and nonresidential portions of the project. The overall project design and site layout shall be one that promotes a strong pedestrian environment and active street frontage. This can be accomplished by incorporating features into the project as outlined in Paragraph 3, below.
- 2. Features.
 - a. Street level features. Variations in the front building plane shall be incorporated through the use of varying building setbacks, variations in wall planes, and the inclusion of pedestrian amenities (e.g., plaza, courtyard, outdoor dining, landscaping). Long expanses of blank walls shall be prohibited.
 - b. Pedestrian-oriented features. At least 75 percent of the building frontage facing a public street, primary pedestrian way, or parking lot shall be devoted to pedestrian-oriented features (e.g., storefronts, pedestrian entrances to nonresidential uses; transparent display windows; landscaping).
 - c. Upper level features. Upper floor balconies, bays, and windows shall be provided whenever opportunities exist for these types of features.
 - d. Entrances. When nonresidential and residential uses are located in a vertical mixed use structure, separate pedestrian entrances shall be provided for each use. The entrances for nonresidential uses shall be designed to be visually distinct from the entrances for residential uses. Entrances to individual residential units in a vertical mixed use project shall not be allowed along a street frontage. Instead shared entrances to residential units located above the ground floor shall be from lobbies that serve multiple units.
 - e. Neighborhood interface. The design of new infill development shall be sensitive to the scale and design characteristics of established structures in abutting residential neighborhoods, with the objective of achieving a harmonious transition between the new development and existing neighborhood. Consideration shall be given to factors including, but not limited to, orientation of architectural features, building articulation, and exterior building treatments.
 - f. Lighting. Lighting shall be incorporated along sidewalks or other pedestrian walkways, plazas, paseos, courtyards, and other common open areas to enhance the pedestrian

environment and increase public safety. Lighting for nonresidential uses shall be designed, located, and shielded to ensure that they do not adversely impact the residential uses, but shall provide sufficient illumination for access and security purposes consistent with the provisions of Section 19.19.130 (Lighting).

- g. Security. Projects shall be designed to minimize security risks to residents and to minimize the opportunities for vandalism and theft. This may be accomplished by:
 - i. Maximizing visibility to common open space areas, internal walkways, and public sidewalks. Use opportunities for natural surveillance to increase visibility.
 - ii. Using walkways, low fences, lighting, signage, and landscaping to clearly guide people and vehicles to and from the proper entrances.
 - iii. Eliminating areas of concealment, hiding places, and dead spaces.
 - iv. Using lighting to improve the visibility of common areas while enhancing the pedestrian environment. Lighting should not be overly bright and should provide a uniform level of light over the subject area to eliminate dark spaces.

19.47.100 Outdoor Dining

This Section provides standards for outdoor dining areas within the HOO zone. Outdoor dining restricted is restricted to the ground floor only.

- A. Public property. Outdoor dining on public property shall require approval of an encroachment permit by the Public Works Director and compliance with the standards of the Public Works Department.
- B. Private property. Outdoor dining on private property shall comply with the following standards:
 - 1. Coordinated design scheme. The design and appearance of proposed improvements or furniture (e.g., tables, chairs, benches, umbrellas, planters, menu boards, etc.) to be placed in an outdoor dining area shall present a coordinated theme and shall be compatible with the appearance and design of the primary structure, as determined by the Director.
 - 2. Hours of operation. Hours of operation for outdoor dining areas shall coincide with those of the associated indoor restaurant.
 - 3. Property maintenance. The operator shall maintain the outdoor dining area(s) in a neat, clean, and orderly condition at all times. This shall include all tables, benches, chairs, displays, or other related furniture. An adequate number of trash receptacles shall be provided to serve the outdoor dining area.
 - 4. Outdoor bar prohibited. A bar designed and/or operated to sell or dispense any alcoholic beverages shall not be allowed in the outside dining area.
 - 5. Location. Outdoor dining areas may be allowed to locate in required setback areas but shall not encroach into required parking areas. They may be allowed to encroach into a public right-of-way with an approved Encroachment Permit issued by the City Engineer.
 - 6. Noise. Amplified sound (e.g., music, television, etc.) shall not be audible beyond the lot line.
- C. Review criteria. When reviewing an application to allow outdoor dining, the review authority shall consider the relation of outdoor dining areas to sensitive noise receptors (e.g., hospitals, schools, and residential uses). Mitigation measures shall be applied to eliminate potential impacts related to glare, light, loitering, and noise.

19.47.110 Driveway standards

This Section will include standards for the design (width, pavement, fire access requirements, etc.) and placement (distance from intersections, line of sight standards, etc.) of driveways within the HOO zone.

- A. Access. Driveway access to a lot may be provided from a street or an adjacent property (if a shared access easement is provided). Driveways are encouraged to connect to other driveways to increase accessibility.
- B. Location. Driveway access points are prohibited within 50 feet of street intersections. A minimum of 300 ft. between driveways shall be maintained.

19.47.120 Signs

- A. Signage. All development within the HOO zone shall have a "sign program" as part of the project design. The sign program shall identify the location for all signage that may be located on the building, the allowable sign materials, lighting methods and sign design. In addition, temporary signs and banners will be included in the sign program, as to whether or not they are allowed, and if they are allowed, then where these signs may be located within the development project. At no time, shall the sign program allow for signage in excess of those standards within Section 19.25 (Signs). "Box" signs, "canister" or "can" signs are prohibited.
- B. Pedestrian-oriented, non-illuminated hanging "blade" signs that either hang under a colonnade or canopy, or project from the façade of a building, shall not be counted within the sign area formula that is used to calculate the maximum amount of sign area for each building. In other words, the hanging or projecting blade sign is a "free" sign in regards to being included in calculating the maximum amount of sign area that a development or store may have. In no case, shall a pedestrian-oriented, non-illuminated hanging or projecting blade sign exceed two (2) square feet maximum per sign face, or two (2) square feet for a double-faced blade sign.

19.47.130 Other applicable regulations.

In addition to the requirements contained in this Chapter 19.47, regulations contained in the following chapters of this Title 19 shall apply to development in the manufacturing zones:

- Chapter 19.01: General Provisions
- Chapter 19.19: Site Planning and General Development Standards
- Chapter 19.21: Off-Street Parking and Loading
- Chapter 19.23: Landscaping Standards
- Chapter 19.25: Signs
- Chapter 19.31: Standards for Specific Land Uses
- Chapter 19.37: Nonconforming Uses and Structures

EXHIBIT B

The Commerce Municipal Code is hereby amended, rescinding the existing Sections 19.07.150 to 19.07.170 and introducing a new Division 3, including Sections 19.07.150 to 19.07.290 to read as follows:

DIVISION 3. DENSITY BONUSES

19.07.150	Intent and Purpose.
19.07.160	Definitions
19.07.170	Types of Bonuses and Incentives Allowed.
19.07.180	Additional Density Bonus for Donations of Land.
19.07.190	Condominium Conversions.
19.07.200	Childcare Facilities.
19.07.210	General Provisions Governing Density Bonus Calculations.
19.07.220	Incentives and Concessions for Affordable Housing.
19.07.230	Waivers and Modifications of Development Standards.
19.07.240	Parking Incentives.
19.07.250	Standards for Density Bonus Housing Developments.
19.07.260	Application Requirements.
19.07.270	Application Review.
19.07.280	Developer Affordable Housing Agreement.
19.07.290	Reserved.

19.07.150 Intent and purpose.

This article is being enacted: a) to provide incentives for the production of housing for very low income, low income, moderate income and senior citizen households; b) to provide incentives for the creation of rental housing serving lower and moderate income households; c) to provide incentives for the construction of childcare facilities serving very low, lower and moderate income households; and d) to implement sections 65915, 65915.5, and 65917 of the California Government Code as required by section 65915(a). In enacting this article, the city also intends to implement the goals, objectives, and policies of the city's general plan housing element to encourage the construction of affordable housing in the city. It is also the city's intent to encourage the development of rental housing to serve an economically diverse community. Accordingly, the city desires to provide a density bonus upon the request of an applicant when the applicant includes affordable or senior citizen restricted units in a project. This article implements the laws for density bonuses and other incentive and concessions available to qualified applicants under Government Code sections 65915 through 65918. In the event these Government Code sections are amended, those amended provisions shall be incorporated into this article as if fully set forth herein.

(Ord. 544 § 1(part), 2000).

19.07.160 Definitions.

For purposes of this Article, the following definitions shall apply. Unless specifically defined below, words or phrases shall be interpreted as to give this Article its most reasonable interpretation.

"AFFORDABLE OWNERSHIP COSTS" means average annual housing costs, including mortgage payments, property taxes, homeowners insurance, and homeowners' association dues, if any, which do not exceed the following:

Very low income households: 50% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

Lower income households: 70% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

Moderate income households: 110% of area median income, adjusted for assumed household size based on unit size, multiplied by 35%.

"AFFORDABLE RENT" means annual rent, including utilities and all fees for housing services, which does not exceed the following:

Very low income households: 50% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

Lower income households: 60% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

"AFFORDABLE UNITS" are dwelling units which are affordable to very low, lower, or moderate income households as defined by this Article or by any federal or state housing program and are subject to rental, sale, or resale restrictions to maintain affordability.

"APPLICANT" means a developer or applicant for a density bonus who seeks and agrees to construct a qualified housing development on or after the effective date of this Article pursuant to Section 65915, subdivision (b), of the California Government Code.

"AREA MEDIAN INCOME" means area median income for Los Angeles County as published by the State of California pursuant to California Code of Regulations, Title 25, Section 6932, or a successor provision.

"ASSUMED HOUSEHOLD SIZE BASED ON UNIT SIZE" means a household of one person in a studio apartment, two persons in a one bedroom unit, three persons in a two bedroom unit, and one additional person for each additional bedroom thereafter.

"CHILD CARE FACILITY" means a child day care facility other than a family daycare home including, but not limited to, infant centers, preschools, extended day care facilities, and school age child care centers.

"COMMON INTEREST DEVELOPMENT" bears (the same meaning as defined in Section 1351 of the California Civil Code.

"DENSITY BONUS" means a density increase over the otherwise allowable zoning maximum residential density on a site as of the date of application by the applicant to the city, granted pursuant to Section 19.07.170.

"DENSITY BONUS UNITS" means dwelling units granted pursuant to this Section 19.07.170 which exceed the otherwise allowable zoning maximum residential density for a housing development.

"HOUSEHOLD INCOME" means the combined adjusted gross household income for all adult persons living in a dwelling unit as calculated for the purpose of the Section 8 program under the United States Housing Act of 1937, as amended, or its successor provision.

"VERY LOW INCOME HOUSEHOLD" shall have the same meaning as provided in California Health & Safety Code Section 50105.

"LOWER INCOME HOUSEHOLD" shall have the same meaning as provided in California Health & Safety Code Section 50079.5.

"MODERATE INCOME HOUSEHOLD" shall have the same meaning as provided in California Health & Safety Code Section 50093.

"HOUSING DEVELOPMENT," means one or more groups of projects for dwelling units in the planned development of the city. "Housing development" also includes a subdivision or common interest development, as defined in Section 1351 of the California Civil Code, approved by the city and consisting of dwelling units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of Section 65863.4 of the California Government Code, where the result of the rehabilitation would be a net increase in available dwelling units. For the purpose of calculating a density bonus, the dwelling units shall be on contiguous sites that are the subject of one development application, but do not have to be based upon individual subdivision maps or parcels.

"INCENTIVES AND CONCESSIONS" are regulatory concessions as listed in Section 19.07.220 of this Article.

"MARKET-RATE UNIT" means a dwelling unit which is not an affordable unit or an inclusionary unit.

"MAXIMUM RESIDENTIAL DENSITY" means the maximum number of dwelling units permitted by the zoning ordinance and community development element of the general plan or, if a range of density is permitted, means the maximum allowable density for the specific zoning range and community development element of the general plan applicable to the project. Where the density allowed under the zoning ordinance is inconsistent with the density allowed under the community development element of the general plan, the general plan density shall prevail. The maximum allowable density is based on the date an application for a housing development is deemed complete. This definition is used to calculate a density bonus pursuant to this Article.

