

AGENDA

REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
5000 CLARK AVENUE
LAKEWOOD, CALIFORNIA

January 28, 2020, 7:30 p.m.

CALL TO ORDER

INVOCATION: Reverend Tamara John, Christ Presbyterian Church Lakewood

PLEDGE OF ALLEGIANCE: Girls Scout Troop 2993

ROLL CALL: Mayor Todd Rogers
Vice Mayor Jeff Wood
Council Member Steve Croft
Council Member Diane DuBois
Council Member Ron Piazza

ANNOUNCEMENTS AND PRESENTATIONS:

Presentation by Captain David Sprengel, Lakewood Sheriff's Station, Regarding Quarterly Public Safety Report

ROUTINE ITEMS:

All items listed within this section of the agenda are considered to be routine and will be enacted by one motion without separate discussion. Any Member of Council may request an item be removed for individual discussion or further explanation. All items removed shall be considered immediately following action on the remaining items.

RI-1 PERSONNEL TRANSACTIONS - Staff recommends the City Council approve report of personnel transactions.

RI-2 REGISTERS OF DEMANDS - Staff recommends the City Council approve registers of demands.

RI-3 CITY COUNCIL COMMITTEES' ACTIVITIES - Staff recommends the City Council approve report of City Council Committees' activities.

RI-4 REPLACEMENT OF ADVANCED SURVEILLANCE AND PROTECTION (ASAP) SYSTEM EQUIPMENT - Staff recommends the City Council approve agreement with Convergent Technologies for the replacement of equipment at a cost of \$46,628; extended warranty for labor and equipment for five years at a cost of \$10,558; and authorize the City Manager to sign the agreement as approved by the City Attorney.

RI-5 AUTHORIZE PARKING, SIDEWALK, AND RAMP REPAIRS AT BISCAILUZ PARK FOR ADA COMPLIANCE - Staff recommends the City Council authorize work for the parking, sidewalk, and ramp repairs at Biscailuz Park for ADA Compliance in an amount not-to-exceed \$43,000.

City Council Agenda

January 28, 2020

Page 2

ROUTINE ITEMS: - Continued

RI-6 APPROVAL OF POLICY ON DISCONTINUATION OF WATER SERVICE FOR NON-PAYMENT – IN COMPLIANCE WITH SENATE BILL 998 (WATER SHUTOFF PROTECTION ACT) - Staff recommends the City Council adopt the proposed Discontinuation of Water Service for Non-Payment Policy.

PUBLIC HEARINGS:

1.1 ADOPTION OF ORDINANCE NO. 2020-1; AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD AMENDING ARTICLE IX OF THE LAKEWOOD MUNICIPAL CODE PERTAINING TO STANDARDS AND REGULATIONS FOR ACCESSORY DWELLING UNITS (ADUs) AND JUNIOR ACCESSORY DWELLING UNITS (JADUs) - Staff recommends the City Council adopt the proposed ordinance.

LEGISLATION:

2.1 SECOND READING AND ADOPTION OF ORDINANCE NO. 2020-2; AN ORDINANCE OF THE CITY COUNCIL AND THE PEOPLE OF THE CITY OF LAKEWOOD ADDING CHAPTER 10 (TRANSACTIONS AND USE TAX) TO ARTICLE VI OF THE LAKEWOOD MUNICIPAL CODE TO ESTABLISH A THREE-QUARTERS PERCENT (3/4%) GENERAL TRANSACTIONS AND USE (SALES) TAX, TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION - Staff recommends the City Council adopt the proposed ordinance.

LAKEWOOD HOUSING SUCCESSOR AGENCY

1. REGISTER OF DEMANDS - Staff recommends the Housing Successor Agency approve register of demands.

ORAL COMMUNICATIONS:

ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you are a qualified individual with a disability and need an accommodation to participate in the City Council meeting, please contact the City Clerk's Office, 5050 Clark Avenue, Lakewood, CA, at 562/866-9771, ext. 2200; or at cityclerk@lakewoodcity.org at least 48 hours in advance to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Agenda items are on file in the Office of the City Clerk, 5050 Clark Avenue, Lakewood, and are available for public review during regular business hours. Any supplemental material distributed after the posting of the agenda will be made available for public inspection during normal business hours in the City Clerk's Office. For your convenience, the agenda and the supporting documents are available in an alternate format by request and are also posted on the City's website at www.lakewoodcity.org

D I V I D E R S H E E T


COUNCIL AGENDA

January 28, 2020

TO: The Honorable Mayor and City Council

SUBJECT: Report of Personnel Transactions

<u>Name</u>	<u>Title</u>	<u>Schedule</u>	<u>Effective Date</u>
1. FULL-TIME EMPLOYEES			
A. Appointments			
None			
B. Changes			
None			
C. Separations			
None			
2. PART-TIME EMPLOYEES			
A. Appointments			
Kyle Jaffke	Maintenance Trainee I	B	01/21/2020
B. Changes			
Anthony Pacileo	Maintenance Trainee I	B to	12/29/2019
	Maintenance Trainee II	B	
C. Separations			
Rigoberto Gomez	Maintenance Trainee II	B	01/10/2020


Thaddeus McCormack
City Manager

DIVIDER SHEET

**CITY OF LAKEWOOD
FUND SUMMARY 1/16/2020**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 96080 through 96172. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	401,637.78
1030	CDBG CURRENT YEAR	2,405.25
1050	COMMUNITY FACILITY	8,730.50
3001	CAPITAL IMPROV PROJECT FUND	23,474.18
3070	PROPOSITION "C"	2,296.89
5020	CENTRAL STORES	2,231.18
5030	FLEET MAINTENANCE	2,983.49
6020	GEOGRAPHIC INFORMATION SYSTEM	57.49
7500	WATER UTILITY FUND	237,407.51
		<hr/>
		681,224.27

Council Approval

Date

City Manager

Attest

City Clerk

Director of Administrative Services

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
96080	01/16/2020	5260	AEF SYSTEMS CONSULTING. INC.	7,782.50	0.00	7,782.50
96081	01/16/2020	2701	AIRE RITE A/C & REFRIGERATION INC	5,023.15	0.00	5,023.15
96082	01/16/2020	4551	ACCOUNTING PRINCIPALS. INC	1,800.32	0.00	1,800.32
96083	01/16/2020	1757	ANIMAL PEST MANAGEMENT SERVICES. INC	4,000.00	0.00	4,000.00
96084	01/16/2020	45721	AMERICAN PUBLIC WORKS ASSOCIATION	252.50	0.00	252.50
96085	01/16/2020	63294	BROADCAST MUSIC INC	724.00	0.00	724.00
96086	01/16/2020	1935	BREA. CITY OF	27,966.00	0.00	27,966.00
96087	01/16/2020	66457	BRENTAG PACIFIC INC	2,161.54	0.00	2,161.54
96088	01/16/2020	48469	BURWELL MICHAEL RAY	1,805.00	0.00	1,805.00
96089	01/16/2020	53983	CALIF STATE FRANCHISE TAX BOARD	560.23	0.00	560.23
96090	01/16/2020	1861	CALIFORNIA. STATE OF	450.00	0.00	450.00
96091	01/16/2020	45894	CINTAS CORPORATION	60.59	0.00	60.59
96092	01/16/2020	5214	CLEANCOR HOLDINGS LLC	465.00	0.00	465.00
96093	01/16/2020	53451	COMMUNITY FAMILY GUIDANCE CTR	750.00	0.00	750.00
96094	01/16/2020	4776	CORELOGIC. INC.	60.50	0.00	60.50
96095	01/16/2020	60195	CR TRANSFER INC	3,616.91	0.00	3,616.91
96096	01/16/2020	5194	CUOMO. BIAGIO	20.95	0.00	20.95
96097	01/16/2020	4204	DAVEY'S LOCKER SPORTFISHING	350.00	0.00	350.00
96098	01/16/2020	4043	DIAMOND ENVIRONMENTAL SERVICES LP	479.22	0.00	479.22
96099	01/16/2020	4660	ZW USA INC.	326.71	0.00	326.71
96100	01/16/2020	5229	DUNRITE PEST CONTROL INC.	260.00	0.00	260.00
96101	01/16/2020	5242	EEC ACQUISITION LLC	55.20	0.00	55.20
96102	01/16/2020	5255	EUROFINS EATON ANALYTICAL. LLC	3,260.00	0.00	3,260.00
96103	01/16/2020	4435	ELLIOTT AUTO SUPPLY COMPANY INC	68.20	0.00	68.20
96104	01/16/2020	4947	FILE KEEPERS. LLC	20.00	0.00	20.00
96105	01/16/2020	63519	FLUE STEAM INC	24.00	0.00	24.00
96106	01/16/2020	5182	FRED ALLEN ENTERPRISES. INC.	57.73	0.00	57.73
96107	01/16/2020	4884	FRONTIER CALIFORNIA INC.	2,929.81	0.00	2,929.81
96108	01/16/2020	61688	FULL COMPASS SYSTEMS LTD	269.38	0.00	269.38
96109	01/16/2020	3188	GALLS LLC/QUARTERMASTER LLC	651.28	0.00	651.28
96110	01/16/2020	59433	GANAHL LUMBER COMPANY	60.32	0.00	60.32
96111	01/16/2020	54961	HACH COMPANY	856.05	0.00	856.05
96112	01/16/2020	4723	HANSEN SOFTWARE CORP	250.00	0.00	250.00
96113	01/16/2020	35477	HARA M LAWNMOWER CENTER	441.29	0.00	441.29
96114	01/16/2020	42031	HOME DEPOT	1,779.58	0.00	1,779.58
96115	01/16/2020	41897	HOSE-MAN THE	142.30	0.00	142.30
96116	01/16/2020	65891	HUMAN SERVICES ASSOCIATION	750.00	0.00	750.00
96117	01/16/2020	44339	KIDSGUIDE INC	445.00	0.00	445.00
96118	01/16/2020	55469	LAKEWOOD CITY EMPLOYEE ASSOCIATION	1,980.00	0.00	1,980.00
96119	01/16/2020	53311	LAKEWOOD MEALS ON WHEELS	875.00	0.00	875.00
96120	01/16/2020	59671	WOODWARDS MICHAEL	235.00	0.00	235.00
96121	01/16/2020	18400	LAKEWOOD. CITY WATER DEPT	42,207.08	0.00	42,207.08
96122	01/16/2020	43017	LARSEN. DEBRA	140.10	0.00	140.10
96123	01/16/2020	45069	LOS ANGELES CO/DEPT PW BLDG SVCS	57,488.12	0.00	57,488.12

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
96124	01/16/2020	36844	LA COUNTY DEPT OF PUBLIC WORKS	62,818.81	0.00	62,818.81
96125	01/16/2020	4887	MATHESON TRI-GAS. INC.	49.24	0.00	49.24
96126	01/16/2020	52588	MILLER DON & SONS	162.49	0.00	162.49
96127	01/16/2020	52225	MITY-LITE	13,278.76	0.00	13,278.76
96128	01/16/2020	5134	NORRIS. RICHARD	2,730.00	0.00	2,730.00
96129	01/16/2020	4443	O'REILLY AUTOMOTIVE STORES INC	333.39	0.00	333.39
96130	01/16/2020	47554	OFFICE DEPOT BUSINESS SVCS	261.68	0.00	261.68
96131	01/16/2020	450	PACIFIC EH & S SERVICES INC	1,792.00	0.00	1,792.00
96132	01/16/2020	51171	PERS LONG TERM CARE PROGRAM	70.64	0.00	70.64
96133	01/16/2020	15600	LONG BEACH PUBLISHING CO	555.86	0.00	555.86
96134	01/16/2020	44701	RAPP. LISA	259.96	0.00	259.96
96135	01/16/2020	39640	RAYVERN LIGHTING SUPPLY CO INC	88.65	0.00	88.65
96136	01/16/2020	4956	ROSS AVIATION INVESTMENT. LLC	3,972.12	0.00	3,972.12
96137	01/16/2020	45437	S & J SUPPLY CO	434.26	0.00	434.26
96138	01/16/2020	3153	SECTRAN SECURITY INC	158.85	0.00	158.85
96139	01/16/2020	52279	SMART & FINAL INC	115.70	0.00	115.70
96140	01/16/2020	5022	MWB COPY PRODUCTS. INC.	114.98	0.00	114.98
96141	01/16/2020	36658	SOUTH COAST A.O.M.D.	557.42	0.00	557.42
96142	01/16/2020	29400	SOUTHERN CALIFORNIA EDISON CO	71,462.00	0.00	71,462.00
96143	01/16/2020	4770	MANCE. MIKE J.	128.17	0.00	128.17
96144	01/16/2020	52610	SWANK MOTION PICTURES INC	523.00	0.00	523.00
96145	01/16/2020	5278	THE TECHNOLOGY DEPOT	4,987.50	0.00	4,987.50
96146	01/16/2020	64024	U S POSTAL SERVICE	1,819.76	0.00	1,819.76
96147	01/16/2020	5284	UNIFIRST CORPORATION	57.52	0.00	57.52
96148	01/16/2020	5254	US DEPARTMENT OF EDUCATION AWG	348.76	0.00	348.76
96149	01/16/2020	49848	USA BLUE BOOK A DIVISION OF	178.07	0.00	178.07
96150	01/16/2020	4840	VERITIV OPERATING COMPANY	221.23	0.00	221.23
96151	01/16/2020	7400	WATER REPLENISHMENT DISTRICT OF	205,896.50	0.00	205,896.50
96152	01/16/2020	3943	WATERLINE TECHNOLOGIES INC	633.14	0.00	633.14
96153	01/16/2020	17640	WAXIE ENTERPRISES INC	1,185.32	0.00	1,185.32
96154	01/16/2020	1939	WAYNE HARMEIER INC	147.83	0.00	147.83
96155	01/16/2020	36166	WEGENER. KATHY	46.80	0.00	46.80
96156	01/16/2020	62628	WELLS C. PIPELINE MATERIALS	328.64	0.00	328.64
96157	01/16/2020	40925	WEST COAST ARBORISTS INC	101,970.55	0.00	101,970.55
96158	01/16/2020	37745	WESTERN EXTERMINATOR CO	528.00	0.00	528.00
96159	01/16/2020	2279	AMERICAN PACIFIC PRINTERS COLLEGES	1,778.60	0.00	1,778.60
96160	01/16/2020	50058	WHITE HOUSE FLORIST INC	1,133.33	0.00	1,133.33
96161	01/16/2020	35146	WILLDAN ASSOCIATES	23,474.18	0.00	23,474.18
96162	01/16/2020	3699	ALCALA. LINDSEY	250.00	0.00	250.00
96163	01/16/2020	3699	BOGRIS. MARIA	250.00	0.00	250.00
96164	01/16/2020	3699	BROWN. THERNEST	220.00	0.00	220.00
96165	01/16/2020	3699	CALDERA. CLAUDIA	250.00	0.00	250.00
96166	01/16/2020	3699	CARMONA. MARISSA	250.00	0.00	250.00
96167	01/16/2020	3699	CASCANTE. CARLOS	250.00	0.00	250.00