"SENIOR CITIZEN HOUSING DEVELOPMENT" means senior citizen housing as defined in Section 51.3 of the California Civil Code (a housing development developed, substantially rehabilitated, or substantially renovated for senior citizens that has at least 35 dwelling units) and Section 51.12 of the California Civil Code, or a mobile home park that limits residency based on age requirements for housing for older persons pursuant to Section 798.76 or 799.5 of the California Civil Code.

"SPECIFIC ADVERSE IMPACT" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application for the housing development was deemed complete. Mere inconsistency with the zoning ordinance or general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.

19.07.170 Types of Bonuses and Incentives Allowed.

- A. Very Low And Lower Income Housing And Senior Citizen Housing:** Upon written request to the city, an applicant for a housing development is eligible for one density bonus of twenty percent (20%) over the maximum residential density (except in the case of senior citizen housing, as provided

below), provided that the applicant agrees to construct the housing development in accordance with one of the following criteria:

1. **Very Low Income Households:** Five percent (5%) of the total dwelling units, excluding any units permitted by the density bonus, are provided at affordable rent or ownership costs to very low income households; or
2. **Lower Income Households:** Ten percent (10%) of the total dwelling units, excluding any units permitted by the density bonus, are provided at affordable rent or ownership costs to lower income households; or
3. **Senior Citizen Housing Development:** For senior citizen housing developments, the density bonus shall be twenty percent (20%) of the number of senior housing units provided.

B. Moderate Income Housing: Upon written request to the city, an applicant for a housing development is eligible for one density bonus of five percent (5%) over the maximum residential density if the applicant agrees to construct the housing development in accordance with all of the following criteria:

1. At least ten percent (10%) of the total dwelling units, excluding any units permitted by the density bonus, are provided at affordable ownership costs to moderate income households; and
2. The housing development is a common interest project as defined by section 1351 of the California Civil Code; and
3. All of the dwelling units in the housing development are offered for sale to the public.

C. Higher Density Bonus For Greater Contribution Of Affordable Units: Upon written request to the city, an applicant for a housing development that is eligible for a density bonus based upon the contribution of affordable units, may receive a higher amount of density bonus if the percentage of very low, lower, and moderate income housing units exceeds the base percentage established in subsection A or B of this section, as follows:

1. **Very Low Income Units:** For each one percent (1%) increase above five percent (5%) in affordable units for very low income households, the density bonus shall be increased by two and one-half percent (2.5%) up to a maximum of thirty five percent (35%), as follows:

Percentage of Very Low Income Units	Percentage of Density Bonus
5	20
6	22.5
7	25
8	27.5
9	30
10	32.5
11	35

2. **Lower Income Units.** For each one percent (1%) increase above ten percent (10%) in the affordable units for lower income households, the density bonus shall be increased by one and one-half percent (1.5%) up to a maximum of thirty-five percent (35%), as shown in Table 2:

Percentage of Very Low Income Units	Percentage of Density Bonus
10	20
11	21.5
12	23
13	24.5
14	26
15	27.5
16	29
17	30.5
18	32
19	33.5
20	35

3. **Moderate Income Units.** For each one percent (1%) increase above ten percent (10%) in affordable units offered for sale to moderate income households, the density bonus shall be increased by one percent (1%) up to maximum thirty-five percent (35%), as shown in Table 3:

Percentage of Very Low Income Units	Percentage of Density Bonus
10	5
11	6
12	7
13	8
14	9
15	10
16	11
17	12
18	13
19	14
20	15
21	16
22	17
23	18
24	19
25	20
26	21
27	22
28	23
29	24
30	25

31	26
32	27
33	28
34	29
35	30
36	31
37	32
38	33
39	34
40	35

D. Continued Affordability: Affordable units qualifying a housing development for a density bonus shall remain affordable as follows:

1. Very low income and low income household units shall remain affordable to the designated income group for a minimum of thirty (30) years, or for a longer period of time if required by any construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program applicable to the dwelling units.
2. Moderate income household units shall remain affordable for a minimum of thirty (30) years, or for a longer period of time if required by any construction or mortgage financing assistance program, mortgage insurance program applicable to the dwelling units.
3. Notwithstanding the foregoing, very low, low, and moderate income units in housing developments qualified for a density bonus that are located in or found by the redevelopment agency to benefit a redevelopment project area shall remain at an affordable level for a period of not less than forty five (45) years for owner occupied units, and not less than fifty five (55) years for rental units, in accordance with applicable provisions of the California community redevelopment law (Health and Safety Code section 33000 et seq.). Upon resale, the city shall enforce an equity sharing agreement, unless it is in conflict with the requirements of another public funding source or law. The equity sharing agreement shall include the following provisions:
 - a. Upon resale, the seller of the unit shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation. The city shall recapture any initial subsidy as defined in subsection D3b of this section, and its proportionate share of appreciation, as defined in subsection D3c of this section, which amount shall be used within five (5) years for any of the purposes described in Health and Safety Code section 33334.2(e).
 - b. The city's initial subsidy shall be equal to the fair market value of the home at the time of the initial sale minus the initial sale price to the moderate income household, plus the amount of any down payment assistance or mortgage assistance. If upon resale the market value is lower than the initial market value, then the value at the time of the resale shall be used as the initial market value.
 - c. The city's proportionate share of appreciation shall be equal to the ratio of the city's initial subsidy to the fair market value of the home at the time of initial sale.

E. Specification of Basis for Density Bonus: Each applicant who requests a density bonus pursuant to this section, shall elect whether the bonus will be awarded on the basis of subsection A1, A2, A3 or B of this section. Each housing development is entitled to only one density bonus, which may be selected based on the percentage of either very low income affordable housing units, lower income affordable housing units or moderate income affordable housing units, or the development's status as a senior citizen housing development. Density bonuses from more than one of these categories may not be combined.

19.07.180 Additional Density Bonus for Donations of Land.

A. Land Suitability: Upon written request, when an applicant for a tentative map, subdivision map, parcel map, or other residential development approval qualified for a density bonus pursuant to section 19.07.170 of this article also donates land to the city in accordance with this section, the applicant shall be entitled to an additional density bonus. Applicants donating land to the city shall be eligible for an additional fifteen percent (15%) density bonus at the site of the housing development if the donated land is suitable for the construction of very low income units equaling at least ten percent (10%) of the market rate units being constructed for the project. The density bonus provided pursuant to this section shall be in addition to any density bonus granted pursuant to section 19.07.170 of this article, up to a maximum combined density bonus of thirty five percent (35%).

B. Qualification Criteria: To qualify for the additional density bonus described in subsection A of this section, the donation of land must meet all of the following criteria:

1. The tentative map, subdivision map, parcel map, or other residential development must otherwise be subject to a density bonus pursuant to section 19.07.170 of this article; and
2. The land must be transferred no later than the date of the approval of the final subdivision map, parcel map, or housing development application; and
3. The developable acreage and zoning classification of the land being transferred must be sufficient to permit construction of dwelling units affordable to very low income households in an amount not less than ten percent (10%) of the total number of market rate dwelling units in the proposed development (i.e., the proposed development before the addition of any density bonus); and
4. The donated land is at least one acre in size or is large enough to permit development of at least forty (40) units, has the appropriate general plan land use designation, has the appropriate zoning and development standards for affordable housing and, at the time of project approval is, or at the time of construction will be, served by adequate public facilities and infrastructure; and
5. No later than the date of approval of the final map, parcel map, or other development application for the housing development, the donated land must have all of the applicable permits and approvals (other than building permits) necessary for the development of the very low income housing units on the donated land, except that the city may subject the proposed housing development to subsequent design review to the extent authorized by California Government Code section 65583.2 subsection (i) if the design is not reviewed by the city prior to the time of transfer; and
6. The donated land is subject to a deed restriction ensuring continued affordability of the very low income units consistent with subsection 19.07.170D of this article, which deed restriction shall be recorded upon the donated property at the time of its transfer; and
7. The land will be transferred to the city, the redevelopment agency of the city, or to a housing developer approved by the city. The city reserves the right to require the applicant to identify a developer and to require that the land be transferred to that developer; and
8. The land is within the boundary of the proposed housing development or within one-fourth (1/4) mile of the boundary of the proposed housing development; and
9. No later than the date of approval of the final map, parcel map, or other development application for the housing development, a proposed source of funding for the construction of the very low income units shall be identified.

C. Additional Density Bonus Based On Greater Suitability Of Land For Very Low Income Housing: For each one percent (1%) increase above the minimum ten percent (10%) in the number of very low income housing units that can be accommodated on the donated land, the maximum density bonus shall be increased by one percent (1%), up to a maximum of thirty five percent (35%), as follows:

Table 4: Land Donation	
Percentage Of Very Low Income Units That Can Be Accommodated On Donated Land	Percentage Of Additional Density Bonus
10	15
11	16
12	17
13	18
14	19
15	20
16	21
17	22
18	23
19	24
20	25
21	26
22	27
23	28
24	29
25	30
26	31
27	32
28	33
29	34
30	35

19.07.190 Condominium Conversions.

- A.** An applicant for a conversion of existing rental apartments to condominiums is eligible for either a density bonus or other incentives of equivalent financial value, at the option of the city, if the applicant agrees to provide: 1) at least thirty three percent (33%) of the total units of the proposed condominium project to persons and families of low or moderate income as defined in section 50093 of the Health and Safety Code, or 2) at least fifteen percent (15%) of the total units of the proposed condominium project to lower income households as defined in section 50079.5 of the Health and Safety Code, and 3) the applicant agrees to pay for the reasonably necessary administrative costs incurred by the city pursuant to this section.
- B.** Condominium conversions qualified under subsection A of this section, may receive one of the following, at the city's option:
 - 1.** A flat density bonus of twenty five percent (25%) to be provided within the existing structure or structures proposed for conversion, excepting that a condominium conversion is ineligible for this bonus if the apartments to be converted originally received a density bonus or incentives

pursuant to any other provisions of this article or pursuant to California Government Code section 65915. An applicant may choose to implement a lower density bonus.

2. Incentives of equivalent financial value in the form of a reduction or waiver of requirements or fees which the city might otherwise apply as conditions of conversion approval. "Other incentives of equivalent financial value" shall not be construed to require the city to provide cash transfer payments or other monetary compensation to the condominium conversion project or its applicant.
- C. The city reserves the right to place such reasonable conditions on the granting of a density bonus or other incentives of equivalent financial value pursuant to this section as it finds appropriate, including, but not limited to, conditions which assure continued affordability of units to subsequent purchasers who are persons and families of low and moderate income or lower income households.
 - D. Condominium conversions are eligible only for the granting of a density bonus or incentive of equivalent value pursuant to this section, which bonus or incentive may not be granted in addition to, or combined with, any other incentives, concessions, density bonuses or waivers and reductions of development standards pursuant to other sections of this article. Nothing in this section shall be construed to require the city to approve a proposal to convert rental apartments into condominiums.

19.07.200 Childcare Facilities.

- A. A housing development that is eligible for a density bonus pursuant to section 19.07.170 of this article, and also includes a childcare facility qualified under this section is eligible for either of the following, at the option of the city, if requested in writing by the applicant:
 1. An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the amount of square feet in the childcare facility; or
 2. An additional concession or incentive that contributes significantly to the economic feasibility of the construction of the childcare facility.
- B. A childcare facility will only qualify the housing development for an additional density bonus or incentive or concession if it is: 1) located on the premises of, as part of, or adjacent to the housing development, and 2) the housing development is otherwise eligible for a density bonus pursuant to section 19.07.170 of this article. As a condition of approving the additional density bonus for the housing development, the childcare facility must meet all of the following criteria:
 1. The childcare facility may be used only for childcare for a period of time that is as long as or longer than the period of time during which the affordable units are required to remain affordable as stated in deed restrictions and pursuant to subsection 19.07.170D of this article; and
 2. Of the children who attend the childcare facility, the percentage of children of very low income households, lower income households, or moderate income households shall be equal to or greater than the percentage of dwelling units that are proposed to be affordable to very low income households, lower income households, or moderate income households pursuant to section 19.07.170 of this article.
- C. Notwithstanding any requirement of this section, the city shall not be required to provide a density bonus or concession or incentive for a childcare facility if it makes a written finding, based upon substantial evidence, that the community already has adequate childcare facilities.

19.07.210 General Provisions Governing Density Bonus Calculations.

- A. For the purposes of any provisions in this article, an applicant may elect to accept a lesser percentage of density bonus than that to which the housing development is eligible.

- B. When calculating the number of permitted density bonus units, any calculations resulting in fractional units shall be rounded up to the next larger whole number.
- C. For the purpose of calculating a density bonus, the dwelling units shall be on contiguous sites that are the subject of one development application, but do not have to be based upon individual subdivision maps or parcels. The density bonus shall be permitted in geographic areas of the housing development other than the areas where the affordable units are located.
- D. For the purposes of this article, the “total units” or “total dwelling units” in a housing development does not include those units added by any density bonus.
- E. Regardless of the number or extent of affordable units, senior housing, land dedication, childcare facilities or other qualifications for a density bonus provided in any single housing development, no housing development may be entitled to a total density bonus of more than thirty five percent (35%).

Table 5: Density Bonus Summary

Types Of Affordable Units Providing Eligibility For A Density Bonus	Minimum Percent	Bonus Granted	Additional Bonus For Each 1% Increase In Affordable Units	Percent Of Affordable Units Required For Maximum 35% Bonus
Affordable Housing Type:				
Very Low Income	5%	20%	2.5%	11%
Lower Income	10%	20%	1.5%	20%
Moderate Income	10%	5%	1%	40%
Senior Citizen Housing	Qualified development	20% of the units	-	-
Land Donation for Very Low Income Housing	Land donated can accommodate 10% of market rate units, plus housing development qualified for density bonus as an affordable or senior project.	15%	1%	30% of market rate units (assuming housing development provides 5% very low income units)
Condominium Conversions:				
Lower Income	15%	25% ¹	-	-
Low/moderate Income	33%	25% ¹	-	-
Childcare Facility	Housing Development qualifies for density bonus as an affordable or senior project	Square feet in childcare facility ¹		

Note:

1. Maximum of 25 percent bonus for condominium conversions, or an incentive of equal value, at the city's option.

19.07.220 Incentives and Concessions for Affordable Housing.

A. Definition of a Qualified Incentive or Concession. A qualifying project shall be entitled to at least one but no more than three of the following incentives identified by state law:

1. A reduction in the parcel development standards (e.g. coverage, setback, zero lot line and/or reduced parcel sizes, architectural design requirements and/or parking requirements). Development standard means any ordinance, general plan element, specific plan, condition, law, policy, resolution, or regulation. In no case may the city apply a development standard that will have the effect of precluding the construction of affordable units. A waiver or modification to development standards may be requested by the applicant, and shall be approved unless such waiver or modification creates an adverse impact as described in subsection 3b, below.
2. Approval of mixed use zoning in conjunction with the housing project if nonresidential land uses will reduce the cost of the housing project, and the nonresidential land uses are compatible with the housing project and existing or planned development in the area where the proposed development will be located.
3. Other regulatory incentives or concessions proposed by the applicant or the city that will result in identifiable, financially sufficient and actual cost reductions.

B. Number of Incentives or Concessions. The number of incentives shall be based on the percentage of affordable units in the project:

1. One (1) incentive or concession shall be entitled for projects where at least five percent (5%) of the total units are for very low income households, ten percent (10%) of the total units are for lower income households, or ten percent (10%) of the total units in a common interest development are sold to moderate income households.
2. Two (2) incentives or concessions shall be entitled for projects where at least ten percent (10%) of the total units are for very low income households, twenty percent (20%) of the total units are for lower income households, or at least twenty percent (20%) of the total units in a common interest development are sold to moderate income households.
3. Three (3) incentives or concessions shall be entitled for projects where at least fifteen percent (15%) of the total units are for very low income households, thirty percent (30%) of the total units are for lower income households, or thirty percent (30%) of the total units in a common interest development are sold to moderate income households.

Affordable Units or Category	Percent of Affordable Units		
Affordable Housing Types:			
Very Low Income	5%	10%	15%
Low Income	10%	20%	30%
Moderate Income	10%	20%	30%
Maximum incentive(s)/concession(s) ^{1, 2, 3}	1	2	3

Notes:

1. An incentive or concession may be requested only if an application is also made for a density bonus.
2. Incentives or concessions may be selected from only 1 category (very low, lower, or moderate).
3. No incentives or concessions are available for land donation.

- C. Findings to Deny Incentive or Concession.** The city shall grant the incentive or concession requested by the applicant unless the city makes a written finding based upon substantial evidence of any of the following:
1. The incentive or concession is not required in order to provide for affordable housing costs or for affordable rents for the restricted units; or
 2. The concession or incentive would have a specific adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse without rendering the development unaffordable to low and moderate-income households. A specific adverse impact means a significant, unavoidable impact, as provided in written standards, policies, or conditions; or
 3. The incentive or concession would be contrary to state or federal law.
- D. Exceptions:** This section does not limit or require the provision of direct financial incentives for the housing development, including the provision of publicly owned land, by the city or the waiver of fees or dedication requirements. Nor does any provision of this section require the city to grant an incentive or concession found to have a specific adverse impact.
- E. Amendment, Zone Change:** The granting of a concession or incentive shall not be interpreted, in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval.

19.07.230 Waivers and Modifications of Development Standards.

- A.** Applicants granted a density bonus pursuant to section 19.07.170 of this article may, by written proposal, seek a waiver, modification or reduction of development standards that would otherwise have the effect of physically precluding the construction of the housing development at the densities or with the concessions or incentives permitted pursuant to this article. The applicant may also request a meeting with the city to discuss such request for waiver and modifications.
- B.** In order to obtain a waiver or modification of development standards, the applicant shall show that the development standards will have the effect of precluding the construction of a housing development meeting the criteria of section 19.07.170 of this article, at the densities or with the concessions or incentives permitted by this article.
- C.** A proposal for the waiver or reduction of development standards pursuant to this section shall neither reduce nor increase the number of incentives or concessions to which the applicant is entitled pursuant to section 19.07.220 of this article.
- D.** The city may deny a request for any waiver, modification or reduction of development standards if the waiver, modification or reduction would have a specific adverse impact.

19.07.240 Parking Incentives.

Upon the written request of the applicant for a housing development meeting the criteria for a density bonus under section 19.07.170 of this article, the city shall not require a vehicular parking ratio that exceeds the following:

- A.** Zero to one bedroom units: One onsite parking space.
- B.** Two (2) to three (3) bedroom units: Two (2) onsite parking spaces.
- C.** Four (4) and more bedroom units: Two and one-half (2 1/2) parking spaces.

Guest parking and handicapped parking shall be included within the maximum number of spaces that may be required. If the total number of parking spaces required for a housing development is other than a whole number, the number shall be rounded up to the next whole number. For purposes of this section, a housing development may provide onsite parking through tandem parking or uncovered parking, but not

through on street parking. For purposes of this article, the parking ratios set forth in this section shall be deemed a concession or incentive available to the applicant under section 19.07.220 of this article.

19.07.250 Standards for Density Bonus Housing Developments.

- A.** Affordable units qualifying a housing development for a density bonus shall be reasonably dispersed throughout the housing development and compatible with the design of market rate units in terms of appearance, materials, and finished quality. The applicant may reduce the interior amenities and square footage of inclusionary units, provided all units conform to all other requirements of this municipal code.
- B.** For developments with multiple market rate units containing differing numbers of bedrooms, affordable units qualifying a housing development for a density bonus shall be representative of the market rate unit mix.
- C.** All building permits for affordable units qualifying a housing development for a density bonus shall be issued concurrently with, or prior to, issuance of building permits for the market rate units, and the affordable units shall be constructed concurrently with, or prior to, construction of the market rate units. Occupancy permits and final inspections for affordable units qualifying a housing development for a density bonus shall be approved concurrently with, or prior to, approval of occupancy permits and final inspections for the market rate units.

19.07.260 Application Requirements.

- A.** An application for a density bonus, incentive, concession, waiver, modification, or revised parking standard pursuant to this section shall be submitted with the first approval of the housing development and processed concurrently with all other applications required for the housing development.
- B.** For affordable units qualifying the housing development for a density bonus, the application shall include the following information:
 - 1.** A site plan identifying the base project without the density bonus, number and location of all inclusionary units, affordable units qualifying for the project for a density bonus, and proposed density bonus units; and
 - 2.** Proposed category(ies) qualifying the housing development for a density bonus; and
 - 3.** Level of affordability of all affordable and inclusionary units and proposals for ensuring affordability, if applicable; and
 - 4.** A description of any requested incentives, concessions, waivers or modifications of development standards, or modified parking standards.
 - 5.** If a density bonus or concession is requested for a land donation, the application shall show the location of the land to be dedicated and provide evidence that each of the findings included in section 19.07.180 of this article can be made.
 - 6.** If the density bonus or incentives of equivalent financial value are based upon a condominium conversion with affordable units or senior citizen housing, the application shall demonstrate that the project meets the qualifications and findings stated in section 19.07.180 of this article.
 - 7.** If a density bonus or concession is requested for a childcare facility, the application shall show the location and square footage of the childcare facility and provide evidence that the findings included in section 19.07.260 of this article can be made.
- C.** Upon submission of the application to the city, the Community Development Director or designee shall determine if the application is complete and conforms to the provisions of this article. No application for a first approval for a housing development requesting a density bonus, incentives,

concessions, or waivers may be deemed complete unless an affordable housing plan is submitted conforming to the provisions of this article.

- D. A request for a minor modification of an approved application may be granted by the City Manager or designee if the modification is substantially in compliance with the original application and the conditions of approval. Other modifications to the affordable housing plan shall be processed in the same manner as the original application.

19.07.270 Application Review.

- A. An application for a density bonus, incentive, concession, waiver, modification, or revised parking standard pursuant to this article shall be reviewed as part of the first approval of the housing development by the approval body with authority to approve the housing development, unless additional review by the planning commission or city council is required. An applicant proposing a housing development pursuant to this article, may submit a preliminary application prior to the submittal of any formal request for approval of a housing development.
- B. Within ninety (90) days of receipt of the preliminary application the city shall provide to an applicant, a letter which identifies project issues of concern (the maximum financial assistance that the Community Development Director can support when making a recommendation to the City Council), and the procedures for compliance with this article. The Community Development Director shall inform the applicant that the requested additional incentives shall be recommended for consideration with the proposed housing development, or that alternative or modified additional incentives pursuant to section 19.07.190 of this article shall be recommended for consideration in lieu of the requested incentives. If alternative or modified incentives are recommended by the Community Development Director, the recommendation shall establish how the alternative or modified incentives can be expected to have an equivalent affordability effect as the requested incentives.
- C. Before approving an application for a density bonus, incentive, concession, waiver, or modification, the approval body shall make the following findings:
 - 1. The housing development is: a) eligible for a density bonus, and/or b) any concessions, incentives, waivers, modifications, or reduced parking standards requested conform to all requirements of this article, and c) supported by a financing mechanism for all implementation and monitoring costs.
 - 2. If the density bonus is based all or in part on dedication of land, the application meets the qualifications and findings stated in section 19.07.180 of this article.
 - 3. If the density bonus or incentives of equivalent financial value are based upon a condominium conversion with affordable units or senior citizen housing, that the application meets the qualifications and findings stated in section 19.07.190 of this article.
 - 4. If the density bonus, incentive, or concession is based all or in part on the inclusion of a childcare facility, the application meets the qualifications and findings stated in section 19.07.200 of this article.
 - 5. If a waiver or modification is requested, the applicant has shown that the waiver, modification or reduction of development standards meets the qualifications and findings stated in section 19.07.230 of this article.
- D. If the findings stated in subsection B of this section can be made, and a request for an incentive or concession is otherwise consistent with this article, the approval body may deny a concession or incentive based upon written findings of any of the factors stated in section 19.07.220 of this article for the denial or disqualification of a concession or incentive.
- E. If the required findings stated in subsection B of this section can be made, and a request for a waiver or modification is otherwise consistent with this article, the approval body may deny the requested waiver or modification based upon written findings of any of the factors stated in section 19.07.230 of this article for the denial or disqualification of a waiver or modification.