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
96168	01/16/2020	3699	CORDERO. MARICELA	250.00	0.00	250.00
96169	01/16/2020	3699	DE LA CRUZ. MARIA	250.00	0.00	250.00
96170	01/16/2020	3699	HARPY. ELTON	250.00	0.00	250.00
96171	01/16/2020	3699	LAKEWOOD WOMEN'S CLUB	250.00	0.00	250.00
96172	01/16/2020	3699	MCCLENDON. MARSHA	250.00	0.00	250.00
Totals:				<u>681,224.27</u>	<u>0.00</u>	<u>681,224.27</u>

**CITY OF LAKEWOOD
FUND SUMMARY 1/23/2020**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 96173 through 96249. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

1010	GENERAL FUND	1,453,293.39
1020	CABLE TV	209.78
1030	CDBG CURRENT YEAR	756.87
1050	COMMUNITY FACILITY	2,148.64
1336	STATE COPS GRANT	27,852.36
1622	LA CNTY MEASURE M	16.10
3000	AIR QUALITY IMPROVEMENT	102.73
3070	PROPOSITION "C"	416.14
5010	GRAPHICS AND COPY CENTER	3,108.38
5020	CENTRAL STORES	2,832.47
5030	FLEET MAINTENANCE	3,197.65
6020	GEOGRAPHIC INFORMATION SYSTEM	11.96
7500	WATER UTILITY FUND	42,851.25
		<hr/>
		1,536,797.72

Council Approval

Date

City Manager

Attest

City Clerk

Director of Administrative Services

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
96173	01/23/2020	4842	A T & T CORP	245.48	0.00	245.48
96174	01/23/2020	4551	ACCOUNTING PRINCIPALS. INC	1,125.20	0.00	1,125.20
96175	01/23/2020	36885	SPCLTY ALLIED MUFFLER OF BELLFLOWER	269.00	0.00	269.00
96176	01/23/2020	58000	AMERICAN TRUCK & TOOL RENTAL INC	165.22	0.00	165.22
96177	01/23/2020	5097	AMERICAN SOCCER COMPANY. INC.	138.79	0.00	138.79
96178	01/23/2020	4126	AUTOZONE PARTS INC	4.92	0.00	4.92
96179	01/23/2020	5184	BEGINNERS EDGE SPORTS TRAINING. LLC	1,129.70	0.00	1,129.70
96180	01/23/2020	48469	BURWELL MICHAEL RAY	790.00	0.00	790.00
96181	01/23/2020	1025	C A C E O	169.00	0.00	169.00
96182	01/23/2020	36686	C A L E D	600.00	0.00	600.00
96183	01/23/2020	5103	CALIFORNIA DEPARTMENT OF	6,188.00	0.00	6,188.00
96184	01/23/2020	7800	CERRITOS CITY	4,862.00	0.00	4,862.00
96185	01/23/2020	45894	CINTAS CORPORATION	69.92	0.00	69.92
96186	01/23/2020	4776	CORELOGIC. INC.	13.75	0.00	13.75
96187	01/23/2020	60195	CR TRANSFER INC	5,256.46	0.00	5,256.46
96188	01/23/2020	4043	DIAMOND ENVIRONMENTAL SERVICES LP	34.47	0.00	34.47
96189	01/23/2020	27200	DICKSON R F CO INC	50,021.43	0.00	50,021.43
96190	01/23/2020	3199	EDCO WASTE SERVICES LLC	419,661.50	0.00	419,661.50
96191	01/23/2020	4411	EPOWER NETWORK INC	3,909.04	0.00	3,909.04
96192	01/23/2020	4435	ELLIOTT AUTO SUPPLY COMPANY INC	69.29	0.00	69.29
96193	01/23/2020	3610	FLEMING ENVIRONMENTAL INC	468.60	0.00	468.60
96194	01/23/2020	3188	GALLS LLC/OUARTERMASTER LLC	482.92	0.00	482.92
96195	01/23/2020	64215	GOLD COAST AWARDS INC	153.19	0.00	153.19
96196	01/23/2020	65779	GOLDEN STATE WATER COMPANY	8,991.33	0.00	8,991.33
96197	01/23/2020	38311	H & H NURSERY	43.78	0.00	43.78
96198	01/23/2020	65575	HAP'S AUTO PARTS	57.57	0.00	57.57
96199	01/23/2020	35477	HARA M LAWNMOWER CENTER	101.84	0.00	101.84
96200	01/23/2020	4880	HODGE PRODUCTS INC.	248.57	0.00	248.57
96201	01/23/2020	36589	IMMEDIATE MEDICAL CARE	280.00	0.00	280.00
96202	01/23/2020	4622	JHM SUPPLY INC	85.09	0.00	85.09
96203	01/23/2020	4180	JONES RICHARD D. A PROF LAW CORP	11,429.79	0.00	11,429.79
96204	01/23/2020	18300	LAKEWOOD CHAMBER OF COMMERCE	2,416.67	0.00	2,416.67
96205	01/23/2020	3564	LONG BEACH. CITY OF	189.67	0.00	189.67
96206	01/23/2020	21600	LOS ANGELES CO SHERIFFS DEPT	942,257.78	0.00	942,257.78
96207	01/23/2020	62080	MARKLEY. ELIZABETH	156.00	0.00	156.00
96208	01/23/2020	5306	METROPOLITAN WEST. INC.	1,441.00	0.00	1,441.00
96209	01/23/2020	5134	NORRIS. RICHARD	341.25	0.00	341.25
96210	01/23/2020	4443	O'REILLY AUTOMOTIVE STORES INC	24.75	0.00	24.75
96211	01/23/2020	47554	OFFICE DEPOT BUSINESS SVCS	184.31	0.00	184.31
96212	01/23/2020	5136	OPUS INSPECTION. INC.	131.40	0.00	131.40
96213	01/23/2020	65659	PHASE II SYSTEMS INC	3,351.21	0.00	3,351.21
96214	01/23/2020	50512	PATHWAYS VOLUNTEER HOSPICE	750.00	0.00	750.00
96215	01/23/2020	66116	PETERSEN. LOUISE	464.10	0.00	464.10
96216	01/23/2020	5199	PETTY CASH/ANDREW CAMACHO	1,231.51	0.00	1,231.51

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK #	CHECK DATE	VEND #	VENDOR NAME	GROSS	DISC.	CHECK AMOUNT
96217	01/23/2020	4374	PITNEY BOWES INC	253.38	0.00	253.38
96218	01/23/2020	63364	REEVES NORM HONDA	36.79	0.00	36.79
96219	01/23/2020	45437	S & J SUPPLY CO	619.46	0.00	619.46
96220	01/23/2020	5045	SAN JUAN. CLYDE J	156.00	0.00	156.00
96221	01/23/2020	47141	STEARNS CONRAD & SCHMIDT CONSLT ENG	2,485.00	0.00	2,485.00
96222	01/23/2020	4468	SHERRARD. DONNA HOUSTON	76.70	0.00	76.70
96223	01/23/2020	59218	SIERRA INSTALLATIONS INC	5,115.00	0.00	5,115.00
96224	01/23/2020	5197	SIGNAL HILL AUTO ENTERPRISES INC.	50.70	0.00	50.70
96225	01/23/2020	26900	SO CALIF SECURITY CENTERS INC	6.02	0.00	6.02
96226	01/23/2020	29400	SOUTHERN CALIFORNIA EDISON CO	40,016.24	0.00	40,016.24
96227	01/23/2020	29500	SOUTHERN CALIFORNIA GAS CO	6,913.23	0.00	6,913.23
96228	01/23/2020	49529	SPICERS PAPER INC	512.39	0.00	512.39
96229	01/23/2020	60792	STEPHENS. ERIC	343.20	0.00	343.20
96230	01/23/2020	1676	U S TELEPACIFIC CORP	555.69	0.00	555.69
96231	01/23/2020	65224	TUMBLE-N-KIDS. INC	1,458.60	0.00	1,458.60
96232	01/23/2020	60685	TURF STAR	283.68	0.00	283.68
96233	01/23/2020	5284	UNIFIRST CORPORATION	375.02	0.00	375.02
96234	01/23/2020	49848	USA BLUE BOOK A DIVISION OF	444.37	0.00	444.37
96235	01/23/2020	4907	VARSITY BRANDS HOLDING CO INC	64.61	0.00	64.61
96236	01/23/2020	17640	WAXIE ENTERPRISES INC	1,532.82	0.00	1,532.82
96237	01/23/2020	1939	WAYNE HARMEIER INC	147.83	0.00	147.83
96238	01/23/2020	62628	WELLS C. PIPELINE MATERIALS	404.07	0.00	404.07
96239	01/23/2020	37745	WESTERN EXTERMINATOR CO	111.00	0.00	111.00
96240	01/23/2020	4837	XEROX CORPORATION	2,565.42	0.00	2,565.42
96241	01/23/2020	3699	CISNEROS. LORRAINE	250.00	0.00	250.00
96242	01/23/2020	3699	DE LEON GOSIOCO. MERCEDITA	180.00	0.00	180.00
96243	01/23/2020	3699	FALCON. ANNA	250.00	0.00	250.00
96244	01/23/2020	3699	HOWLETT. VALERIE	240.00	0.00	240.00
96245	01/23/2020	3699	LUCERO. JENNIE	240.00	0.00	240.00
96246	01/23/2020	3699	MCCULLOUGH. DAWN	250.00	0.00	250.00
96247	01/23/2020	3699	REEVES. CARMEN	250.00	0.00	250.00
96248	01/23/2020	3699	VASQUEZ. LOURDES	405.00	0.00	405.00
96249	01/23/2020	3699	WILLIAMS. RANISHA	200.00	0.00	200.00
Totals:				<u>1,536,797.72</u>	<u>0.00</u>	<u>1,536,797.72</u>

D I V I D E R S H E E T

COUNCIL AGENDA

January 28, 2020

TO: The Honorable Mayor and City Council

SUBJECT: Report of City Council Committees' Activities

INTRODUCTION

A brief update is provided for City Council review on the activities of the following standing committee: Water Resources Committee.

STATEMENT OF FACT

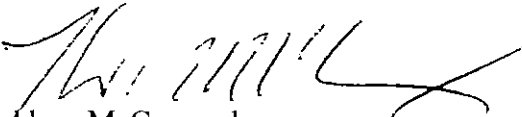
On January 9, 2020, the Water Resources Committee met and discussed:

- An update on the transition of the Customer Information and Utility Billing System was provided and included the following information:
 - Of the 20,000+ customer accounts, about 500 were not ported over automatically; of those 500 accounts, about 200-250 were due, and staff has been reaching out to individual customers.
 - Success achieved in the redirection of the call center to City Hall and the ability for customers to make phone automated payments as well as in person cash payments.
 - Numbers of customer phone calls have not increased in comparison with previous records.
 - The unchanged and retention of the online portal interface functions.
 - The internal electronic work order system and its manual and pending automation functions.
 - The workflow diagram between Water Resources, Finance Administration and the six approved vendors (see attached).
- The Committee directed staff to:
 - Increase outreach communications regarding the transition.
 - Conduct post-review of the workflow processes and identify components that require adjustment as it relates to the three-year contract term.
 - Track/charge appropriate direct and indirect costs associated with the transition in regards to other department personnel's time and compensate the general fund with water funds accordingly.
- The Approval of Discontinuation of Water Service Policy was tabled for a later Committee meeting.
- An update was provided on state water conservation regulations. It was reported that:
 - The adoption of the proposed 55 gallons per person per day of water usage standard is scheduled for June 2022.

- The state still has ongoing studies of methodologies on how to determine indoor and outdoor residential water uses as well as outdoor commercial uses.
- The proposed regulations will focus on a system-wide aggregate water use rather than individual customers.
- Reports of PFAS that have been circulating on social media.
 - The non-detect results of Lakewood's PFAS tests in the last three quarters. The Committee directed staff to:
 - Publicize Lakewood's non-detect results of recent PFAS testing.
 - Educate the public on the source of well water, depth, and how it corresponds to the level of susceptibility to contamination.

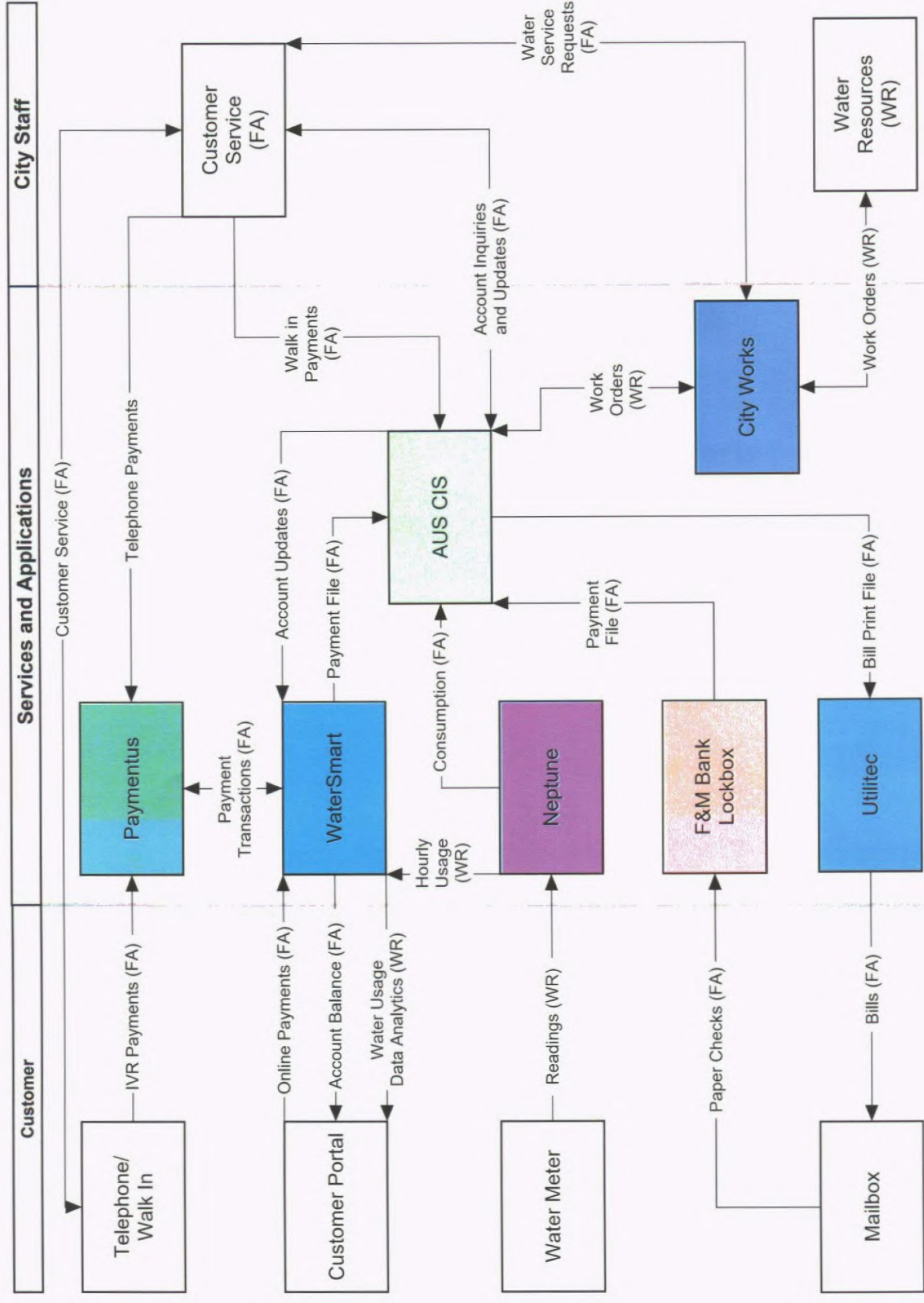
RECOMMENDATION

It is recommended that the City Council receive and file this report.



Thaddeus McCormack
City Manager

(WR) Water Resources
(FA) Finance Administration



D I V I D E R S H E E T

COUNCIL AGENDA

January 28, 2020

TO: The Honorable Mayor and City Council

SUBJECT: Replacement of Advanced Surveillance and Protection (ASAP) System Equipment

INTRODUCTION

The Advanced Surveillance and Protection (ASAP) system has been in operation for seven years. The system consists of 20 Automatic License Plate Recognition (ALPR) cameras and four Pan, Tilt, Zoom (PTZ) cameras placed at intersections around the Lakewood Center mall. The cameras read license plates and provide real time view of intersections to Sheriff dispatch personnel. This network of cameras has been a critical crime-fighting tool for the Sheriff's Department to reduce crime in Lakewood.

STATEMENT OF FACTS

The Advanced Surveillance and Protection (ASAP) system went into operation in December 2012. The ALPR cameras cover multiple lanes on Lakewood Boulevard, Clark Avenue, Del Amo Boulevard and Candlewood Street. These cameras read the license plates of every vehicle traveling through the locations and identify stolen vehicles, as well as plates reported from other serious or critical crime. The PTZ cameras can be used by Lakewood Sheriff's Station personnel to monitor activity from their dispatch consoles.

The system relies on a network of wireless radio links to transmit camera images and data to Lakewood Sheriff's Station. Some links that connect the cameras to the wireless network have failed. As a result, several of the cameras along Del Amo Boulevard are currently offline and data is not being transmitted. The equipment cannot be repaired due to its age and beyond useful life.

To restore the system, we need to replace the inoperable wireless radios, provide FCC link registration on all long haul links to ensure dedicated frequencies for the transmission of Lakewood camera images, and add encryption to each link to maximize security for the wireless network.

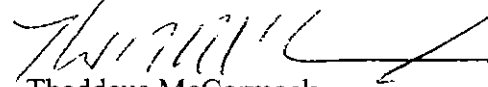
Convergent Technologies is our current maintenance vendor and authorized to resell/service our current equipment and they are in good standing with all manufacturers. They work closely with the Sheriff's Department Technology and Support Division, which is essential to the daily functions of the equipment. Convergent completed a similar project in 2017, replacing several radio links along the northern portion of the ASAP system. They have provided us a quote to replace the failed equipment in the amount of \$46,628 and a 5-year option for an extended comprehensive warranty (labor and equipment) for \$10,558 for a total of \$57,186. It is anticipated the project would take between 30 to 45 days to complete. The funds are included in the FY 2020 budget.

STAFF RECOMMENDATION

That the City Council approve:

1. Agreement with Convergent Technologies for the replacement of equipment at a cost of \$46,628;
2. Extended warranty for labor and equipment for five years at a cost of \$10,558;
3. Authorize the City Manager to sign the agreement as approved by the City Attorney.

Joshua Yordt
Director of Public Safety



Thaddeus McCormack
City Manager



1667 N. Batavia, Orange, California 92677
Phone Mobile (949) 940-6428
Fabian.Escalante@convergent.com

December 16, 2019

City of Lakewood
5050 Clark Ave
Lakewood, California 90712
Attention: Josh Yordt

Quotation: FE00209575P
License: C10 #986407


Reference: Lakewood Wireless Upgrade - South-v2

On behalf of our thousands of global colleagues, I want to personally thank you for considering Convergent Technologies for this project and for providing us with the opportunity to present this proposal addressing your electronic security needs. We are confident that this proven solution is both comprehensive and customized to meet your needs today and in the years ahead.

Convergent has developed a strong reputation for service excellence and is the only company recognized twice as the Systems Integrator of the Year by SDM Magazine. Most recently, Convergent was ranked the 2nd largest global systems integrator. This recognition is, in part, a reflection of the strong relationships Convergent has developed with the industry's top technology manufacturers. Convergent Technologies has a strong history of success with similar solutions provided to other clients and would be happy to provide these references upon request.

Our guiding principal has always been to be a customer-focused and service-based company, supported by dedicated and certified professionals who strive to make a daily difference. Our vision of becoming our customers' best service provider is what drives everything we do. After achieving a successful on-time and on-budget project installation, Convergent will provide you with the industry's best on-going service. This service includes our 24/7 customer portal (iCare), designed to track service work orders, project progress, and provide you with detailed metric reporting for continuous improvement.

The following security proposal is specifically designed to meet your needs. As your single point of contact, please feel free to contact me with any additional questions you may have. Thank you again for considering Convergent Technologies as your partner for your electronic security needs.



Scope of Work

Convergint Technologies' scope of work includes furnishing, installing, programming and commissioning the material listed in the attached bill of materials (BOM) as outlined below and with regards to the data listed in the clarifications and exclusions section of this proposal. This proposal conforms to Prevailing Wage requirements.

The scope of work will include the installation of Siklu wireless radios operating in the 60-80 Ghz frequency spectrum to avoid a high noise 5 Ghz frequency saturated with WiFi and other similar devices. Convergint will also add a POE industrial strength switch at each radio location and will provide encryption to each link to maximize security for the wireless network.

In addition, Convergint will re-design and re-network the Farmers & Merchants Bank network with the installation of a new NEMA enclosure and a new Industrial Layer 3 POE Switch to support the City's roof-top radios.

Proposal includes the installation, programming, aiming and commissioning the following radio links to replace existing wireless radios meshes which have become unreliable (see diagram below):

- Lakewood and Del Amo NE Corner to Lakewood and Del Amo SE Corner
- Lakewood and Del Amo SE Corner to Del Amo and Greywood SE Corner
- Del Amo and Greywood SE Corner to Farmer's Bank rooftop
- Clark and Del Amo NW Corner to Clark and Del Amo NE Corner
- Clark and Del Amo NE Corner to Farmer's Bank rooftop

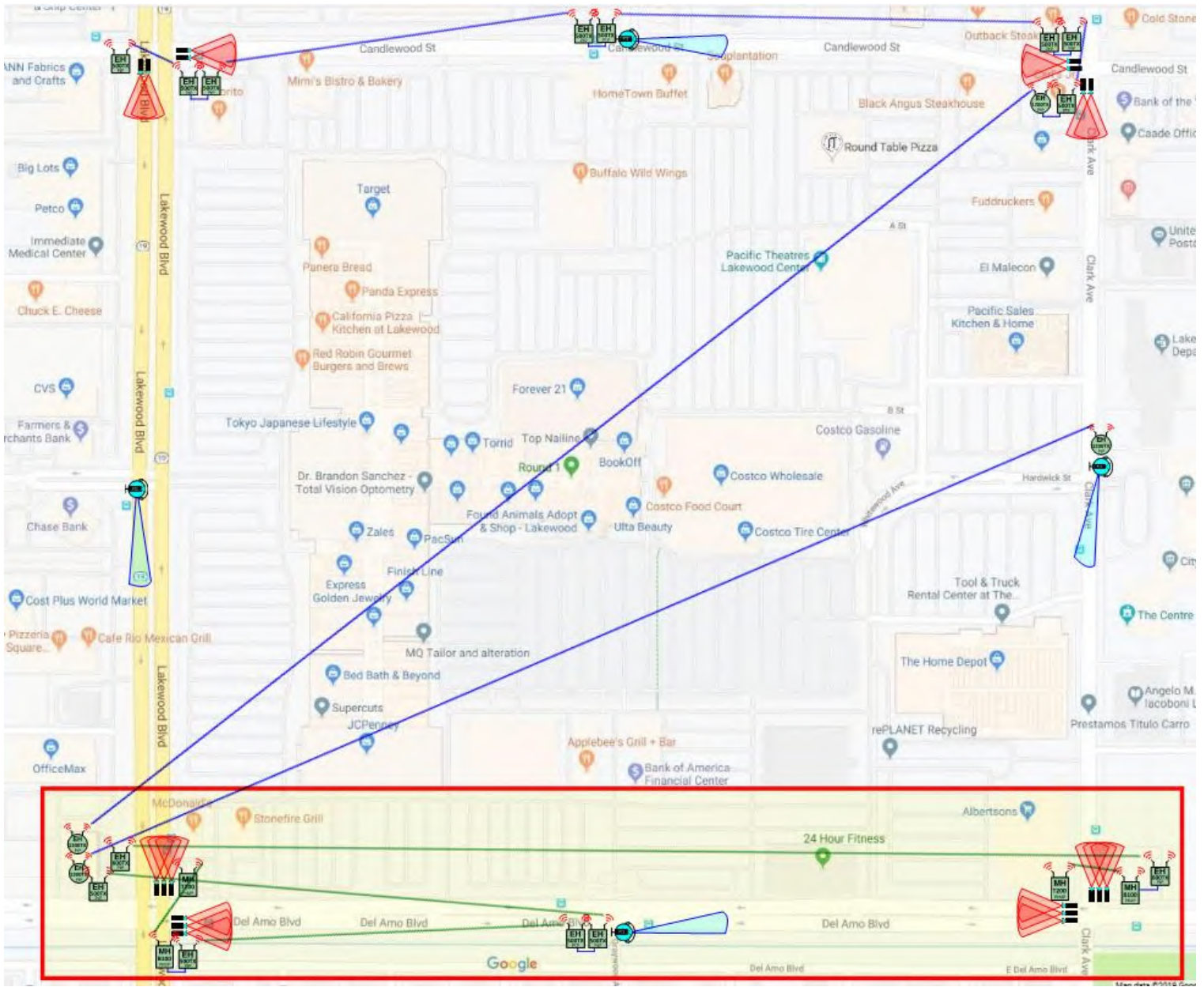
Convergint will remove existing radios and antennas. City to provide traffic control as needed. Proposal does not include the replacement or repair of any failed cameras.