- F.** Nothing in this section shall be interpreted to require the city to grant an incentive or concession or to waive or reduce development standards if that incentive, concession, waiver, or reduction has a specific adverse impact upon health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.
- G.** Any decision regarding a density bonus, incentive, concession, waiver, modification, or revised parking standard may be appealed pursuant to Division 4 of Section 19.39 of the Commerce Municipal Code. In accordance with state law, neither the granting of a concession or incentive, nor the granting of a density bonus, shall be interpreted, in and of itself, to require a general plan amendment, zoning change, or other discretionary approval.

19.07.280 Developer Affordable Housing Agreement.

- A.** Applications requesting a density bonus shall agree to enter into a density bonus housing agreement with the city. The terms of the draft agreement shall be reviewed and revised as appropriate by the Community Development Director, who shall formulate a recommendation to the planning commission for final approval. A density bonus housing agreement shall be made a condition of the discretionary planning permits for all housing developments pursuant to this article and shall be recorded as a restriction on any parcels on which the affordable units or density bonus units will be constructed.
- B.** The density bonus housing agreement shall be recorded prior to final or parcel map approval, or, where the housing development does not include a map, prior to issuance of a building permit for any structure in the housing development. The density bonus housing agreement shall run with the land and bind future owners and successors in interest.

EXHIBIT C

The Commerce Municipal Code is hereby amended by adding a new Division 4, including Sections 19.07.180 to 19.07.230 to read as follows:

DIVISION 4. REASONABLE ACCOMMODATION

19.07.180	Intent and purpose.
19.07.190	Applicability.
19.07.200	Application Process.
19.07.210	Approval Process.
19.07.220	Findings and Decisions.
19.07.230	Appeals Determination.

19.07.180 Intent and purpose.

This Division 4 is established pursuant to the provisions of California Government Code Sections 12927(c)(1) and 12955 to provide a formal procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act (the Acts) in the application of zoning laws and other land use regulations, policies and procedures, and to establish relevant criteria to be used when considering such requests.

19.07.190 Applicability.

In order to make specific housing available to an individual with a disability, any person may request a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice.

A person with a disability is a person who has a physical or mental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such impairment or anyone who has a record of such impairment. This Chapter applies only to those persons who are defined as disabled under the Acts.

19.07.200 Application Process.

- A. In order to make housing available to an individual with a disability, an applicant may request a reasonable accommodation in zoning and other land use regulations, policies, practices and procedures.
- B. All requests shall be reasonable and limited to the minimum that the applicant believes is necessary to accommodate the disability. Requests for reasonable accommodation shall be submitted via a form approved by the Community Development Department, together with the appropriate fee, as established by resolution adopted by the City Council, and shall be filed with the Planning Division. The applicant is requested to provide the following information:
 1. Name and address of the applicant;
 2. Name and address of the property owner(s);

3. Address of the property for which accommodation is requested;
 4. The current use of the property for which accommodation is requested;
 5. Description of the requested accommodation, and the regulation(s), policy or procedure for which accommodation is sought, which could include site plans, floor plans, and/or details as necessary to define the extent of the accommodation;
 6. The basis for the claim that the fair housing laws apply to the individual(s) with a disability and evidence supporting the claim, which may be in the form of a letter from a medical doctor or other licensed healthcare professional, a handicapped license, or other appropriate evidence;
 7. Reason that the requested accommodation may be necessary for the individual(s) with the disability to use and enjoy the property; and
 8. How the property will be used by the applicant and individual(s) with disabilities.
- C. Any information identified by the applicant as confidential shall be retained by the City in a manner so as to respect the privacy rights of the individual with a disability and shall not be made available for public inspection.
- D. A request for reasonable accommodation in regulations, policies, practices and procedures may be filed at any time that the accommodation may be necessary to ensure equal access to housing. A reasonable accommodation does not affect an applicant's obligation to comply with other applicable regulations not at issue in the requested reasonable accommodation.
- E. If an individual needs assistance in making the request for reasonable accommodation, the City will provide assistance to ensure that the process is accessible.
- F. The fee for an application for reasonable accommodation shall be established by resolution of the City Council.

19.07.210 Approval Process.

A. Approval Authority:

1. **Administrative Review** - The Community Development Director or an appointed designee has the authority to review and decide upon requests for reasonable accommodation, including whether the applicant is a disabled person within the meaning of this chapter. The Community Development Director or appointed designee may refer the matter to the Planning Commission, as appropriate.
 2. **Planning Commission Review** - The Planning Commission has the authority to review and decide upon requests for reasonable accommodation, including whether the applicant is a disabled person within the meaning of this chapter, when referred by the Community Development Director or when a reasonable accommodation request includes any encroachment into the front yard setback area, results in a building size increase above what is allowed in the applicable zoning district with respect to height, lot coverage and floor area ratio maximums, or whenever a reduction in required parking is requested.
- B. Notice:** No advance notice or public hearing is required for consideration of reasonable accommodation requests by the Community Development Director. Requests for reasonable accommodation subject to review by the Planning Commission shall require advance notice and a public hearing pursuant to the requirements of Division 3 of Section 19.39 of the Commerce Municipal Code.
- C. Decision:** The Community Development Director or an appointed designee shall render a decision or refer the matter to the Planning Commission within 30 days after the application is complete, and shall approve, approve with conditions or deny the application, based on the findings set forth in Section 19.07.220. The decision shall be in writing and mailed to the applicant.

If the application for reasonable accommodation involves another discretionary decision, the reviewing body for that decision shall accept as final the determination regarding reasonable accommodation by the Community Development Director or an appointed designee, unless the reasonable accommodation request has been referred by the Community Development Director or an appointed designee to the Planning Commission for consideration.

If the application for reasonable accommodation is referred to, or reviewed by, the Planning Commission, a decision to approve, approve with conditions, or deny the application shall be rendered within 20 working days after the close of the public hearing, based on the findings set forth above.

19.07.220 Findings and Decision.

- A.** Any decision on an application under this chapter shall be supported by written findings addressing the criteria set forth in this subsection. An application under this chapter for a reasonable accommodation shall be granted if all of the following findings are made:
1. The housing, which is the subject of the request, will be used by an individual disabled as defined under the Acts.
 2. The requested reasonable accommodation is necessary to make specific housing available to an individual with a disability under the Acts.
 3. The requested reasonable accommodation would not impose an undue financial or administrative burden on the City.
 4. The requested reasonable accommodation would not require a fundamental alteration in the nature of a City program or law, including but not limited to land use and zoning.
 5. The requested reasonable accommodation would not adversely impact surrounding properties or uses.
 6. There are no reasonable alternatives that would provide an equivalent level of benefit without requiring a modification or exception to the City's applicable rules, standards and practices.
- B.** In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings required by Subsection (A) above.

19.07.230 Appeals Determination.

Any decision on an application under this chapter shall be subject to appeal pursuant to Division 4 of Section 19.39 of the Commerce Municipal Code.

EXHIBIT D

The Commerce Municipal Code is hereby amended by revising Table 19.07.020A in Section 19.07.020 to read as follows:

**Table 19.07.020A
Permitted and Conditional Uses—Residential Zones**

	R-1	R-2	R-3
Second Dwelling Units	P		
Supportive Housing	P	P	P
Transitional Housing	P	P	P

The Commerce Municipal Code is hereby amended by revising Table 19.11.030A in Section 19.11.030 to read as follows:

**Table 19.11.030A
Uses in Industrial Districts**

	C/M-1	M-1	M-2	Notes
Emergency Shelters, up to 30 occupants within City		P		See Section 19.31.670
Emergency Shelters, more than 30 occupants within City		C		See Section 19.31.670

EXHIBIT E

The Commerce Municipal Code is hereby amended by revising Chapter 19.31 to establish Division 22, as follows:

Division 22: Emergency Residential Shelters and Transitional Housing

- 19.31.660: Purpose
- 19.31.670: Emergency Shelter Standards and Regulations
- 19.31.680: Single Resident Occupancy (SRO) Units, Standards and Regulations
- 19.31.690: Notification

19.31.660. Purpose:

This division sets forth a uniform set of standards for emergency shelters to provide temporary housing for the homeless pursuant to California Government Code section 34070.

19.31.670. Emergency Shelter Standards and Regulations:

Emergency shelters for homeless persons shall be subject to and comply with the following standards and regulations.

- A.** A single Emergency Shelter for 30 occupants, or a combination of multiple shelters with a combined capacity not to exceed 30 occupants, shall be allowed as a permitted use, consistent with section 65583 (4) (A) of the Government Code. All Emergency Shelters, regardless of the number of occupants, shall meet all applicable development standards to the zoning districts in which they are permitted by-right and minimum standards contained herein below. Any Emergency Shelter with a capacity greater than 30 occupants shall also be subject to the approval of a conditional use permit, as set forth in Article 130.
- B.** The facility shall operate on a first-come, first serve basis with clients only permitted on-site and admitted to the facility between 6:00 p.m. and 7:00 a.m. during Pacific Daylight Time, and 5:00 p.m. and 7:00. a.m. during Pacific Standard Time. Clients must vacate the facility by 8:00 a.m. and have no guaranteed bed for the next night. A curfew of 10:00 p.m. (or earlier) shall be established and strictly enforced and clients shall not be admitted after the curfew.
- C.** To avoid over-concentration of Emergency Shelter facilities, a minimum distance of 300 feet shall be maintained from any other Emergency Shelter, as measured from the property line.
- D.** Emergency Shelters shall not be located within 1,000 feet of a public or private school (pre-school through twelfth grade), universities, colleges, student housing, senior housing, child care facilities, public parks, businesses licensed for on- or off-site sales of alcoholic beverages or parolee/probationer home as defined in Article 200 (Definitions) and as measured from the property line.
- E.** Service providers shall provide sufficient numbers of male and female toilets - restrooms for clients and prospective clients to have access to use on a twenty-four (24) hour basis. For group housing and other similar shelter programs, adequate private male and female showers shall be provided along with lockers for clients to temporarily store their belongings.
- F.** Any outdoor storage, including, but not limited to, items brought on-site by clients for overnight stays, shall be screened from public view by a minimum six foot tall decorative wall or fence. Pets and shopping carts are not permitted on-site.