Warranty

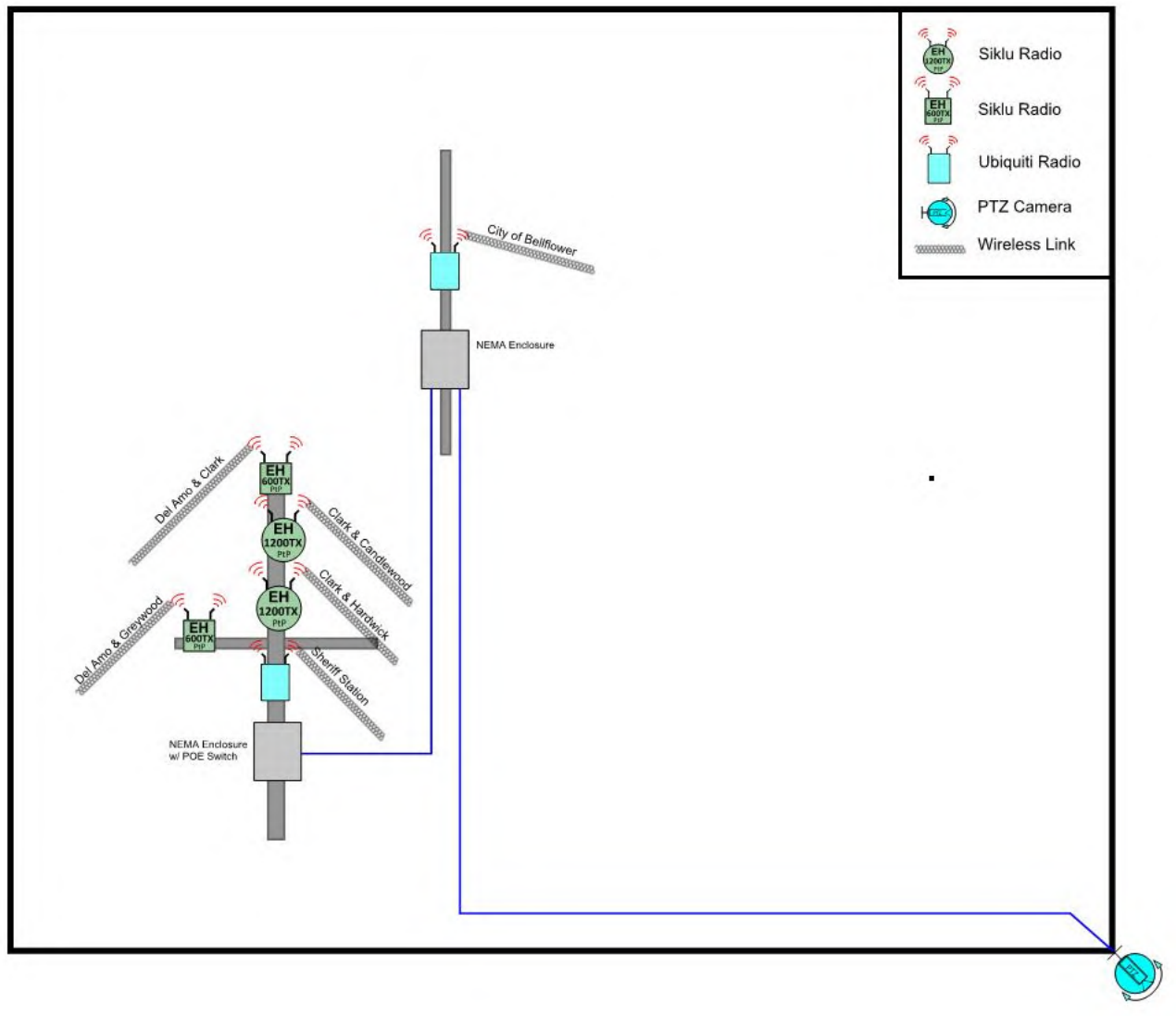
Convergint will provide a one year labor warranty and a one year material warranty on equipment provided by Convergint. Provision of labor and materials after the first year will be billed on a time and materials basis.

Proposed New Wireless Upgrade

Upgrade will include area highlighted in red box.




Upgrade to be performed on Farmer's & Merchant Bank.



Bill of Materials

Line	Qty	Part	Description	Manufacturer	Unit Price	Extended Price
1	2.00	MH-B100-CCS-PoE-MWB	MultiHaul™ BU, 90°, 500Mbps upgradable to 1800Mbps, 2 RJ-45 & 1 SFP (1 port PSE enabled), MK & PoE injector included, IP-65, White	Siklu	\$ 1,437.22	\$ 2,874.44
2	2.00	MH-T200-CCC-PoE-MWB	MultiHaul™ TU, 90°, base rate 100Mbps upgradable to 1000Mbps, 3 RJ-45, MK & PoE injector included, IP-65, White	Siklu	\$ 678.89	\$ 1,357.78
3	2.00	EH-614TX-ODU-PoE	EtherHaul-614TX PoE ODU extended range with Integrated antenna- with 500Mbps upgradeable to 1Gbps	Siklu	\$ 1,561.11	\$ 3,122.22
4	4.00	EH-500TX-ODU-PoE	EtherHaul-500TX PoE ODU with Integrated antenna- with 100Mbps upgradeable to 200Mbps	Siklu	\$ 1,083.33	\$ 4,333.32
5	6.00	EH-MK-SM	EtherHaul Mounting Kit for all small ODUs & 16cm antenna, for elevation up to +60/-45°	Siklu	\$ 126.38	\$ 758.28
6	6.00	EH-SRG	Ethernet/PoE Surge Protector (indoor)		\$ 90.27	\$ 541.62
7	6.00	EH-OPT-AES	AES Encryption Feature Option	Siklu	\$ 315.97	\$ 1,895.82
8	1.00	NB141207-1HFS	14"x12"x7" UL Listed 120 VAC Weatherproof Enclosure w/Solid State Fan & Heat Controller	LCom	\$ 525.00	\$ 525.00
9	1.00	P6-SPM582LRT	MANAGED HARDENED POE++ SWITCH, (8)	TRANSITION NETWORKS	\$ 1,491.85	\$ 1,491.85
10	1.00	25160	PS, 48VDC@10A, UNIV.AC, Din Rail	Transition Networks	\$ 491.82	\$ 491.82
11	5.00	SISTP1040-382-LRT	Hardened Unmanaged Switch, 8-port GE POE+, 2 SFP, 240W POE, 54VDC, - 40 - 75C	Transition Networks	\$ 467.95	\$ 2,339.75
12	5.00	25104	POWER SUPPLY- PS, 48VDC@5A,UNIV.AC,Din.Rail	Transition Networks	\$ 463.04	\$ 2,315.20
13	7.00	Parts and Fittings	Miscellaneous Parts and Fittings	ADI	\$ 180.56	\$ 1,263.92

Equipment Total	\$ 23,311.02
Total Labor/Other Costs	\$ 19,644.88
Freight/Warranty	\$ 1,457.55
Tax if Applicable	\$ 2,214.55
Total Project Price	\$ 46,628.00



Clarifications and Exclusion

1. All work proposed herein, shall be performed during normal business hours Monday through Friday 7:00 am - 4:00 pm.
2. Low voltage wiring shall be installed via open air code approved methods.
3. Provision or installation of conduit, boxes, fittings or other electrical installation and materials are excluded.
4. City to provide traffic control as needed.
5. Permits or associated fees are not included.
6. Customer to provide static IP addresses.
7. City is responsible for pruning all future tree growth that may grow to interfere with radio line of sight.
8. Twenty-Five percent (25%) of the proposed sell price shall be payable to Convergent Technologies for project mobilization. Mobilization shall be invoiced and due upon customer acceptance of this proposal.
9. Anything in the Contract Documents notwithstanding, in no event shall either Contractor or Subcontractor be liable for special, indirect, incidental or consequential damages, including commercial loss, loss of use, or lost profits, even if either party has been advised of the possibility of such damages.
10. Convergent Technologies reserves the right to negotiate mutually acceptable contract terms and conditions with customer by making mutually agreeable changes to the formal contract included in the Bid Documents.

Performance Items


Items Included	
Applicable Taxes	Cable
Freight (prepaid)	Lifts
Material (listed in the BOM)	Mounting/Termination of Proposed Devices
One-Year Warranty on Labor	One-Year Warranty on Parts
Owner to Provide Static IP Addresses	Project Management
System Programming	Testing of all Proposed Devices
Items Excluded	
120 VAC Power and Fused Disconnect Switch	120 VAC Power Receptacles
Additional Lighting Requirements for Cameras	Attend General Contractor Project Meetings
Attend Owner Project Meetings	Authority having Jurisdiction permit drawing (requires customer CAD)
Ceiling Tiles and Ceiling Grid Repairs	Connection to Building Fire Alarm Panel
Correction of Wiring Faults Caused by Others	Door wiring typical connections
Electrical Installation Permit	Electrified Door Locking Hardware
Engineering and Drawings	Equipment rack layout drawing
FA Permit and Plan Review Fees	Fire Stopping (Excludes Existing Penetrations)
Fire Watch	Floor Coverings for Lifts
Floor plan with device placement and numbering (requires customer CAD)	Horizontal Core Drilling
Installation of Bridle Rings	Installation of CCTV Cameras
Installation of Conduit, Boxes and Fittings	Installation of Control Equipment Enclosures
Installation of Control Panels	Installation of Intercom Systems
Installation of Intrusion Panels	Installation of Low Voltage Wire
Installation of Network Cabling to Card Readers	Installation of Network Cabling to IP Cameras
Installation of Network Cabling to IP Intercoms	Installation of Specialty Backboxes
Installation of Terminal Cabinets	Installation of Video Recorders (DVR/NVR)
Installation of Wire and Cable	Installation of Wire Hangars
Loading Software on Customer Provided Computer	Low Voltage Permits
On-Site Lockable Storage Facility	Operations & Maintenance Manuals
Owner Training	Panel Wall Elevation drawing (may require customer CAD)
Panel wiring point with to point connections	Patch and Paint
Payment & Performance Bonds	Record Documentation (As-Built)
Riser drawing with home run wiring	Servers by Convergent
Servers by Others	Specialty Backboxes
Submittal Drawings	System Engineering
System is Design-Build	System Meets Plans/Drawings
Terminal Cabinets	Termination of Control Equipment Enclosures
Vertical Core Drilling	Wire
Workstations by Convergent	Workstations by Others

Total Project Investment:

\$ 46,628.00

Customer Support Program (CSP):

Extended Comprehensive Warranty (Labor and Equipment):		
The Comprehensive Warranty program allows our customers to manage their financial risk associated with emergency service and repair labor including Emergency Service Calls, System Troubleshooting & Diagnostics, and Component Repair Labor. The labor coverage will be provided during normal business hours (Monday – Friday 8:00 AM to 5:00 PM). A Priority On-Site Response option is available which would include after-hours service. The Comprehensive Warranty program also allows our customers to manage their financial risk associated with the replacement of failed system component included in this proposal with similar technology available at the time of such replacement. Technology upgrades or system enhancements are not included as part of this coverage option.		
	3 Year Option:	\$4,618.00
	4 Year Option:	\$7,558.00
	5 Year Option:	\$10,558.00



Thank you for considering Convergent Technologies for your Security needs. If you have any questions or would like additional information, please don't hesitate to contact me immediately. If you would like to proceed with the scope of work as outlined in this proposal, please sign below and return to my attention.

Sincerely,

Fabian Escalante
Convergent Technologies
Fabian Escalante

By signing below, I accept this proposal and agree to the Terms and Conditions contained herein

Josh Yordt

December 16, 2019

Customer Name (Printed)

Date

Authorized Signature

Title

Convergent Technologies' Install Terms & Conditions

Throughout this Installation Proposal, the term, "Convergent" refers to the Convergent Technologies' affiliate operating in the state/province in which the work is being performed, specifically, "Convergent Technologies LLC" or "Convergent Technologies LTD".

SECTION 1. THE WORK

This Installation Proposal takes precedence over and supersedes any and all prior proposals, correspondence, and oral agreements or representations relating to the work set forth in the attached scope of work ("Work"). This Installation Proposal commences on the Start Date as specified in the attached scope of work, and represents the entire agreement between Convergent and Customer (the "Agreement") and it may only be amended by a written document signed by both Convergent and Customer. In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force.

Convergent agrees in accordance with the mutually agreed project schedule:

- To submit shop drawings, product data, samples and similar submittals if required in performing the Work;
- To pay for all labor, materials, equipment, tools, supervision, programming, testing, startup and documentation required to perform the Work in accordance with the Agreement;
- Secure and pay for permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Work; and
- Hire subcontractors and order material to perform part of the Work, if necessary, while remaining responsible for the completion of the Work.

Customer agrees in accordance with the mutually agreed project schedule, and at no cost to Convergent:

- To promptly approve submittals provided by Convergent;
- To provide access to all areas of the facility which are necessary to complete the Work;
- To supply suitable electrical service as required by Convergent; and
- That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period of time from when Convergent is first notified of the emergency or failure and until such time that Convergent notifies the Customer that the systems are operational or that the emergency has cleared.

SECTION 2. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. Price includes only the material listed based on Convergent's interpretation of plans and specifications unless noted otherwise. Additional equipment, unless negotiated prior to order placement, will be billed accordingly. Sales taxes, (and in Canada GST/PST) and any other taxes assessed on Customer shall be added to the price upon invoice to Customer.

SECTION 3. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay Convergent fifteen (15%) percent of the total price as a mobilization fee at the time of executing this Agreement.

If the Work is performed over more than a month, Convergent will invoice Customer each month for the Work performed during the previous month. Customer agrees to pay the amount due to Convergent as invoiced, within thirty (30) days of the date of such invoice. If the Work is completed in less than one month, Customer agrees to pay Convergent in full after the Work has been performed within thirty (30) days of the date of being invoiced. Invoices shall not include or be subject to a project retention percentage. If Customer is overdue in any payment to Convergent, Convergent shall be entitled to suspend the Work until paid, and charge Customer an interest rate 1 and 1/2% percent per month, (or the maximum rate permitted by law), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergent costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 4. WARRANTY

Convergent provides the following warranty to the Customer.

For the period of one (1) year, commencing at the earlier of substantial completion of the Work, or first beneficial use, ("Warranty Period"):

- That Work performed under this Agreement will be of good quality;
- That all equipment will be new unless otherwise required or permitted by this Agreement;
- That the Work will be free from defects not inherent in the quality required or permitted; and
- That the Work will conform to the requirements of this Agreement.

The Customer's sole remedy for any breach of this warranty is that Convergent shall remove, replace and/or repair at its own expense any defective or improper Work, discovered within the Warranty Period, provided Convergent is notified in writing of any defect within the Warranty Period.

Any equipment or products installed by Convergent in the course of performing the Work hereunder shall only carry such warranty as is provided by the manufacturer thereof, which Convergent hereby assigns to Customer without recourse to Convergent. Upon request of Customer, Convergent will use all reasonable efforts to assist Customer in enforcing any such third party warranties. This warranty excludes remedy for damage or defect caused by abuse, modifications not executed by Convergent, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. NO FURTHER WARRANTIES OR GUARANTIES, EXPRESS OR IMPLIED, ARE MADE WITH RESPECT TO ANY GOODS OR SERVICES PROVIDED UNDER THIS AGREEMENT, AND ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

SECTION 5. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergent may request changes in the Work. Any changes to the Work and any adjustment to the Agreement Price or the time for completion of the Work shall be in writing signed by both Customer and Convergent. If Customer orders any additional work or causes any material interference with Convergent's performance of the Work, Convergent shall be entitled to an equitable adjustment in the time for performance and in the Agreement Price, including a reasonable allowance for overhead and profit.

SECTION 6. FORCE MAJEURE

Neither Customer nor Convergent shall be responsible or liable for, shall incur expense for, or be deemed to be in breach of this Agreement because of any delay in the performance of their respective obligations pursuant to this Agreement due solely to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay, provided that the party experiencing the delay shall promptly give written notification to the other party within five (5) days after such party has learned of the Force Majeure. A Force Majeure event shall include, Convergent Technologies' Install Terms & Conditions

Version 1.08 November 2015

but not be limited to: accident, fire, storm, water, flooding, negligence, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting. If performance by either party is delayed due to Force Majeure, the time for that performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay. Any Services required by Convergent due to reasons set forth in this Force Majeure Section shall be charged to Customer in addition to any amounts due under this Agreement.

SECTION 7. INSURANCE

Convergent shall have the following insurance coverage during the term of this Agreement, and shall provide certificates of insurance to the Customer prior to beginning work hereunder:

Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 per occurrence/aggregate
Commercial General Liability	\$1,000,000 per occurrence/aggregate \$2,000,000 general aggregate
Automobile Liability	\$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	\$4,000,000 per occurrence/aggregate

All insurance policies carried by Convergent hereunder shall be primary to and noncontributory with the insurance afforded to Customer, and shall name the Customer as "additional insured", with respect to liability arising out of work performed by Convergent, as applicable, but only to the extent of liabilities falling within the indemnity obligations of Convergent, pursuant to the terms of this Agreement. Convergent shall provide to the Customer no less than thirty (30) days notice prior to the termination or cancellation of any such insurance policy.

SECTION 8. INDEMNIFICATION

Convergent shall indemnify and hold Customer harmless from and against claims, damages, losses and expenses, (including, but not limited to, reasonable attorney's fees), attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by: a) the negligent or willful acts or omissions of Convergent or Convergent's employees or subcontractors while on Customer's site, or b) the malfunction of the equipment supplied by Convergent, or c) Convergent's breach of this Agreement.

IN NO EVENT SHALL EITHER CONVERGENT OR CUSTOMER BE LIABLE TO THE OTHER PARTY HERETO FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL CONVERGENT BE LIABLE TO CUSTOMER FOR ANY AMOUNTS IN EXCESS OF THE AMOUNTS PAID BY CUSTOMER TO CONVERGENT.

It is understood and agreed by the parties hereto that Convergent is or may be providing monitoring and or intrusion products which are designed to provide notification of certain events but are not intended to be guarantees or insurers against any acts for which they are supposed to monitor or inform. As required by the monitoring and intrusion industry and the manufacturers thereof, Convergent's indemnification obligation pursuant to Section 8 herein, does not apply to the extent the loss indemnified against is caused by any monitoring or intrusion product or software provided by but not manufactured by Convergent. Convergent shall have no liability to Customer for any losses to the extent such losses are caused by the monitoring or intrusion product or software. Customer shall indemnify, defend, and hold harmless Convergent, from and against all claims, lawsuits, damages, losses and expenses by persons not a party to this Agreement, but only to the extent caused by such monitoring or intrusion product or software provided by but not manufactured by Convergent.

SECTION 9. COMPLIANCE WITH LAW, EEO & SAFETY

This Agreement shall be governed and construed in accordance with the laws of the state/province in which the Work is being performed. Convergent agrees to comply with all laws and regulations relating to or governing the Work. Convergent agrees to comply with all reporting requirements imposed by law or this Agreement. Convergent shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergent prior to beginning work.

In the event that Convergent discovers or suspects the presence of hazardous materials, or unsafe working conditions at Customer's facility where the Work is to be performed, Convergent is entitled to stop the Work at that facility if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergent. Convergent in its sole discretion shall determine when it is "safe" to return to perform the Work at Customer's facility. Convergent shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's facility. Customer shall indemnify and hold harmless Convergent from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials, or unsafe working conditions at Customer's facility.

SECTION 10. DISPUTES

In the event of any dispute between Convergent and Customer, Convergent and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, then the dispute shall be subject to and decided by mediation or arbitration. Such mediation or arbitration shall be conducted in accordance with the Construction Industry Mediation or Arbitration Rules of the American Arbitration Association currently in effect and shall be a final binding resolution of the issues presented between the parties.

SECTION 11. MISCELLANEOUS

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Convergent may assign this Agreement to any of its parents, subsidiary or affiliated companies or any entity majority owned by Convergent.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer or Convergent and delivered to the non-waiving party according to the notice provision herein. No waiver by Customer or Convergent shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty and indemnity shall survive the termination of this Agreement.

Version 1.08 November 2015

D I V I D E R S H E E T

COUNCIL AGENDA

January 28, 2020

TO: The Honorable Mayor and City Council

SUBJECT: Authorize Parking, Sidewalk, and Ramp Repairs at Biscailuz Park for ADA compliance

INTRODUCTION

CJ Construction, Inc. provides hardscape maintenance services to the City. These services include removal and replacement of damaged sidewalk, curb, gutter, and access ramps. Accessible parking improvements are required at Biscailuz Park for ADA Compliance.

STATEMENT OF FACT


Disabled parking, sidewalk, and access ramp improvements are necessary at Biscailuz Park to meet ADA compliance. CJ Construction has provided an estimate of \$43,000 for the total scope of work under their current contract agreement. Staff feels that this is a fair price and recommends authorizing this scope of work under CJ Construction's existing contract agreement.

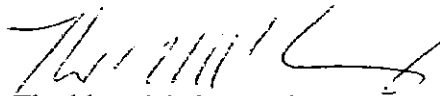
CJ Construction, Inc. has provided hardscape maintenance services for the City under an existing service provider agreement in a very professional and cost effective manner. They have the required licenses and experience to perform all aspects of this scope of work as outlined in their existing agreement.

This project will be financed by the CJPIA Low-interest ADA Loan which has been approved and has been funded.

RECOMMENDATION

- (1) Authorize work for the parking, sidewalk, and ramp repairs at Biscailuz Park for ADA Compliance in an amount not-to-exceed \$43,000.

Lisa Ann Rapp 
Director of Public Works


Thaddeus McCormack
City Manager

D I V I D E R S H E E T

COUNCIL AGENDA

January 28, 2020

TO: Honorable Mayor and City Council

SUBJECT: Adoption of Policy on Discontinuation of Water Service for Non-Payment –
In Compliance with Senate Bill 998 (Water Shutoff Protection Act)

INTRODUCTION

With the intention of minimizing the number of residents who have their water service shut off for failure to pay, in late 2018 Governor Brown approved Senate Bill (SB) 998 requiring all public water systems to have a written policy on water service discontinuation for nonpayment. As a public water system with more than 200 service connections, the City is required to comply with Senate Bill 998 by February 1, 2020. The proposed policy would result in expanded notification procedures prior to service shut-off for nonpayment.

STATEMENT OF FACTS

Senate Bill 998 – Water Shutoff Protection Act (“SB 998”) is codified in the CA Health and Safety Code to provide additional procedural protections and expand upon the existing safeguards related to utility service disconnections in the Public Utilities Code and Government Code. SB 998 requires the adoption of a shutoff policy for nonpayment by residential water service customers. As a practical matter, staff recommends that the notification provisions apply to all water customers.

Through the adoption of SB 998, the California Legislature intends to protect Californians from losing access to water service due to inability to pay without proper notice and sufficient time to cure. Specifically, the bill requires a policy that must fulfill the following key requirements:

- Prohibit discontinuation of residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days (currently 30 days); while the delinquent payment is under investigation by the utility or under review for appeal; and while the customer is enrolled in an alternative payment arrangement.
- Provide written or telephone notice at least seven (7) days before discontinuation. The notice must contain information on the delinquent amount, a deadline to contact the utility to arrange for alternative payment arrangements, procedures to avoid discontinuation, and a description of the bill review and appeals process.
- Provide the customer with information on how to restore service and include the utility’s contact information to discuss options for averting service discontinuation.
- For residential customers who demonstrate a household income below 200% of the federal poverty line, limit the reconnection service fee to \$50 (currently \$113) during business hours and \$150 (currently \$161) after hours.

- Prohibit discontinuation under certain medical and financial circumstances if the customer agrees to an alternative payment arrangement and provides certification.
- Require the utility to make good faith effort to inform by written notice both the customer of record and residential tenants that water service will be discontinued if payment or payment arrangements are not arranged.

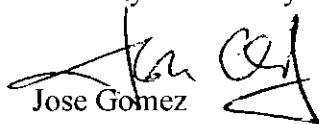
In an effort to ensure transparency and accessibility, SB 998 requires translations of the policy in the following languages: Spanish, Chinese, Vietnamese, Tagalog, Korean, and any other language spoken by 10% of the service area. Given the City's current demographics, these five (5) languages will sufficiently meet the requirement. The policy, in the languages above, must be posted on the agency's website and made available upon request.

Further, SB 998 specifically requires the agency to allow a residential customer to contest or appeal their bill for final determination. This would only occur after the Director of Finance & Administrative Services has reviewed the customer's complaint. If the customer requests to appeal to the Water Resources Committee (WRC) for a determination, the customer will need to file a written appeal with the City Clerk and schedule to be heard at a WRC meeting. Subsequently, an appeal of a WRC decision may be made, via the City Clerk, to the City Council for a final decision. It should be noted that the City already follows a practical procedure in which staff works with the customer to resolve a disputed bill. Rarely do these situations escalate and they usually end with a timely resolution.

Lastly, the City will be required to report the number of annual discontinuations of service for nonpayment on its agency website and to the State Water Resources Control Board. SB 998 requires the City to comply by February 1, 2020.

RECOMMENDATION

Staff recommends that the City Council adopt the proposed Discontinuation of Water Service for Non-Payment Policy.



Jose Gomez
Director of Finance & Administrative Services



Thaddeus McCormack
City Manager

Attachment: Proposed Discontinuation of Water Service for Non-Payment Policy

CITY OF LAKEWOOD - DISCONTINUATION OF SERVICE POLICY

Effective February 1, 2020

Table of Contents

A. DETAILS AND AVAILABILITY OF POLICY	2
B. NOTICE OF DELINQUENCY AND DISCONTINUATION OF RESIDENTIAL SERVICE.....	2
C. APPEAL OR CONTEST WATER BILL OR WAIVE FEE	3
D. SEEK DEFFERRED PAYMENTS OR ALTERNATIVE PAYMENT SCHEDULES	3
E. DEMONSTRATE MEDICAL NEED AND SEVERE ECONOMIC HARDSHIP.....	4
F. RESIDENTIAL OCCUPANTS	4
G. RESTORE SERVICE.....	5
H. ANNUAL REPORTING OF DISCONTINUED SERVICES	6
I. UNAUTHORIZED ACTION OF A CUSTOMER.....	6
J. OTHER REMEDIES.....	6

DISCONTINUATION OF SERVICE POLICY

A. DETAILS AND AVAILABILITY OF POLICY

This discontinuation of water service policy is for certain types of accounts for nonpayment which includes single-family residences, multifamily residences, mobile homes, including, but not limited to, non-residential, mobile homes in mobile home parks, or farmworker housing. To the extent this policy conflicts with any other rules, regulations, or policies of the City, this policy shall control. This policy is also available on <https://www.lakewoodcity.org/services/request/water/default.asp>, and includes translations in Spanish, Chinese, Tagalog, Vietnamese, Korean, any languages added to the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in any of the service areas. This policy is also provided in writing upon customer's request by calling (855) 785-4021.

B. NOTICE OF DELINQUENCY AND DISCONTINUATION OF RESIDENTIAL SERVICE

All written notices shall be provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, any languages added to the languages listed in Section 1632 of the Civil Code. US Census 2017 Lakewood = 65.34% English, 19.01% Spanish, 12.6% Asian.

An account will be deemed delinquent if not paid starting one day after the due date on the bill. Services for nonpayment shall not be discontinued until a payment by a customer has been delinquent for at least 60 days.

The customer named on the account will be contacted at least twenty five (25) business days before discontinuation of service including a written notice of payment delinquency and impending discontinuation and a copy of this policy mailed to the customer of the residence to which the residential service is provided. The notice shall include, but is not limited to, all of the following information:

- (1) The customer's name and address.
- (2) The amount of the delinquency.
- (3) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
- (4) A description of the process to apply for an extension of time to pay the delinquent charges.
- (5) A description of the procedure to petition for bill review and appeal.
- (6) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges.
- (7) The procedure for the customer to obtain information on financial assistance, if applicable, and
- (8) The telephone number where the customer may request a payment arrangement or receive additional information from the City.

In addition, the City shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least 48 hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, the City shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination of service, along with a copy of this policy, at least 48 hours prior to termination.

If the customer's address is not the address of the property to which service is provided, the notice also shall be sent to the address of the property to which residential service is provided and shall be addressed to "Occupant."

Delinquent accounts will be charged a delinquency fee in accordance with the City's Fee Schedule adopted by the City Council.