- G.** Adequate waiting areas must be provided within the premises for clients and prospective clients including 10 square feet per bed, minimum 100 square feet to ensure that public sidewalks or private walkways are not used as queuing or waiting areas.
- H.** Facility improvements shall comply with the Commerce Municipal Code and the most current adopted Building and Safety Code, specific to the establishment of dormitories and shall additionally provide:

 - 1. A minimum of 1 toilet for every 8 beds per gender.
 - 2. A minimum of 1 shower for every 8 beds per gender.
 - 3. Private shower and toilet facility for each area designated for use by individual families.
- I.** An emergency shelter facility shall provide off-street parking at the ratio of 1 space per 4 beds, and/or 0.5 per bedroom designated as a family unit with children, plus 1 space per staff member. Service providers are responsible to provide and maintain adequate parking and freight loading facilities for employees, clients and other visitors who drive to the premises.
- J.** Bike rack parking shall be provided at the facility.
- K.** Exterior lighting shall be provided for the entire outdoor and parking area of the property per the lighting standards of the Section 19.19.130 of the Commerce Municipal Code. .
- L.** The facility may provide the following services in a designated area separate from sleeping areas:

 - 1. A recreation area inside the shelter or in an outdoor area visually separated from public view by a minimum six foot tall visually screening decorative wall or fence.
 - 2. A counseling center for job placement, educational, health care, legal services, or mental health services.
 - 3. Laundry facilities to serve the number of clients at the shelter.
 - 4. Kitchen and dining area.
 - 5. Client storage area.
- M.** Similar types of facilities to address the needs of homeless clients, as determined by the Community Development Director. A shelter management plan shall be submitted as a part of the permit application, which addresses all of the following:

 - 1. Service providers shall maintain sufficient monetary resources to enable them to operate the facility per the shelter management plan, and shall demonstrate to the city prior to approval of the permit application that such funds shall be available for use upon first occupancy of the proposed project and shall reasonably be expected to be available for the life of the project.
 - 2. A minimum of one staff member per 15 beds shall be awake and on duty when the facility is open. Facility staff shall be trained in operating procedures, safety plans, and assisting clients. The facility shall not employ staff who has been convicted of a felony or who are required to register as a sex registrant under Penal Code section 290.
 - 3. Service providers shall maintain up-to-date information and referral sheets to give clients and other persons who, for any reason, cannot be served by the establishment.
 - 4. Service providers shall provide criteria to screen clients for admittance eligibility, with the objective to provide first service to individuals with connections to Commerce.
 - 5. Service providers will maintain information on individuals utilizing the facility and will ensure that the maximum stay at the facility shall not exceed 120 days in a 365-day period.
 - 6. Service providers shall continuously monitor waiting areas to inform prospective clients whether they can be served within a reasonable time. If they cannot be served by the provider because of time or resource constraints, the monitor shall inform the client of alternative programs and locations where he or she may seek similar service.

7. Service providers will educate on-site staff to provide adequate knowledge and skills to assist clients in obtaining permanent shelter and income, including referrals to outside assistance agencies. An annual report on this activity will be provided to the City.
 8. Service providers shall provide for the timely removal of litter attributable to clients within the vicinity of the facility every 24-hour period.
 9. Service providers will maintain good communication and have procedures in place to respond to operational issues which may arise from the neighborhood, City staff, or the general public.
 10. Service providers shall establish standards for responding to emergencies and incidents expelling clients from the facility. Re-admittance policies for clients who have previously been expelled from the facility shall also be established.
 11. Alcohol and illegal drug use is prohibited on-site. Service providers shall expel clients from the facility if found to be using alcohol or illegal drugs.
 12. The establishment shall implement other conditions and/or measures as determined by the city, in consultation with other city/county agencies necessary to ensure that management and/or clients of the establishment maintain the quiet, safety and cleanliness of the premises and the vicinity of the use.
 13. Other requirements as deemed necessary by the city to ensure that the facility does not create an adverse impact to surrounding properties.
 14. On a monthly basis, provide an updated list of Emergency Shelter residents to the Sherriff's Department.
 15. All graffiti on the premises shall be removed by the business operator within 24 hours.
 16. Installation of anti-loitering signs.
 17. If there is conflict between code requirements, the most restrictive one shall apply.
- N.** The facility shall comply with all other laws, rules, and regulations that apply including, but not limited to, Building and Fire Codes. The facility shall be subject to City inspections prior to the commencement of operation. In addition, the City may inspect the facility at any time for compliance with the facility's Management Plan and other applicable laws and standards.
- O.** Emergency Shelter operator shall obtain a City Business License.

19.31.680. Single Resident Occupancy (SRO) Units, Standards and Regulations.

Transitional Housing, including efficiency residential units, also known as single resident occupancy ("SRO"), shall be subject to and comply with the following standards and regulations.

- A.** Tenancy of SRO (efficiency) units shall not be less than 30 days and maximum period of 12 months.
- B.** Each facility shall comply with all applicable development standards for the applicable zoning district and minimum standards contained herein below.
- C.** Units shall have a minimum size of 150 square feet and a maximum of 400 square feet.
- D.** Each unit shall accommodate a maximum of two persons.
- E.** Exterior lighting shall be provided for the entire outdoor and parking area of the property per the lighting standards of the Section 19.19.130 of the Commerce Municipal Code.
- F.** Laundry facilities must be provided in a separate enclosed room at the ratio of one washer and one dryer for every twenty units of fractional number thereof, with at least one washer and dryer per floor, which shall be enclosed.
- G.** A cleaning supply room or utility closet with a wash tub with hot and cold running water shall be provided on each floor of the SRO (efficiency) unit facility.

- H. Each unit shall be required to provide a separate bathroom containing a water closet, lavatory and bathtub or shower.
- I. Each unit shall be provided with a kitchen sink, functioning cooking appliance and a refrigerator, each having a clear working space of not less than 30 inches in front.
- J. Each unit shall have a separate closet.
- K. Units shall comply with all requirements of the California Building Code and all other codes. All units shall comply with all applicable accessibility and adaptability requirements. All common areas shall be fully accessible.
- L. An SRO (efficiency) unit project shall not be located within five hundred (500) feet of any other SRO (efficiency) unit project, emergency shelter, or other similar program, unless such program is located within the same building or on the same lot.
- M. An SRO (efficiency) unit project with 10 or more units shall provide on-site management. A project with less than 10 units may provide a management office on-site. The City Administrator or their designee may reduce this standard as necessary.
- N. Off-street parking shall be provided for an SRO facility at a rate of one uncovered parking space per unit plus an additional space for the on-site manager and each employee.
- O. Each efficiency unit shall be provided at least one (1) lockable bicycle parking space in a location that is adjacent to that SRO (efficiency) unit.
- P. Applications for SRO (efficiency) units projects shall be processed in a manner consistent with procedures for a multiple-family residential project per Section 19.39 Division 2 of the Commerce Municipal Code.

19.31.690. Notification:

In addition to the notification required by the Commerce Municipal Code, representatives of the Sheriff's department shall be apprised of the proposed project in a timely fashion so that the department may respond to any concerns they may have regarding the proposed project.

EXHIBIT F

The Commerce Municipal Code is hereby amended by revising Section 19.07 to read as follows:

19.07.090 Second Units.

To comply with amendments made in 2002, to California Government Code §65852.2 this section sets standards for the development of second dwelling units so as to increase the supply of smaller and affordable housing while ensuring that they remain compatible with the existing neighborhoods. A secondary housing unit means an additional dwelling unit constructed or adapted within, onto, or apart from an existing, or built concurrently with, a single-family dwelling in the Single Family Residential (R-1) District. In acting to approve an application a second dwelling unit, the city shall impose the following conditions:

- A. The second unit shall be attached to and located within the living area of the existing unit or shall be a detached unit located on the same lot.
- B. There shall be no more than one second unit on a lot.
- C. Either the primary unit or the second unit shall be occupied by the property owner.
- D. The second unit shall not be for sale.
- E. The street address shall have the suffix "S".
- F. All construction shall conform to the height, setback, lot coverage, parking, and other requirements applicable to construction of primary dwelling units in the R-1 district.
- G. If the entrance is separate from the existing unit, it shall not be visible from the street.
- H. Any increase in the floor area of an attached second unit shall not exceed thirty percent of the existing living area of the primary unit.
- I. The total area of floor space for a detached second unit shall not exceed nine hundred and fifty (950) square feet.
- J. The total area of floor space for a detached second unit shall not exceed the size of the primary unit.
- K. One enclosed parking spaces for the second dwelling unit shall be provided in addition to any parking required for the primary unit.
- L. The architectural treatment of the second dwelling unit shall match that of the primary dwelling unit.
- M. The second dwelling unit shall comply with all applicable building, health and safety, and other city codes and ordinances.
- N. A covenant shall be recorded on the property which indicates that the second dwelling housing unit is intended for use only as authorized by this section, and in which the owner agrees upon termination of its authorized use to remove or otherwise retrofit the unit or to seek other city approval to allow the unit to remain in conformance with the requirements of this zoning code.
- O. Certification of compliance shall be obtained annually subject to an inspection of the unit and with fees charged according to the city's fee schedule.

EXHIBIT G

Chapter 19.45 of the Commerce Municipal Code is hereby amended by adding the following definitions:

“Community garden” is a piece of land, public or private, where plants are grown and maintained by a group of individuals in the community. Community gardens may produce food for individual consumption or food for sale, may be designed for beautification of the community, and/or may be used for educational purposes.”

“Live/Work Development” is a development that provides for a live/work environment with ground floor office/retail/commercial in the same building as a single-family attached or multi-family attached dwelling unit. The ground floor office/retail/commercial area may be used as a separate dwelling unit.

“Multi-Family Attached Dwelling” is a building containing two or more dwelling units and typically two or three stories in height. Examples of multiple-family attached dwellings include apartments, condominiums and multiple-family dwellings.

“Senior Housing” is housing units that are age-restricted for residents aged 62 and older.

“Single-Family Attached Dwellings” are dwelling units that are structurally connected with at least one other such dwelling unit and typically two or three stories in height. Each unit has its own front and rear access to the outside, no unit is located over another unit, and each unit is separated from any other unit by one or more common fire resistant walls. Examples of single-family attached dwellings include townhomes, rowhouses, and courtyard/cluster housing.

“Affordable Ownership Costs” means average annual housing costs, including mortgage payments, property taxes, homeowners insurance, and homeowners' association dues, if any, which do not exceed the following:

Very low income households: 50% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

Lower income households: 70% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

Moderate income households: 110% of area median income, adjusted for assumed household size based on unit size, multiplied by 35%.

“Affordable Rent” means annual rent, including utilities and all fees for housing services, which does not exceed the following:

Very low income households: 50% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

Lower income households: 60% of area median income, adjusted for assumed household size based on unit size, multiplied by 30%.

“Affordable Units” are dwelling units which are affordable to very low, lower, or moderate income households as defined by this Article or by any federal or state housing program and are subject to rental, sale, or resale restrictions to maintain affordability.

“Applicant” means a developer or applicant for a density bonus who seeks and agrees to construct a qualified housing development on or after the effective date of this Article pursuant to Section 65915, subdivision (b), of the California Government Code.

“Area Median Income” means area median income for Los Angeles County as published by the State of California pursuant to California Code of Regulations, Title 25, Section 6932, or a successor provision.

"Assumed Household Size Based on Unit Size" means a household of one person in a studio apartment, two persons in a one bedroom unit, three persons in a two bedroom unit, and one additional person for each additional bedroom thereafter.

"Child Care Facility" means a child day care facility other than a family daycare home including, but not limited to, infant centers, preschools, extended day care facilities, and school age child care centers.

"Common Interest Development" bears (the same meaning as defined in Section 1351 of the California Civil Code.

"Density Bonus" means a density increase over the otherwise allowable zoning maximum residential density on a site as of the date of application by the applicant to the city, granted pursuant to this Article. See Section 19.07.150.

"Density Bonus Units" means dwelling units granted pursuant to Section 19.07.170 which exceed the otherwise allowable zoning maximum residential density for a housing development.

"Household Income" means the combined adjusted gross household income for all adult persons living in a dwelling unit as calculated for the purpose of the Section 8 program under the United States Housing Act of 1937, as amended, or its successor provision.

"Very Low Income Household" shall have the same meaning as provided in California Health & Safety Code Section 50105.

"Lower Income Household" shall have the same meaning as provided in California Health & Safety Code Section 50079.5.

"Moderate Income Household" shall have the same meaning as provided in California Health & Safety Code Section 50093.

"Housing Development" means one or more groups of projects for dwelling units in the planned development of the city. "Housing development" also includes a subdivision or common interest development, as defined in Section 1351 of the California Civil Code, approved by the city and consisting of dwelling units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of Section 65863.4 of the California Government Code, where the result of the rehabilitation would be a net increase in available dwelling units. For the purpose of calculating a density bonus, the dwelling units shall be on contiguous sites that are the subject of one development application, but do not have to be based upon individual subdivision maps or parcels.

"Incentives and Concessions" are regulatory concessions as listed in Section 19.07.220.

"Market-Rate Unit" means a dwelling unit which is not an affordable unit or an inclusionary unit.