C. APPEAL OR CONTEST WATER BILL OR WAIVE FEE

A customer may appeal or contest a water bill. Customers may call (855) 785-4021 to obtain a water bill petition to appeal. The water bill petition to appeal must be completed and submitted to the City by the due date listed on the notice of delinquency and impending disconnection of residential service. Residential service shall not be discontinued while the appeal is pending.

Any customer whose timely complaint or request for an investigation has resulted in an adverse determination may appeal the determination to the Water Resources Committee by filing a written notice of appeal with the Water Resources Committee (via the City Clerk) within ten (10) business days of the City's mailing of its determination. Upon receiving the notice of appeal, the Water Resources Committee will set the matter to be heard at an upcoming Water Resources Committee meeting and mail the customer written notice of the time and place of the hearing at least ten (10) days before the meeting. The decision of the Water Resources Committee may be appealed to the City Council. Their decision is final.

D. SEEK DEFERRED PAYMENTS OR ALTERNATIVE PAYMENT SCHEDULES

Customers have the ability to seek deferred payments by calling (855) 785-4021. A deferred payment schedule, if offered by the City must be undertaken before the water bill due date to extend the due date and avert disconnection of service for nonpayment.

Deferred payments:

- (1) Before the due date, customers may call (855) 785-4021 to seek to extend the due date. Once the due date arrives, the due date cannot be extended.
- (2) If the due date has passed, customers who are unable to pay the full balance must seek payment arrangement to attempt to avoid disconnection.
- (3) Due date extensions cannot be given if the customer is currently on a payment arrangement.
- (4) Accounts that are granted due date extensions will not be assessed penalties, provided that the customer makes the arranged date extension payments on time and does not become delinquent with current service charges.
- (5) After the due date is extended, the customer will avoid disconnection, provided that customer makes the arranged date extension payments on time and does not become delinquent with current service charges.
- (6) The due date cannot be extended beyond the due date of the next bill.

Alternative payment schedules or payment arrangements:

Customers have the ability to seek alternative payment schedules by calling (855) 785-4021 and requesting an alternative payment schedule. An alternative payment schedule if offered by the City must be undertaken by the customer by the due date printed on the notice of account delinquency and impending discontinuance of service in order to avert disconnection of service for nonpayment.

Payment arrangements may not be granted on the day of disconnection.

Failure to Comply:

The City may terminate water service if a customer who has been granted a deferred payment or other payment arrangement fails to:

- (1) pay by the deferred payment date;
- (2) pay an amount due under an alternative payment schedule or other payment arrangement; or
- (3) pay current charges for water service.

The City will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the City.

E. DEMONSTRATE MEDICAL NEED AND SEVERE ECONOMIC HARDSHIP

The City will not discontinue water service if residential customers demonstrate medical need, severe economic hardship and are willing to enter into a payment arrangement approved by the City.

To seek to demonstrate medical need and severe economic hardship a customer may call (855) 785-4021 and obtain a medical need and severe economic hardship application.

A completed application to demonstrate medical need and severe economic hardship must be submitted by the customer to the City by the due date printed on the notice of account delinquency and impending discontinuance of service. Upon receipt of documentation from the customer, the City will review the documentation within seven (7) days and: (1) notify the customer of the payment arrangement selected by the City and request the customer's signed assent to participate in the alternative arrangement; (2) request additional information from the customer; or (3) notify the customer that he or she does not meet the required medical or financial conditions. Customers cannot make payment arrangements on the day of disconnection.

The City will not discontinue residential water service for nonpayment if all of the following conditions are met:

- (1) The customer, or a tenant of the customer, submits to the City the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
- (2) The customer demonstrates that he or she is financially unable to pay for residential service within the normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the City's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.
- (3) The customer is willing to enter into an alternative payment schedule.

The customer is responsible for demonstrating that conditions (1) and (2) have been met. If the conditions listed above are met then the City shall offer the customer the participation in an alternative payment schedule.

F. RESIDENTIAL OCCUPANTS

This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling and residential service is pending discontinuance due to nonpayment.

If individually metered residential service is furnished to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobile home park, or permanent residential structure in a labor camp, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the City shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least fifteen (15) days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account. Residential Occupants can call (855) 785-4021 to make arrangements to become customers and must be willing to agree to the City's terms and conditions of service and other requirements.

For master-metered residential service, the City will make a good faith effort to inform the occupants by means of written notice posted on the door of each residential unit at least fifteen (15) days prior to termination that the account is in arrears and the service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each unit, the City will post two (2) copies of the notice in each accessible common area and at each point of access to the structure or structures. The notice will inform the residential occupants that they have the right to become customers of the City without being required to pay the amount due on the delinquent account; ; provided, however, that the occupants must agree to the City's terms and conditions of service and other requirements. The notice will also specify what the occupants are required to do in order to prevent termination of, or to reestablish service; the estimated monthly cost of service; the title, address, and telephone number of a representative of the City who can assist the occupants in continuing service; and the address or telephone number of a qualified legal services project that has been recommended by the local county bar association.

If the property is in a "delinquency" status, the new customer will need to provide a lease agreement or other proof of legal occupancy to the City before moving forward.

Service will not be made available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction, or if there is a physical means of selectively terminating service to those residential occupants who have not met the requirements of the City's rules and tariffs, then the City shall make service available to those residential occupants who have met those requirements.

The residential occupant must provide proof of prompt payment of rent or other credit obligation acceptable to the City for that period-

- (1) In the case of a detached single-family dwelling, a notice of termination will be provided at least ten (10) days prior to the proposed termination.
- (2) In order for the amount due on the delinquent account to be waived, the occupant who becomes a customer will be required to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

G. RESTORE SERVICE

Once services have been discontinued for non-payment, customer must call (855) 785-4021 to restore services. The restore policy is different for customers with household Income Below 200 Percent of the Federal Poverty Line.

For a customer who does not demonstrate to the City household income below 200 percent of the federal poverty line:

- (1) Services can only be reconnected for customers who are listed on the account.
- (2) To reconnect service, customer must pay full past due balance. The delinquency and/or restoration fee in accordance with the City's Fee Schedule adopted by the City Council can be billed.
- (3) The City provides same day service at no additional cost and after hours service for someday request made after 4:30 p.m. reconnections in accordance with the City's Fee Schedule adopted by the City Council can be billed.

For a residential customer who demonstrates to the City household income below 200 percent of the federal poverty line:

- The reconnection of service fee will be no more than fifty dollars (\$50.00) during normal business hours.
- For the reconnection of residential service during nonoperational hours, the reconnection of service fee will be no more than one hundred fifty dollars (\$150).
- Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

Reconnecting After Finalization:

To reconnect service after the account has been finalized (10 business days or more after disconnection), a new account to start new service must be processed in accordance with the City's Fee Schedule adopted by the City Council can be billed.

H. ANNUAL REPORTING OF DISCONTINUED SERVICES

The City will report the number of annual discontinuations of residential service for inability to pay on its Internet Web site and to the State Water Resources Control Board.

I. UNAUTHORIZED ACTION OF A CUSTOMER

This discontinuation of water service policy is to certain types of residences for nonpayment and does not apply to the termination of a service connection due to an unauthorized action of a customer.

J. OTHER REMEDIES

In addition to discontinuation of water service, the City may pursue any other remedies available in law or equity for nonpayment of water service charges, including, but not limited to: securing delinquent amounts by filing liens on real property, filing a claim or legal action, or referring the unpaid amount to collections. In the event a legal action is decided in favor of the City, the City shall be entitled to the payment of all costs and expenses, including attorneys' fees and accumulated interest.

D I V I D E R S H E E T

COUNCIL AGENDA

January 28, 2020

TO: Honorable Mayor and members of the City Council

SUBJECT: Proposed urgency ordinance pertaining to Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs)

INTRODUCTION

The purpose of this ordinance is to amend current city standards to properly implement revised state laws that became effective on January 1, 2020 concerning the construction and use of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). Among the six new state laws adopted in 2019 being addressed by this ordinance are: AB 68 (Ting), AB 587 (Friedman), AB 670 (Friedman), AB 671 (Freidman), AB 881 (Bloom) and SB 13 (Wieckowski). State lawmakers are concerned about the inadequate supply of affordable housing units in the State of California and find that the addition of ADUs and JADUs to existing residences to be one source of such housing. The State Legislature intent is to eliminate barriers to construction of ADUs and JADUs which they view as a cost-effective approach to address affordable housing shortages and to encourage in-fill development within existing neighborhoods.

STATEMENT OF FACTS

On January 2, 2020 the Planning and Environment Commission conducted a public hearing regarding the proposed urgency ADU ordinance and recommended that the City Council hold a public hearing, and following the hearing, move to adopt the proposed urgency ordinance.

Provisions in these laws modify or eliminate several local controls on ADUs. Amongst these changes that affect the City of Lakewood are:

- 1) Reducing the ADU/JADU processing time from 120 days to 60 days.
- 2) Allowing a Junior ADU in the main residence in addition to a detached ADU.
- 3) Expanding the number of ADU's allowed in a multi-family complex.
- 4) Allowing four-foot setbacks for side and rear yards, instead of five feet currently.
- 5) Eliminating owner occupancy requirement.
- 6) Allowing conversion of existing garages without any replacement parking.
- 7) Not allowing any additional open space requirement for the ADU, 650 sq. ft. is currently required.

The proposed ordinance revises and establishes development standards for ADUs and JADUs that are consistent with the new state laws and that are designed to clarify local expectations as follows:

- One attached or detached ADU per single-family dwelling. May also have JADU, if detached.
- One attached JADU per single-family dwelling is now allowed (e.g. bedroom conversion).
- Two detached ADUs allowed now on a lot with a multiple-family complex.
- One attached ADU for every four units within existing multiple-family complex footprint, created from existing non-habitable spaces such as recreation rooms, hallways, etc.

- ADU/JADU processing time reduced to 60 days from 120 days.
- ADU/JADU are required to have DRB architectural compatibility review.
- Minimum rear and side yard setbacks reduced from five feet to four feet.
- Minimum floor area for an ADU is 150 square feet (previously 460 square feet).
- Minimum floor area for a JADU is 150 square feet.
- Maximum floor area for a JADU is 500 square feet.
- Maximum floor area for an ADU attached or detached remains 1,200 square feet and for attached ADU remains as no more than 50% of the existing dwelling unit square footage.
- Maximum height for detached ADU and all accessory structures remains as 16 feet.
- No two-story accessory structures including ADUs are allowed by local regulation.
- ADUs and JADUs shall have a separate exterior entrance from the primary residence.
- JADUs may have an interior entrance into the primary residence.
- ADU garage conversions are allowed and do not have to replace parking previously provided.
- No ADU/JADU allowed in areas determined by the city to have inadequate utility service for water, sewerage, fire, and electricity. Optional gas, phone or cable services are not included.
- ADU fire sprinklers are not required unless primary dwelling unit is required to have them.
- ADUs/JADUs shall be rented or leased for no less than 30 days.
- ADUs/JADUs shall not be used as short-term rentals (less than 30 days).
- ADUs/JADUs shall record a Notice of Condition to document conditions for future owners.
- ADU/JADU can no longer have regulations for minimum lot size, lot coverage, open space, floor area ratios, and property owner residency (except JADU).

The following are required by the new state laws but are not referenced in the proposed ordinance:

- CC&R's of Homeowners Associations can no longer prohibit ADUs and JADUs, including garage conversions
- ADU Ordinance is required to be sent for review by HCD to determine consistency with State law within 60 days of adoption.
- The City Housing Element will need to include incentives for ADU/JADU construction.
- New detached ADUs will require solar panels.

CEQA

The proposed ordinance is exempt from CEQA review pursuant a statutory exemption authorized by Public Resources Code Section 21080.17.

PUBLIC NOTICE

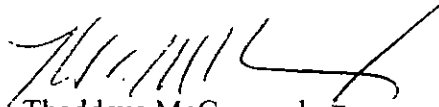
Pursuant to Section 9422 of the Lakewood Municipal Code and State Law, notice of the public hearing for this amendment was posted on the City's website on January 17, 2020, published in the Press Telegram on January 17, 2020 and posted in three places within the City on January 17, 2020.

RECOMMENDATION

On January 2, 2020, the Planning and Environment Commission adopted Resolution 2-2020 recommending that the City Council hold a public hearing, and following the hearing, move to adopt the proposed urgency ordinance pertaining to standards and regulations for Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) and in accordance with the CEQA Statutory Exemption allowed for such ordinances by Public Resources Code Section 21080.17.



Abel Avalos
Director of Community Development



Thaddeus McCormack
City Manager

SUMMARY OF PROPOSED ADU AND JADU REGULATIONS

In response to state law modification effective January 1, 2020

<u>REGULATION</u>	<u>LMC CURRENT STATUS</u>	<u>POST 1/1/2020</u>
1. ADU on SFR lot	One Allowed Detached or Attached	Same
2. JADU (150-500 s.f.)	Not Allowed	Allowed plus detached ADU
3. ADU on MFR lot	One allowed	Up to 2 detached ADUs Attached 1 per 4 units (25%)
4. Property Owner residency	Required	Not required except JADU
5. Rear and Side Yard setback	5 feet	4 feet
6. Minimum ADU size	460 sq. ft.	150 sq. ft. (Efficiency Unit)
7. Maximum ADU size	1200 sq. ft.	Same
8. Maximum Height	Detached - Maximum 16 ft. Attached - Maximum of residence	Same Same - Not Addressed by State
9. Second Story Accessory	Authorization repealed	Same – Not addressed by State.
10. Garage Conversion	Allowed (parking replaced)	Allowed (No parking replaced)
11. Additional Open Space	Additional 650 sq. ft. for ADU”	May not require for ADU
12. Minimum Lot Size	Not regulated	May not require for ADU
13. Maximum Lot Coverage	Regulated	May not require for ADU
14. Floor Area Ratio	Not regulated	May not require for ADU
15. Processing Time	Ministerial 120 Days	Ministerial 60 Days
16. DRB Review	Required	Same
17. Fire Sprinklers	Not required unless primary has	Same
18. Window placement review	DRB Review	Same
19. Separate ADU entrance	Required	Same for both ADU and JADU
20. Rental of ADU	No less than 30 days	Same for both ADU and JADU
21. Short-Term Rental of ADU	Not allowed	Same for both ADU and JADU
22. ADU Utility certifications	No ADU with inadequate service	Same (No will serve letter)
23. ADU Accessibility design	Required	Same -Not Addressed by State
24. ADU Notice of Condition	Required	Same - Not Addressed by State
25. Delay Building Enforcement	Not Allowed	Property Owner may request.