"Maximum Residential Density" means the maximum number of dwelling units permitted by the zoning ordinance and community development element of the general plan or, if a range of density is permitted, means the maximum allowable density for the specific zoning range and community development element of the general plan applicable to the project. Where the density allowed under the zoning ordinance is inconsistent with the density allowed under the community development element of the general plan, the general plan density shall prevail. The maximum allowable density is based on the date an application for a housing development is deemed complete. This definition is used to calculate a density bonus pursuant to this Article.

"Senior Citizen Housing Development" means senior citizen housing as defined in Section 51.3 of the California Civil Code (a housing development developed, substantially rehabilitated, or substantially renovated for senior citizens that has at least 35 dwelling units) and Section 51.12 of the California Civil Code, or a mobile home park that limits residency based on age requirements for housing for older persons pursuant to Section 798.76 or 799.5 of the Civil Code.

"Specific Adverse Impact " means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application for the housing development was deemed complete. Mere inconsistency with the zoning ordinance or general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.

"Family" is defined as one or more persons, related or unrelated, living together as a single integrated household in a dwelling unit.

"Single Room Occupancy" (Efficiency) Unit, also known as an SRO, means "housing consisting of single-room dwelling units typically with no more than 400 square feet of habitable space that is the primary residence of its occupant or occupants. The unit must contain either food preparation or sanitary facilities (and may contain both). An accessory structure such as a garage, storage room, play room, pool house or rumpus room does not qualify as an SRO.

"Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community (per Health and Safety Code 50675.14 (b))

"Transitional housing" and "Transitional housing development" means temporary rental housing intended for occupancy by homeless individuals or families transitioning to permanent housing that is operated under program requirements calling for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months (per Health and Safety Code 50675.2 (h)).

"Second Dwelling Unit" is a second permanent dwelling that is accessory to a primary dwelling on the same site. A secondary unit provides complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation. See Section 19.07.090.



AGENDA REPORT

DATE: November 19, 2013

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AN ASSIGNMENT AND ASSUMPTION OF AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS BETWEEN THE COMMERCE SENIOR PARTNERS, L.P., ROSEWOOD SENIOR APARTMENTS, L.P. AND THE CITY OF COMMERCE

RECOMMENDATION:

Approve and adopt the Resolution approving an assignment and assumption of amended and restated regulatory agreement and declaration of restrictive covenants between the Commerce Senior Partners, L.P., Rosewood Senior Apartments, L.P. and the City of Commerce and assign the number next in order.

MOTION:

Move to approve the recommendation.

BACKGROUND:

The Commerce Senior Partners, L.P. ("Commerce Senior Partners") is the owner of a multi-family affordable housing development, located at Lot 141 of Tract No. 37889, in the City of Commerce, California (Map Recorded in Book 944 Pages 90 through 95 inclusive of Maps, in the Office of the County Recorder of said County) (the "Property").

On December 30, 1987, the previous owners, the Herman J. Miller Revocable Living Trust (the "Trust"), entered into Regulatory Agreement No. 81-RHC-034A with the Housing Authority of the City of Commerce, and the Department of Housing and Community Development to facilitate the purchase of the Property (the "Regulatory Agreement"). Pursuant to the Regulatory Agreement, the Trust received financial assistance from Department of Housing and Community Development and an allocation of low income housing tax credits. As a condition of such financial assistance, pursuant to Section 6 of the Agreement, the Trust was to provide 19 units for very low income occupancy and 9 Units for other lower income occupancy within the development of the Property.

To facilitate the purchase of the Property by Commerce Senior Partners, on October 1, 1999, Commerce Senior Partners entered into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the "Amended Regulatory Agreement") with the City of Commerce (the "City") and U.S. Bank Trust National Association ("U.S. Bank") for the development and operation of the Hermitage III Senior Apartments located upon the Property (collectively, the "Project"). Pursuant to the Amended Regulatory Agreement, Commerce Senior Partners received three loans from U.S. Bank which were funded with the proceeds of certain bonds issued by the City as Issuer.

Pursuant to Section 3 of the Amended Regulatory Agreement, Commerce Senior Partners agreed that the Project was to be owned, managed and operated in the same manner as a qualified residential rental project (within the meaning of Section 142(d) of the Internal Revenue Code) for a term equal to the Qualified Project Period. Section 1 provides, "Qualified Project Period" means the period beginning on the later of the

Closing Date or the first day on which at least 10% of the units in the Project are first occupied, and ending on the later of the following: (A) the date which is fifteen (15) years after the date on which at least fifty percent (50%) of the units in the Project are first occupied, or (B) the first date on which no private activity Bonds with respect to the Project are Outstanding, or (C) the date on which any assistance provided with respect to the Project under Section 8 of the Housing Act terminates.”

Section 4 of the Amended Regulatory Agreement provides, “During the Qualified Project Period, no less than 20% of the total number of completed units in the Project shall at all times be rented to and occupied by Low Income Tenants.”

Section 6 of the Amended Regulatory Agreement provides in pertinent part:

In addition to the requirements set forth above, the Owner hereby agrees that at all times during the Qualified Project Period it shall comply with each of the requirements of Section 52080 of the Act (Chapter 5 of Title 1 of Division 7 of the California Government Code, together with Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California) set forth in this Section 6, as follows:

- (a) Not less than 20% of the total number of units in the Project shall be available for occupancy on a priority basis to Low Income Tenants. The units made available to meet this requirement shall be of comparable quality and offer a range of sizes and number of bedrooms comparable to the units that are available to the other tenants in the Project.
- (b) The rental payments for the Low Income Units paid by the tenants thereof...shall not exceed 30% of an amount equal to 50% of the median adjusted gross income for the Area.
- (f) Following the expiration or termination of the Qualified Project Period, except in the event of foreclosure redemption of the Bonds, deed in lieu of foreclosure, eminent domain, or action of a federal agency preventing enforcement, units reserved for occupancy as required by subsection (a) of this Section shall remain available to any eligible tenant occupying a reserved unit at the date of such expiration or termination, at the rent determined by subsection (b) of this Section, until the earliest of (a) the household's income exceeds 140% of the maximum eligible income specified above, (2) the household voluntarily moves or is evicted for good cause, as defined in the Act, (3) 30 years after the date of the commencement of the Qualified Project Period, or (4) the Owner pays the relocation assistance and benefits to households as provided in Section 7264(b) of the California Government Code.

On December 1, 1999, the Commerce Senior Partners entered into a Regulatory Agreement with the California Tax Credit Allocation Committee (“TCAC”) to receive the State of California’s Qualified Allocation Plan relating to low income housing tax credits from TCAC (“TCAC Regulatory Agreement”). Section 2 provides that the TCAC Regulatory Agreement shall terminate on the last day of the Compliance Period. Section 1 provides, “Compliance Period’ means the period of 30 consecutive taxable years beginning with the first taxable year of the Credit Period. Section 4 of the TCAC Regulatory Agreement provides that the commerce Senior Partners “[s]hall maintain the Project as a Qualified Low-Income Housing Project within the meaning of Section 42 of the Code at all times, commencing with the last day of the first year of the Credit Period and continuing throughout the Term of this Agreement.” Section 4(b) provides “For purposes of this Agreement and Section 42 of the Code, the Owner has elected to comply with the ‘20-50 test’ pursuant to which ‘Low-Income’ is defined as 50% of Area Median Gross Income and the Minimum Amount is 20% of the Units in the Project or the ‘40-60 test’ pursuant to which ‘Low-Income’ is defined as 60% of Area Median Gross Income and the Minimum Amount is 40% of the Units in the Project.”

Rosewood Senior Apartments, L.P. ("Rosewood Senior Apartments") is in the process of purchasing the Property from Commerce Senior Partners. Commerce Senior Partners has agreed to discharge all of the existing financing against the Project in connection with the proposed sale of the Property, including the three loans from U.S. Bank which are secured by trust deeds against the Project and U.S. Bank, as Trustee, has arranged to cause the bonds to be immediately redeemed utilizing the proceeds of the loan repayment. As of the date of the proposed assignment and assumption agreement, there will be no further bonds outstanding and the City, as Issuer, will succeed to all decision-making authority of both the issuer and the Trustee under Section 26 of the Amended Regulatory Agreement.

The City has required and the Commerce Senior Partners have agreed that the redemption of the bonds does not affect any reduction in the duration of the Qualified Project Period or otherwise limit or impair the continuing obligation of the buyer as successor owner to make available the applicable apartment units at the regulated rates and all related requirements provided under the Amended Regulatory Agreement. The City, in accordance with the Amended Regulatory Agreement, is willing to consent to (i) the sale, conveyance, and transfer of the Project to Rosewood Senior Apartments and (ii) Rosewood Senior Apartment's assumption of all obligations of the Commerce Senior Partners.

ANALYSIS:

The City has received notice that the new owner of the Hermitage Senior Apartments (now called Rosewood Park Apartments) intends to utilize a bond prepayment provision in the Regulatory Agreement to pay off the outstanding bonds and thereby terminate the rent and occupancy restrictions on tenant income requirements for admission to the rent restricted units. On July 25, 2013, the new owners sent a letter entitled "Letter to Affected Public Agencies Pursuant to Government Code Section 65863.10" (whose stated purpose is to assist localities in their efforts to preserve or replace at-risk projects and protect tenants). The letter advised that the new owners intend to convert affordable rent restricted units to market rent of \$875.00 by March 1, 2014. The letter indicates that the number of affected tenants is listed as 24 with the affected assisted (affordable) units also at 24 with not assisted units in the complex as 70. The ages of the affected tenants range from 62 to 104 with incomes ranging from \$2,652 to \$22,050.

State law has very strict notice requirements designed for the preservation of government-assisted multifamily rental housing projects. As stated by the California Department of Housing and Community Development such "at-risk units" are occupied by elderly persons and families with lower incomes who cannot afford to pay market rents and who could be displaced if the projects convert. Hence, the need for strict state preservation notice requirements. The City has determined that all of the notice requirements have been satisfied.

Pursuant to Section 26 of the Amended Regulatory Agreement the Trustee (and their counsel) will have no further responsibilities under the Agreement once the bonds are paid off and are no longer outstanding. The Trustee would continue to have certain rights contained in Section 26 regarding the right to be paid compensation for services rendered notwithstanding prepayment of the loans.

However the prepayment of the bonds does not automatically trigger termination of the affordability restrictions contained in the Agreement. Section 13 of the Amended Regulatory Agreement entitled "Term" states in pertinent part as follows:

This Regulatory Agreement and all and several terms hereof shall become effective upon the execution and delivery, and shall remain in full force and effect for the period provided for herein and shall terminate as to any provision not otherwise provided with a specific termination date and shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that the provisions hereof are intended to survive retirement of the Bond and discharge of the Indentures and the Loan Agreements.

Section 13 provides that the termination of the agreement does not occur due to the repayment of the bonds but instead occurs "at the end of the Qualified Termination Period."

Section 4 of the Amended Regulatory Agreement, entitled "Low Income Tenants, Reporting Requirements", states in pertinent part:

Pursuant to the requirements of the (IRS) Code, the Owner hereby represents, warrants and covenants as follows:

(a) During the Qualified Project Period, no less than 20% of the total number of completed units in the Project shall at all times be rented to and occupied by Low Income Tenants.

Section 6 (f) of the Amended Regulatory Agreement provides that:

Following the expiration or termination of the Qualified Project Period, except in the event of foreclosure redemption of the Bonds, deed in lieu of foreclosure, eminent domain, or action of a federal agency preventing enforcement, units reserved for occupancy as required by subsection (a) of this Section shall remain available to any eligible tenant occupying a reserved unit at the date of such expiration or termination, at the rent determined by subsection (b) of this Section, until the earliest of (a) the household's income exceeds 140% of the maximum eligible income specified above, (2) the household voluntarily moves or is evicted for good cause, as defined in the Act, (3) 30 years after the date of the commencement of the Qualified Project Period, or (4) the Owner pays the relocation assistance and benefits to households as provided in Section 7264(b) of the California Government Code.