The following are changes that are not addressed in the ordinance but are in effect thru state law:

26. Submit Ordinance to HCD	Within 60 days of Adoption	Same -Requires HCD to review
27. Housing Element incentives	None	Requires ADU incentives
28. HOA CC&R's prohibit ADU	Not Regulated	Must allow ADU and JADU

RESOLUTION NO. 2-2020

A RESOLUTION OF THE PLANNING AND ENVIRONMENT COMMISSION OF THE CITY OF LAKEWOOD RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF A PROPOSED URGENCY ORDINANCE AMENDING ARTICLE IX OF THE LAKEWOOD MUNICIPAL CODE PERTAINING TO STANDARDS AND REGULATIONS FOR ACCESSORY DWELLING UNITS (ADUs) AND JUNIOR ACCESSORY DWELLING UNITS (JADUs)

THE PLANNING AND ENVIRONMENT COMMISSION OF THE CITY OF LAKEWOOD DOES HEREBY FIND, RESOLVE, AND DETERMINE AS FOLLOWS:

SECTION 1. The Planning and Environment Commission ("Commission") conducted on the 2nd day of January, 2020, a public hearing in the City Council Chambers, 5000 Clark Avenue, Lakewood, California, following proper notice of the hearing as to the time and manner as required by law. The public hearing considered an urgency ordinance proposing to amend the Lakewood Municipal Code to establish standards and regulations for Accessory Dwelling Units (ADU's) and Junior Accessory Dwelling Units (JADUs) in order to conform to recently adopted state laws that became effective on January 1, 2020.

The Commission hereby submits its report, findings and recommendation to the City Council regarding this ordinance. A summary of the hearing is set forth in the Minutes of the Planning and Environment Commission, attached hereto and made a part hereof. The Secretary of the Commission is directed to attach the Minutes of the hearing to the Resolution when prepared and forward those to the City Council for review and consideration, whether or not first approved by the Planning and Environment Commission.

SECTION 2. This ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to a statutory exemption listed in Section 21080.17 of the state Public Resources Code.

SECTION 3. The Planning and Environment Commission finds that the Lakewood Municipal Code of the City of Lakewood should be amended for the following reasons and findings:

A. State lawmakers are concerned about the dwindling supply of affordable housing units in the State of California. They have enacted a number of laws to revise the development standards of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) on residential properties as one solution to increase the supply of affordable housing. The State Legislature adopted these laws in order to eliminate barriers to ADU construction, a use that the Legislature has determined to be a cost-effective approach to address housing shortages and to encourage in-fill development within existing neighborhoods.

B. The public health, safety and general welfare of the City and its residents necessitates and requires the adoption of this zoning ordinance on an urgency basis. The ordinance is needed to clarify local requirements and to maintain the character and life-style of the City,

while implementing the state-mandated program to allow for the construction of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) within those zoning districts that allow single and multiple-family dwelling units. Revised state laws became effective on January 1, 2020, and it is imperative that local controls be established immediately to coordinate with the recently adopted state laws.

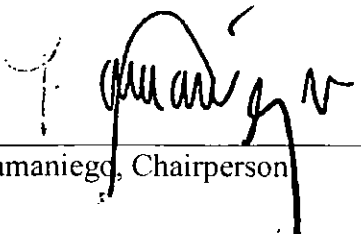
C. That the Planning and Environment Commission held a duly noticed public hearing on January 2, 2020 at which time it considered all evidence presented, both written and oral, and at the end of the hearing voted to adopt a resolution recommending that the City Council adopt this ordinance.

SECTION 5. This ordinance complies with the authority granted by and the current regulatory mandates of the California Constitution and State law relating to the construction and use of accessory dwelling units and junior accessory dwelling units.

SECTION 6. Based on the aforementioned findings, the Planning and Environment Commission recommends to the City Council that the City Council prepare and adopt, after holding a public hearing as required by law, the attached urgency ordinance pertaining to standards and regulations for Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs).

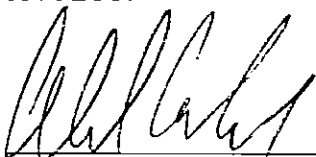
ADOPTED AND APPROVED this 2nd day of January 2020, by the members of the Planning and Environment Commission voting as follows:

AYES: Commissioners: McKinnon, Stuckey, Manis, Samaniego
NOES: Commissioners:
ABSENT: Commissioners: Quarto
ABSTAIN: Commissioners:



Peter Samaniego, Chairperson

ATTEST:



Abel Avalos, Secretary

ORDINANCE NO. 2019-4

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF LAKEWOOD, CALIFORNIA, TO RETAIN
PERMISSIBLE LOCAL CONTROLS RELATING TO
ACCESSORY DWELLING UNITS

WHEREAS, several new State laws which will have the effect of significantly impacting local controls over the approval process and design of Accessory Dwelling Units will go into effect on January 1, 2020; and

WHEREAS, those laws provide that, beginning January 1, 2020, until a local jurisdiction adopts local laws in conformance with those new State laws, the local rules for the approval of Accessory Dwelling Units and these will default to the State laws for all purposes; and

WHEREAS, the City's Community Development Department is in the process of developing an ordinance in an attempt to maximize those local controls which are still available, for presentation to the Planning and Environment Commission and City Council; and

WHEREAS, until such an ordinance can be adopted and become effective, it is necessary to preserve those portions of the Lakewood Municipal Code pertaining to Accessory Dwelling Units which will not be preempted by State law after January 1, 2020; and

WHEREAS, it is necessary that this ordinance be adopted as an urgency ordinance for the immediate preservation of the public peace, health, or safety, due to the likelihood that Accessory Dwelling Units that do not conform to local standards that will not be preempted by State Law would have to be approved after January 1, 2020.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that each of the findings set forth above is true and correct.

SECTION 2. All provisions in the Lakewood Municipal Code pertaining to Accessory Dwelling Units which are not preempted by State law remain in full force and effect.

SECTION 3. SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any other provision or applications, and to this end the provisions of this ordinance are declared to be severable. The

City Council, and the electorate by initiative, do hereby declare that they would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases, parts or portions thereof, be declared invalid or unconstitutional.

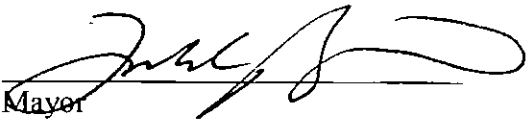
SECTION 4. CONTINUITY. To the extent the provisions of the Lakewood Municipal Code as amended by this ordinance are substantially the same as the provisions of that Code as they read immediately prior to the adoption of this ordinance, then those provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 5. CERTIFICATION. The City Clerk shall certify to the adoption of this ordinance. The City Council hereby finds and determines there are no newspapers of general circulation both published and circulated within the City and, in compliance with Section 36933 of the Government Code, directs the City Clerk to cause said Ordinance within fifteen (15) days after its passage to be posted in at least three (3) public places within the City as established by ordinance.


SECTION 6. EFFECTIVE DATE. This ordinance shall take effect immediately upon its adoption, pursuant to section 36937(b) of the California Government Code.

ADOPTED AND APPROVED this 10th day of December, 2019, by the following roll call vote:

	AYES	NAYS	ABSENT
Council Member Croft	<u>X</u>	_____	_____
Council Member DuBois	<u>X</u>	_____	_____
Council Member Wood	<u>X</u>	_____	_____
Council Member Piazza	<u>X</u>	_____	_____
Mayor Rogers	<u>X</u>	_____	_____


Mayor

ATTEST:


City Clerk

ORDINANCE NO. 2020-1

AN URGENCY ORDINANCE OF THE CITY OF LAKEWOOD
AMENDING ARTICLE IX OF THE LAKEWOOD MUNICIPAL
CODE PERTAINING TO STANDARDS AND REGULATIONS
FOR ACCESSORY DWELLING UNITS (ADUs) AND JUNIOR
ACCESSORY DWELLING UNITS (JADUs)

WHEREAS, several new state laws which will significantly impact local controls over the approval process, design and use of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) became effective on January 1, 2020; and

WHEREAS, those laws provide that, beginning January 1, 2020, until a local jurisdiction adopts local laws in conformance with those new state laws, the local rules for the approval of Accessory Dwelling Units and Junior Accessory Dwelling Units will default to the state laws for all purposes; and

WHEREAS, on December 10, 2019, the City Council adopted Urgency Ordinance 2019-4 titled; "An Urgency Ordinance of the City Council of The City of Lakewood, California to retain permissible local controls relating to Accessory Dwelling Units," which included the regulatory statement that "all provisions in the Lakewood Municipal Code pertaining to Accessory Dwelling Units which are not preempted by state law remain in full force and effect," and

WHEREAS, the purpose of this urgency ordinance is to replace Ordinance 2019-4 with an ordinance that specifically revises existing standards and adopts new standards that are consistent with the new state laws that became effective on January 1, 2020; and

WHEREAS, it is necessary that this ordinance be adopted as an urgency ordinance for the immediate preservation of the public peace, health, or safety, due to the likelihood that Accessory Dwelling Units and Junior Accessory Dwelling Units that do not conform to local standards would have to be approved per state law after January 1, 2020.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that each of the findings set forth above is true and correct.

SECTION 2. INTENT. Article IX of the Lakewood Municipal Code is hereby amended as provided in this ordinance to revise standards and regulations for Accessory Dwelling Units (ADUs) and to establish standards and regulations for Junior Accessory Dwelling Units (JADUs) consistent with recent changes in state laws and pursuant to Public Hearings before the Planning and Environment Commission and the City Council.

SECTION 3. PURPOSE. The purpose of this ordinance is to amend current city standards to properly implement revised state laws that became effective on January 1, 2020 concerning the construction and use of ADUs and JADUs. Among the new state laws adopted in 2019 being addressed by this ordinance are AB 68 (Ting), AB 587 (Friedman), AB 670 (Freidman), AB 671 (Freidman), AB 881 (Bloom) and SB 13 (Wieckowski). State lawmakers are concerned about the inadequate supply of affordable housing units in the State of California and find that the addition of ADUs and JADUs to existing residences is one source of such housing.

After adoption, this ordinance will be subject to a review by the state Housing and Community Development Department (HCD), which will evaluate the ordinance for consistency with state law. It is the intent of the City to implement state law to develop alternative housing units, while maintaining local control of standards to assure architectural compatibility and consistency of site design, building design, material selection and landscaping. ADUs and JADUs are alternative affordable dwelling units that are designed to house extended family members, the elderly, the disabled, students and others that are economically challenged.

ADUs are additional independent living quarters that may be constructed on single-family and multiple-family residential lots that have existing legally established and properly permitted primary dwelling units at the time ADU construction is completed. An ADU may be either attached to, or detached from, a primary dwelling unit. A JADU is a conversion of an existing room in a primary single-family dwelling unit and may be constructed in addition to a detached ADU on a single-family lot.

SECTION 4. Subsection 9302.1 of Chapter 3 Zoning of Title IX of the Lakewood Municipal Code, regarding the definition of Accessory Building is hereby amended to read as follows:

9302.1. ACCESSORY BUILDING. A subordinate building on the lot or building site, the use of which is incidental to that of the main building, and which is used exclusively by the occupants of the main building, except as follows:

1. An Accessory Dwelling Unit (ADU) as provided in this Chapter by Section 9302.21a; and as further defined in California Government Code Sections 65852.2.
2. A Junior Accessory Dwelling Unit (JADU) as provided in this Chapter by Section 9302.21b; and as further defined in California Government Code Section 65852.22.

An ADU and/or JADU may be occupied by the property owner or rented/leased by a tenant, who may or may not be affiliated with the primary dwelling unit occupant. The property owner is not required to reside on the property. However, a JADU may only be occupied by an independent tenant only when the primary dwelling unit is occupied by the property owner. Otherwise both, the primary dwelling unit and the JADU, shall have the same tenant.

No accessory building shall be constructed or maintained, except as provided in this Chapter. No accessory building constructed or maintained in the rear yard shall exceed one story in height and shall not be more than sixteen (16) feet in height. However, the Development Review Board may approve an accessory structure used for vehicle storage not to exceed twenty five (25) feet in height to accommodate recreational vehicles and vehicle storage racks.

SECTION 5. Section 9302.21a of Chapter 3 of Title IX of the Lakewood Municipal Code, regarding an Accessory Dwelling Unit (ADU) is amended to read as follows:

9302.21a. DWELLING UNIT, ACCESSORY (ADU). An Accessory Dwelling Unit (ADU) shall mean an attached or detached additional dwelling unit that is allowed to be located on the same lot or parcel, as a legally established and maintained single-family dwelling unit or as a legally established and maintained multiple-family dwelling unit complex of two or more units, in zone districts that allow such dwelling units or is a previously established non-conforming use. The primary dwelling unit that is host to an ADU may be constructed concurrently with the ADU but shall be completed with a successful final inspection prior to, or concurrently with, the successful final inspection of the ADU.