Section 12 of the Amended Regulatory Agreement provides, in pertinent part, "For the Qualified Project Period, the Owner shall not, except as provided below, sell, transfer or otherwise dispose of the Project, in whole or in part, without the prior written consent of the Issuer and the Trustees, which consent shall not be unreasonably withhold or delayed..." Section 13 provides, "This Regulatory Agreement...shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that the provisions hereof are intended to survive the retirement of the Bonds and discharge of the Indentures and the Loan Agreements."

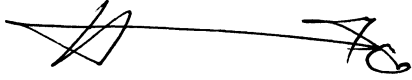
The "Qualified Project Period" does not terminate until, at the earliest, October 28, 2014. The Letter to Affected Public Agencies indicated that the buyer intended to raise rents by March 14, 2014. The buyer has nevertheless agreed with the City's interpretation of the Agreement and has agreed that the Qualified Project Period does not end until October 28, 2014.

The proposed Assignment and Assumption Agreement provides that the Commerce Senior Partners assigns and the Rosewood Senior Apartments accepts and assumes from the Commerce Senior Partners all of their rights, title, interest and obligations under the Amended Regulatory Agreement. Section 2 of the Assignment and Assumption Agreement provides that the Commerce Senior Partners, Rosewood Senior Apartments and the City agree that the Qualified Project Period under the Amended Regulatory Agreement commenced on October 23, 1999 and will expire on October 24, 2014. The proposed Assignment and Assumption Agreement satisfies the requirement in Section 12 of the Amended Regulatory Agreement that the new buyer provide the City with acceptable evidence that the new owner will continue operation of the Rosewood Apartments in compliance with the provisions of the Amended Regulatory Agreement. Therefore, staff recommends that the Assumption and Assignment Agreement be approved.

FISCAL IMPACT:

There will be no fiscal impact to the City as a result of the approval of the proposed Assumption and Assignment Agreement.

Reviewed by,



Vilko Domic
Finance Director

Respectfully submitted,



Jorge Rifa
City Administrator

Approved as to form,



Eduardo Olivo
City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AN ASSIGNMENT AND ASSUMPTION OF AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS BETWEEN THE COMMERCE SENIOR PARTNERS, L.P., ROSEWOOD SENIOR APARTMENTS, L.P. AND THE CITY OF COMMERCE

WHEREAS, the Commerce Senior Partners, L.P. ("Commerce Senior Partners") is the current owner of a multi-family affordable housing development, located at Lot 141 of Tract No. 37889, in the City of Commerce, California (Map Recorded in Book 944 Pages 90 through 95 inclusive of Maps, in the Office of the County Recorder of said County) (the "Property"); and

WHEREAS, to facilitate the purchase of the Property by Commerce Senior Partners, on October 1, 1999, Commerce Senior Partners entered into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the "Amended Regulatory Agreement") with the City of Commerce (the "City") and U.S. Bank Trust National Association ("U.S. Bank") for the development and operation of the Hermitage III Senior Apartments located upon the Property (collectively, the "Project"). Pursuant to the Amended Regulatory Agreement, Commerce Senior Partners received three loans from U.S. Bank which were funded with the proceeds of certain bonds issued by the City as Issuer; and

WHEREAS, pursuant to Section 3 of the Amended Regulatory Agreement, Commerce Senior Partners agreed that the Project was to be owned, managed and operated for a term equal to the Qualified Project Period. Section 1 provides, "'Qualified Project Period' means the period beginning on the later of the Closing Date or the first day on which at least 10% of the units in the Project are first occupied, and ending on the later of the following: (A) the date which is fifteen (15) years after the date on which at least fifty percent (50%) of the units in the Project are first occupied, or (B) the first date on which no private activity Bonds with respect to the Project are Outstanding, or (C) the date on which any assistance provided with respect to the Project under Section 8 of the Housing Act terminates"; and

WHEREAS, Rosewood Senior Apartments, L.P. ("Rosewood Senior Apartments") is in the process of purchasing the Property from Commerce Senior Partners. Commerce Senior Partners has agreed to discharge all of the existing financing against the Project in connection with the proposed sale of the Property, including the three loans from U.S. Bank which are secured by trust deeds against the Project and U.S. Bank, as Trustee, has arranged to cause the bonds to be immediately redeemed utilizing the proceeds of the loan repayment; and

WHEREAS, as of the date of the proposed assignment and assumption agreement, there will be no further bonds outstanding and the City, as Issuer, will succeed to all decision-making authority of both the Issuer and the Trustee under Section 26 of the Amended Regulatory Agreement; and

WHEREAS, the City has received notice that the new owner of the Hermitage Senior Apartments (now called Rosewood Park Apartments) intends to utilize a bond prepayment provision in the Amended Regulatory Agreement to pay off the outstanding bonds and thereby terminate the rent and occupancy restrictions on tenant income requirements for admission to the rent restricted units; and

WHEREAS, the prepayment of the bonds does not automatically trigger termination of the affordability restrictions contained in the Agreement. Section 13 provides that the termination of the agreement does not occur due to the repayment of the bonds but instead occurs "at the end of the Qualified Termination Period"; and

WHEREAS, the "Qualified Project Period" does not terminate until, at the earliest, October 28, 2014; and

WHEREAS, the proposed Assignment and Assumption Agreement satisfies the requirement in Section 12 of the Amended Regulatory Agreement that the new buyer provide the City with acceptable evidence that the new owner will continue operation of the Rosewood Apartments in compliance with the provisions of the Amended Regulatory Agreement.

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

Section 1. The Assignment and Assumption of Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants between the Commerce Senior Partners, L.P., Rosewood Senior Apartments, L.P., and the City of Commerce is hereby approved. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

PASSED, APPROVED and ADOPTED this 19th day of November, 2013.

Joe Aguilar, Mayor

ATTEST:

Teresa Jackson
Interim City Clerk

ASSIGNMENT AND ASSUMPTION OF AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

(City of Commerce)

THIS ASSIGNMENT AND ASSUMPTION OF AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (this "Agreement") is made as of this ____ day of _____ 2013 (the "Effective Date"), by and among Commerce Senior Partners, L.P., a California limited partnership (the "Assignor"), and Rosewood Senior Apartments, L.P., a California limited partnership (the "Assignee"), and the City of Commerce, California (the "City" or "Issuer"), with reference to the following facts:

RECITALS

A. WHEREAS, the Assignor is the owner of that certain multi-family affordable housing development, which is located upon that certain property located in Commerce, California (the "Property"), as more fully described in Exhibit A, attached hereto and made a part hereof;

B. WHEREAS, to facilitate the purchase, development and operation of the apartments located upon the Property (collectively, the "Project"), the Assignor received three loans from U.S. Bank Trust National Association ("U.S. Bank") which were funded with the proceeds of certain "Bonds" issued by the City as Issuer;

C. WHEREAS, in connection with such Bonds issuance and loan funding, the Owner, US Bank (as "Trustee") and the City entered into that certain AMENDED AND RESTATED REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS, dated October 1, 1999, and recorded on October 23, 1999, as Document No. 99-2029849 of the Official Records of Los Angeles County, California (the "City Regulatory Agreement") with respect to the Project; The Bonds are defined and described in the City Regulatory Agreement;

D. WHEREAS, The Assignor has agreed to discharge all of the existing financing against the Project in connection with the proposed sale of the Project, including the three loans from U.S. Bank which are secured by trust deeds against the Project and U.S. Bank, as Trustee, has arranged to cause the Bonds to be immediately redeemed utilizing the proceeds of the loan repayment;

E. WHEREAS On the Effective Date, there will be no further Bonds outstanding and the City, as Issuer, will succeed to all decision-making authority of both the Issuer and the Trustee under Section 26 of the City Regulatory Agreement;

F. WHEREAS, the Assignee desires to acquire and the Assignor desires to sell, convey, and transfer to the Assignee, the Assignor's entire ownership interest in the Project, which sale, conveyance and transfer requires the assumption by the Assignee of the rights, duties, and obligations of the Assignor under the City Regulatory Agreement relating to the period from and after the Effective Date;

G. WHEREAS, the Assignee wishes to assume such obligations under the City Regulatory Agreement;

H. WHEREAS, The City, as Issuer, has requested, and the Assignee has agreed, that the Assignee confirm and agree that the redemption of the Bonds does not affect any reduction in the duration of the "Qualified Project Period" or otherwise limit or impair the continuing obligation of the Assignee as successor Owner to make available the applicable apartment units at the regulated rates and all related requirements provided under the City Regulatory Agreement; and

I. WHEREAS, the Issuer, in accordance with the City Regulatory Agreement, is willing, by execution below, to consent to (i) the sale, conveyance, and transfer of the Project to the Assignee and (ii) the Assignee's assumption of all obligations of the Assignor under the City Regulatory Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Recitals and Definitions. The recitals set forth above are true and accurate and are incorporated herein by reference. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the City Regulatory Agreement.

2. Qualified Project Period. Assignor, Assignee and the City hereby confirm and agree that The Qualified Project Period" under the City Regulatory Agreement commenced on October 23, 1999 and will expire on October 24, 2014.

3. Assignment, Assumption and Consent. The Assignor hereby assigns and delegates to the Assignee, and Assignee hereby accepts and assumes from Assignor, all of the Assignor's rights, title, interest and obligations under the City Regulatory Agreement arising from and after the Effective Date, which rights and obligations are more particularly described in the City Regulatory Agreement. Without limiting the foregoing, Assignee hereby agrees, for the benefit of Assignor and the Issuer, to perform all of the obligations under the City Regulatory Agreement that relate to the Project arising from and after the Effective Date, including, without limitation, the rent limitations under Section 6(a) and Section 6(b) for the duration of the Qualified Project Period and the rent limitations under Section 6(f) which apply as provided therein for up to thirty (30) years from the first day of the Qualified Project Period. The Issuer consents to the assignment and delegation by Assignor, and the acceptance and assumption by Assignee, of such rights and obligations.

4. Trustee's Fees. For the avoidance of doubt, Assignor acknowledges that it shall remain solely responsible to Trustee for any sums due to Trustee under the last grammatical paragraph of Section 26 of the City Regulatory Agreement and shall hold Issuer and Assignee harmless from the same. Said provision states, in pertinent part "Owner shall continue to pay Trustee's reasonable compensation for all services rendered by it hereunder and reimbursement for all expenses reasonably incurred in connection therewith."

5. Release. The parties hereto agree that the Assignor shall be released from all liability for obligations to be performed under the City Regulatory Agreement on and after the Effective Date but shall remain liable in accordance with the terms of the City Regulatory Agreement for any obligation accruing prior to the Effective Date. The parties hereto acknowledge and agree that the Issuer does not hereby waive any of the provisions of the City Regulatory Agreement and all of the terms, conditions, and provisions of the City Regulatory Agreement shall remain in full force and effect.

6. No Defaults. The Issuer acknowledges and agrees that (i) there have been no defaults under the City Regulatory Agreement and (iii) no event has occurred which, with the passage of time, the giving of notice or both, would constitute a default under the City Regulatory Agreement or would entitle the Issuer to revoke any of the rights granted to the Assignor under the City Regulatory Agreement.

7. Notice. All correspondence and notices given or required to be given to the Assignor under the City Regulatory Agreement, from and after the Effective Date, shall be provided to the Assignee and shall be addressed as follows: Upon written request, Assignee may request additional copies to be sent to additional or substitute parties.

Assignee:

c/o Synergy Community Development Corporation
725 South Figueroa Street
Suite 3230
Los Angeles, CA 90017
Attn: Juliet Cavan-White

With a copy to: Nasch Investments Limited, L.P.
c/o Ron Nasch
Fairmont Management Inc.
2421 Foothill Blvd.
La Verne, CA 91750

With a copy to: Kenneth S. Fields, Esq.
Greenberg Glusker Fields Claman & Machtinger LLP
1900 Avenue of the Stars, 21st Floor
Los Angeles, CA 90067

8. Successors and Assigns. This Agreement applies to, inures to the benefit of, and binds all parties hereto and their respective successors and assigns.

9. Counterparts. This Agreement may be executed in multiple counterparts, all of which, when taken together, shall be deemed an original upon execution.

[signature page follows]

SIGNATURE PAGES TO
ASSIGNMENT AND ASSUMPTION OF AMENDED AND RESTATED REGULATORY
AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day
and year written above.

ASSIGNOR:

COMMERCE SENIOR PARTNERS, L.P.

By: Western Community Housing Inc.,
a California nonprofit corporation,
General Partner

By: _____
Name: Graham P. Espley-Jones
Title: President

[signatures continue on next page]

ASSIGNEE:

ROSEWOOD SENIOR APARTMENTS, L.P.,
a California limited partnership

By: Synergy Community Development Corporation,
a California nonprofit public benefit corporation,
its Managing General Partner

By: _____
Name: Juliet Cavan White
Title: Executive Director

[signatures continue on next page]

ISSUER:

CITY OF COMMERCE

By: _____

Name: Joe Aguilar

Its: Mayor

[end of signature]

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, 2013, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

STATE OF CALIFORNIA)
) **ss.**
COUNTY OF _____)

On _____, 2013, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____(Seal)

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, 2013, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____(Seal)

EXHIBIT A
Legal Description

Order Number: NCS-533682-LA2

Page Number: 9

LEGAL DESCRIPTION

Real property in the City of Commerce, County of Los Angeles, State of California, described as follows:

LOT 141 OF TRACT NO. 37889, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 944 PAGES 90 THROUGH 95 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THOSE PORTIONS OF LOT 141, INCLUDED WITHIN THE LINES OF LOTS 21 TO 24 INCLUSIVE AND 28 TO 34 INCLUSIVE OF SAID TRACT NO. 10162 ALL OILS, MINERALS AND HYDROCARBONS BENEATH THE SURFACE OF THE GROUND BUT WITHOUT ANY RIGHT TO DRILL OR EXPLORE THEREFOR FROM THE SURFACE OF THE PROPERTY, AS RESERVED BY ETHEL NANCY HAYNOR IN DEED RECORDED NOVEMBER 8, 1947 IN BOOK 25409 PAGE 299 OF OFFICIAL RECORDS AS TO LOTS 21 AND 22 AS RESERVED BY FRANZ X. POMMER AND SELMA POMMER, HUSBAND AND WIFE, IN DEED RECORDED NOVEMBER 8, 1947 IN BOOK 25409 PAGE 300 OF OFFICIAL RECORDS AS TO LOTS 23 AND 24 AS RESERVED BY THADDEUS ROBERT TODD AND GLENNA BARCLAY TODD IN DEED RECORDED AUGUST 23, 1947 IN BOOK 24971 PAGE 145 OF OFFICIAL RECORDS AS TO LOTS 28 AND 29, AS RESERVED BY SANTA FE BUILDING COMPANY, A CORPORATION, IN DEED RECORDED AUGUST 20, 1947 IN BOOK 24924 PAGE 173 OF OFFICIAL RECORDS, AS TO LOTS 30 AND 31, AND AS RESERVED BY SANTA FE BUILDING COMPANY, A CORPORATION, IN DEED RECORDED IN BOOK 24924 PAGE 174 OF OFFICIAL RECORDS AS TO LOTS 32, 33 AND 34.

ALSO EXCEPT THEREFROM THOSE PORTIONS OF SAID LOT 141 INCLUDED WITHIN THE LINES OF LOTS 4, 5, 6 AND 7 OF TRACT NO. 8863, AS PER MAP RECORDED IN BOOK 145 PAGE 59 OF MAPS, RECORDS OF LOS ANGELES COUNTY, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN OR UNDER SAID LAND BUT WITHOUT THE RIGHT TO DRILL OR EXPLORE THEREFOR FROM THE SURFACE OF THE PROPERTY, AS EXCEPTED BY SANTA FE BUILDING COMPANY, A CORPORATION, IN DEED RECORDED IN BOOK 24924 PAGE 173 OF OFFICIAL RECORDS AS TO LOT 4, AS RESERVED BY GEORGE BAMOY IN DEED RECORDED JANUARY 30, 1948 IN BOOK 26335 PAGE 55 OF OFFICIAL RECORDS, AS TO LOTS 5 AND 6 AND AS RESERVED BY ALBERT D. GREENSTREET AND LENICE K. GREENSTREET IN DEED RECORDED AUGUST 20, 1947 IN BOOK 24920 PAGE 151 OF OFFICIAL RECORDS AS TO LOT 7.

ALSO EXCEPT AND RESERVE TO THE STATE OF CALIFORNIA ALL GEOTHERMAL RESOURCES AND ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS TOGETHER WITH THE RIGHT TO PROSPECT FOR MINE AND REMOVE SUCH RESOURCES AND DEPOSITS FROM THE LAND MORE PARTICULARLY DESCRIBED THEREIN AND AS RESERVED IN DEED RECORDED NOVEMBER 28, 1979 AS INSTRUMENT NO. 79-1334599 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS, ASPHALTUM AND OTHER HYDROCARBON SUBSTANCES IN OR UNDER THE SITE, TOGETHER WITH ALL RIGHTS INCIDENT OR NECESSARY TO THE CONVENIENT EXTRACTION OF ALL OIL, GAS, ASPHALTUM OR OTHER HYDROCARBON SUBSTANCES IN OR UNDER SAID SITE, AS RESERVED BY STATE OF CALIFORNIA IN DEED RECORDED NOVEMBER 28, 1979 IN THE OFFICIAL RECORDS OF LOS ANGELES COUNTY.

APN: 6335-029-049



AGENDA REPORT

DATE: November 19, 2013

TO: HONORABLE SUCCESSOR AGENCY

FROM: EXECUTIVE DIRECTOR

SUBJECT: A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

RECOMMENDATION:

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

MOTION:

Move to approve the recommendation.

BACKGROUND/ANALYSIS:

As part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed Assembly Bill X1 26 ("AB 26"), requiring that each redevelopment agency in the State be dissolved and directed the wind-down activities of such agencies. The dissolution wind-down process includes a series of audits, reviews, and approvals addressing which obligations an agency is authorized to complete (enforceable obligations), how much funding may be used to meet the obligations, and the return of all un-obligated agency funds to the affected taxing entities.

The Dissolution Act requires agencies to undergo detailed Due Diligence Reviews (DDR) to determine un-obligated fund balances available for transfer to the affected taxing entities. Upon the agency's completion of these requirements, the State Department of Finance (DOF) issues a Finding of Completion (FOC). Upon issuance of an FOC, an agency is required to submit a Long Range Property Management Plan (LRPMP) within six months to the DOF identifying the disposition and use of all remaining agency properties retained by the agency. Commerce received its FOC on May 24, 2013 and therefore the LRPMP is due to the DOF by November 24, 2013. Upon approval by the Successor Agency, the LRPMP will be submitted for review and approval by the Oversight Board and transmitted to the DOF for final action. There is no statutory deadline for the DOF to complete its review of the LRPMP. Based on other Agencies experience, the DOF has been reviewing and approving them with a 3-6 month timeframe.

The LRPMP must identify that agency properties will be used in one of the following ways:

1. Use Property to Fulfill Enforceable Obligation;
2. Retention of Property for Governmental Use; and
3. Retention of Property for Future Development including sale of property.

The LRPMP must include the following information:

1. Inventory of all properties indicating proposed use or sale of each property;
2. Date acquired and intended purpose;
3. Value at acquisition and estimated current value;
4. Parcel data (address, lot size, current zoning);
5. Estimate of revenue generated by property;
6. History of environmental contamination;
7. Description of transit-oriented development potential and advancement of planning objectives; and

8. Brief history of previous development proposals/activity (if any).

The attached Successor Agency's LRPMP indicates that all of its land assets are being used to fulfill enforceable obligations, serve as governmental use properties, subject to retention for future development or future sale. The attached Plan (Exhibit A) outlines all agency properties, their recommended uses, and justification for those recommendations.

In identifying all land assets in the LRPMP, staff has categorized the properties based on their market potential and reuse interest as follows:

- Tier I properties include those properties whose market potential for disposition is strongest;
- Tier II properties include those governmental use properties (public facilities) that will be retained by the City for a public purpose; and
- Tier III properties include those properties that have limited market potential due to locational constraints or limited reuse options.

Staff is also working on an attachment to the LRPMP that will provide a more detailed history of various properties that are subject to the LRPMP. The attachment will be completed and provided to the Successor Agency before the meeting. Staff will be ready to thoroughly review the LRPMP and the attachment with the Successor Agency at the time of the meeting.

FISCAL IMPACT:

There is no fiscal impact associated with adopting the LRPMP. Once the plan is approved by the DOF, any Agency asset to be sold will result in the sale proceeds being distributed to affected taxing entities, including the City.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

This item relates to Strategic Goal #2: *Protecting and enhancing the quality of life for city residents*. The LRPMP, while a State DOF requirement, is a useful tool for the proper planning and disposition of agency assets in accordance with local planning objectives.

Recommended by,

Jorge Rifa
Executive Director

Prepared by:


Alex Hamilton
Interim Community Development Director

Fiscal impact reviewed by:


Vilko Domic
Director of Finance

Approved as to form:


Eduardo Olivo
Agency Counsel

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING A LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

WHEREAS, pursuant to ABx1 26 enacted in June 2011 (as amended by AB1484 enacted in June 2012, the "Dissolution Act"), the Redevelopment Agency of the City of Commerce (the "Dissolved RDA") was dissolved as of February 1, 2012, and the City of Commerce, acting in a separate limited capacity elected to serve as the successor agency (the "Commerce Successor Agency") of the Dissolved RDA; and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), as added by the Dissolution Act, the Commerce Successor Agency is a separate legal entity from the City of Commerce (the "City"); and

WHEREAS, the Commerce City Council (the "City Council") serves in a separate capacity as the governing board of the Commerce Successor Agency ; and

WHEREAS, pursuant to the Dissolution Act the Commerce Successor Agency is charged with paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the Dissolved RDA; and

WHEREAS, an oversight board for the Successor Agency (the "Oversight Board") has been formed and is functioning in accordance with Health & Safety Code Section 34179; and

WHEREAS, the real property and specified other assets of the Dissolved RDA were transferred to the ownership and control of the successor Agency as of February 1, 2012 pursuant to Health & Safety Code Section 34175(b); and

WHEREAS, the Properties were acquired by the Dissolved Agency RDA for redevelopment with uses consistent with, and for projects identified in, the Redevelopment Plan; and

WHEREAS, on May 24, 2013, the Commerce Successor Agency received its Finding of Completion from the California Department of Finance (the "DOF") pursuant to Health & Safety Code Section 34179.7, confirming that the Commerce successor Agency had made specified required payments under the Dissolution Act; and

NOW, THEREFORE, THE COMMERCE SUCCESSOR AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The recitals set forth above are true and correct and incorporated herein by reference.

Section 2. The Commerce Successor Agency hereby approves the PMP in the form presented to the Commerce Successor Agency and as on file with the Successor Agency Secretary.

Section 3. The Commerce Successor Agency Executive Director, or the Executive Director's designee, is hereby authorized and directed to submit the PMP to the Oversight Board and the DOF for approval in accordance with Health & Safety Code Section 34191.5(b).

Section 4. Upon approval of the PMP by the Oversight Board and the DOF, the Successor Agency authorizes and directs the Commerce Successor Agency Executive Director, or the Executive Director's designee, to dispose of and use the Properties and any disposition proceeds in accordance with the PMP and to take any action and execute any documents as may be necessary to implement the disposition and use of the

Resolution No. _____
Page 2 of 2

Properties and any disposition proceeds in accordance with the terms approved in the PMP and this Resolution.

PASSED, APPROVED AND ADOPTED this ____ day of _____ 2013.

Joe Aguilar, Mayor

ATTEST:

Teresa Jackson, CMC
Interim City Clerk