The construction of an ADU may be a modification of an existing primary residence or an existing accessory structure or the construction of a new attached or detached accessory building in all zone districts allowing single and multiple-family dwellings units. An ADU shall provide a completely independent living facility, including facilities for living, sleeping, eating, cooking, laundry hookups and sanitation for one or more persons. An ADU includes a minimum 150 square-foot “efficiency unit” for no more than two people as defined in Section 17958.1 of the California Health and Safety Code and a minimum 320 square-foot “manufactured home” as defined in Section 18007 of the Health and Safety Code. ADUs shall comply with the following standards:

- A. **ADU ALLOWED ZONES.** ADUs shall only be allowed within the following zone districts: R-1 (Single-Family Residential), R-A (Single-Family Residential Limited Agriculture), A (Agriculture) M-F-R (Multiple-Family Residential), PD-SF (Planned Unit Development – Single Family), and/or, PD-MF (Planned Unit Development – Multiple Family) Zones. ADUs are not allowed in any other zone district. The ADU shall be either accessory to a properly permitted and maintained single-family dwelling unit or a multiple-family dwelling unit complex that fully complies with all adopted building codes and all provisions of the Lakewood Municipal Code. The ADU construction shall be either: a) a new detached accessory building; b) an addition attached to an existing structure or c) an addition contained within the existing space of a single-family residence or conversion of an existing accessory structure, including, but not limited to; a garage, carport, studio, pool house, or other similar structure.
- B. **ADU REVIEW.** The City shall ministerially approve an application for a building permit to create one ADU per lot within zone districts allowing single-family dwelling units and up to two detached ADUs in zone districts allowing for multiple-family dwelling units. In

addition to the two allowed detached ADUs, in zone districts allowing for multiple-family dwelling units, additional attached ADUs may be constructed by converting existing non-habitable space into a habitable ADU, not to exceed twenty-five percent (25%) of the number of existing primary multiple-dwelling units on the property.

In conformance with Section 65852.2 of the California State Government Code, an ADU shall be allowed subject to architectural review by the Development Review Board, site plan review by planning staff, building plan review and through permits issued and inspected in compliance with the adopted building codes. The overall review process between the time the application submittal is deemed complete and the issuance of a building permit shall not exceed 60 days.

The Development Review Board shall review the proposed ADU(s) to ensure architectural compatibility between the proposed ADU and the existing dwelling unit(s) and the surrounding neighborhood. This includes coordinating consistent or compatible: roof style, roofing material, fascia style and width, rafter overhang, building color, exterior siding material, window and door style and trim, wainscot and other architectural elements. The quality of the materials shall be the same or exceed the quality of the primary unit.

Upon request by a property owner proposing an ADU, the City shall delay enforcement of any violations of building standard (e.g. unpermitted construction) for five years, where the Community Development Director has determined that the enforcement of the standard is not necessary to protect health or safety and where such enforcement would delay the ADU construction.

C. ADU DEVELOPMENT STANDARDS. All ADUs shall conform to all property development regulations of the zone in which the property is located. In addition, the following are the standards required for the construction of an ADU:

1. **Existing Habitable Accessory Structures.** In addition to an allowed JADU, there shall be no more than one ADU or other habitable accessory structure (e.g. guest house) on any lot or parcel in any zone allowing single-family residential.
2. **ADU Setbacks.** A detached ADU shall have a minimum setback of four (4) feet from all side and rear property lines. An ADU attached to a primary dwelling unit shall have a minimum ten (10) foot rear yard setback. No portion of an ADU shall be located in the required front yard. There shall be no additional setback requirement for an existing accessory structure that is being converted to an ADU. The setbacks shall be sufficient for fire and safety access.
3. **ADU Floor Area.** An ADU shall have a minimum floor area of 150 square feet and shall not exceed 1,200 square feet in area. If the ADU is attached to the existing single-family dwelling unit, the maximum floor area of the ADU shall not exceed 50% of the floor area of an existing single-family dwelling unit or 1,200 square feet, whichever is less. The second-story area of an attached ADU contained within a primary single-family dwelling unit or any portion thereof that is a second-story unit, shall not exceed the second-story area of the single-family dwelling unit.
4. **ADU Height.**
 - (a) A detached ADU shall not exceed a single-story height of 16-feet from finished grade to the highest roof ridge, unless it is a conversion of an existing

properly permitted structure that is taller. An ADU may contain a loft as allowed in the adopted building codes.

(b) An attached ADU shall not exceed the height of a related single-family dwelling unit, unless necessary to have a consistent roof pitch.

5. **ADU Exterior Access.** Each ADU shall have an independent exterior door to access the ADU. The door shall be covered with a projecting roof overhang or porch, unless otherwise approved by the Development Review Board. The sole access path to the ADU shall not travel through any portion of the habitable living area of the existing single-family dwelling unit.

6. **ADU Parking.** One additional parking space shall be required for an ADU, unless one of the following applies:

(a) The ADU is located in a conversion or replacement of an existing garage, carport or covered parking structure. These existing parking spaces do not have to be replaced.

(b) The ADU is part of the existing primary residence or an existing accessory structure.

(c) The ADU is located within a traversable distance of one-half mile of public transit.

(d) The ADU is located within an architecturally and historically significant historic district.

(e) On-street parking permits are required, but not offered to an ADU occupant.

(f) A car share vehicle is located within one block of the ADU.

7. **ADU Additional Development Standards.** Construction of an ADU shall not be subject to any zoning regulations regarding standards for minimum lot size, additional open space, lot coverage and/or floor area ratio.

8. **ADU Utility Adequacy.** The city may determine that there are areas in the city that have inadequate utility capacities for either source, storage distribution/collection and/or treatment of one or more of the following utilities: potable water, fire flow, sewer and electricity. The city may deny an application for a detached ADU based on that determination. The utilities serving an ADU attached to an existing residential dwelling unit are considered to be a part of, or an expansion of, the existing primary dwelling unit and shall not be subject to this determination.

(a) Electrical. The Development Review Board shall encourage each ADU to install photovoltaic solar energy panels to offset electrical demand.

(b) Fire. An ADU shall be within 450 feet of a fire hydrant with a clear path to run a fire hose from the fire hydrant to all parts of the proposed ADU. Fire sprinklers shall not be required for an ADU, if they are not required for the primary dwelling unit or a related multiple family dwelling unit complex.

9. **ADU Accessibility.** Single-story ADUs attached or detached shall incorporate into their design accommodations for potential occupants with mobility challenges. This includes design considerations such as ramped entries, handrails adjacent to steps, wider doors and doorways, higher electrical outlet installations, lower light

switches, paddle-type door handles, wider restrooms, taller toilets, low or zero threshold step-in showers and blocking for potential grab bars around toilets and other areas requiring stabilization.

10. Garage and Other Building Conversions. Conversions of existing structures shall not leave any shadowing of previous doors and windows. Such doors and windows shall be fully removed including framing. The remaining wall will be reconstructed with siding or stucco that leaves no sign of the previous installations. Any sloped floors shall be appropriately retrofitted to be flat with moisture barriers and comply with adopted building codes.

D. ADU Occupancy. The occupancy of an ADU shall adhere to the following:

1. An ADU shall only be rented or leased for terms that are thirty (30) days or more.
2. An ADU shall not be rented as a short-term home-share rental for less than thirty (30) days.
3. An ADU may be occupied and rented/leased to a person not affiliated with, and independent from, the primary dwelling unit. The property owner does not have to reside on the property.

E. ADU Notice of Condition. A Notice of Condition shall be recorded regarding each ADU referencing the related lot or parcel and stating the following:

1. These restrictions shall run with the land and be binding on any heir, assign or other successor in ownership of the property.
2. The ADU shall continually be operated and maintained in compliance with current regulations of the Lakewood Municipal Code, state Law, and the adopted uniform building codes.
3. The ADU shall only be rented or leased for periods of time that are thirty (30) days or more.
4. The ADU shall not be rented as a short-term home-share rental for a period of time less than thirty (30) days.
5. The ADU shall not be sold independently of the primary single or multiple-family dwelling unit that is host to an ADU, except as authorized by state law.

SECTION 6. Section 9302.21b of Chapter 3 of Title IX of the Lakewood Municipal Code, regarding the definition of a Junior Accessory Dwelling Unit (JADU) is hereby added to read as follows:

9302.21b. DWELLING UNIT, JUNIOR ACCESSORY (JADU). A Junior Accessory Dwelling Unit (JADU) is an additional dwelling unit that is allowed to be located within an existing legally established and maintained single-family dwelling unit in those zone districts allowing single-family dwelling units as permitted uses. A JADU shall provide living and sleeping facilities for one or more persons. A JADU shall have an independent efficiency kitchen with cooking appliances, food preparation counter and storage cabinets. The JADU may have separate sanitation facilities or may share a bathroom with the primary dwelling unit.

- A. JADU ALLOWED ZONES.** JADUs shall only be allowed within the following zone districts: R-1 (Single-Family Residential), R-A (Single-Family Residential Limited Agriculture), A (Agriculture), M-F-R (Multiple-Family Residential) zone with a legally established non-conforming single-family residential dwelling, PD-SF (Planned Unit Development – Single Family), and/or, PD-MF (Planned Unit Development – Multiple Family) zones.
- B. JADUs are not allowed in any other zone district.** The City shall ministerially approve an application for a building permit to create one JADU in an existing single-family dwelling unit.
- C. JADU REVIEW.** A JADU shall be allowed subject to ministerial reviews by the Development Review Board, site plan review by planning staff, building plan review and through permits issued and inspected in compliance with the adopted building codes. The overall review process between the time the application submittal is deemed complete and the issuance of a building permit shall not exceed 60 days. The Development Review Board shall review the proposed ADU(s) to ensure architectural compatibility with the existing dwelling unit and the surrounding neighborhood.
- D. JADU DEVELOPMENT STANDARDS.** All JADUs shall conform to all property development regulations of the zone in which the property is located. In addition, the following are the standards required for the construction of a JADU:
 - 1. **JADU Floor Area.** A JADU shall have a minimum floor area of 150 square feet and shall not exceed 500 square feet in area,
 - 2. **JADU Exterior Access.** Each JADU shall have an independent exterior door to access the JADU. In addition, each JADU may have a doorway that connects to the habitable living area of the existing single-family dwelling unit.
 - 3. **JADU Accessibility.** Single-story JADUs shall incorporate into their design, where possible, accommodations for potential occupants with mobility challenges. This includes design considerations such as ramped entries, handrails adjacent to steps, wider doorways, higher electrical outlets installations, lower light switches, paddle-type door handles, wider restrooms, taller toilets, low or zero threshold step-in showers and blocking for grab bars around toilets and other areas requiring stabilization.
- E. JADU Occupancy.** The occupancy of an JADU shall adhere to the following:
 - 1. A JADU shall only be rented or leased for terms that are thirty (30) days or more.
 - 2. A JADU shall not be rented as a short term home-share rental for less than thirty (30) days.
 - 3. A JADU may be occupied and rented/leased to a person not affiliated with and independent from the primary dwelling unit, provided the property owner lives in the JADU or the primary dwelling unit. Otherwise, if the primary dwelling unit is not occupied by the property owner, then the JADU shall be rented/leased only to the same tenant occupying the primary dwelling unit and may not be sublet to another individual.

F. JADU Notice of Condition. A Notice of Condition shall be recorded regarding each JADU referencing the related lot or parcel and stating the following:

1. These restrictions shall run with the land and be binding on any heir, assign or other successor in ownership of the property.
2. The JADU shall continually be operated and maintained in compliance with current regulations of the Lakewood Municipal Code, state Law, and the adopted uniform building codes.
3. The JADU shall only be rented or leased for periods of time that are thirty (30) days or more.
4. The JADU shall not be rented as a short term home-share rental for a period of time less than thirty (30) days.
5. The JADU shall not be sold independently of the primary single or multiple-family dwelling unit that is host to the JADU.

SECTION 7. Subsections 9320.A.1 of Part 2 of Chapter 3 of Title IX of the Lakewood Municipal Code, pertaining to uses permitted in the R-1 (Single-Family Residential) zone are amended to read as follows:

9320. USES PERMITTED:

A. A single-family dwelling unit of a permanent character placed in a permanent location, including the following accessory uses and buildings.

1. Accessory Dwelling Unit (ADU) as provided in Section 9302.21a. and/or a Junior Accessory Dwelling Unit (JADU) as provided in Section 9302.21b.

...

SECTION 8. Subsection 9322.7. C of Part 2 of Chapter 3 of Title IX of the Lakewood Municipal Code, pertaining to accessory buildings in the R-1 (Single-Family Residential) zone is amended to read as follows:

9322.7 ACCESSORY BUILDINGS. Private garages or accessory buildings, may be constructed within the required rear yard as follows:

...

- C. Any accessory building used or designed for human habitation, including an ADU shall be located no less than four (4) feet from any rear and/or side lot lines.

SECTION 9. Subsections 9326.A.1 of Part 2a of Chapter 3 of Title IX of the Lakewood Municipal Code, pertaining to uses permitted in the R-A (Single-family residential – limited agriculture) zone are amended to read as follows:

9326. USES PERMITTED:

A. A single-family dwelling unit of a permanent character placed in a permanent location, including the following accessory uses and buildings:

1. Accessory Dwelling Unit (ADU) as provided in Section 9302.21a. and/or a Junior Accessory Dwelling Unit (JADU) as provided in Section 9302.21b.

...

SECTION 10. Subsection 9332.C.5 of Chapter 3 of Title IX of the Lakewood Municipal Code, pertaining to uses permitted in the M-F-R (Multiple Family Residential) zone is amended to read as follows:

5. **Accessory Structures.** No accessory structure, such as, but not limited to: garages, workshops, sheds or greenhouses, shall be used as living quarters or recreational areas, except as allowed for Accessory Dwelling Units (ADUs) as provided in Section 9302.21a.

...

SECTION 11. Subsection 9386 of Chapter 3 of Title IX of the Lakewood Municipal Code, pertaining to General Provisions Relating to Yards, Height and Area is amended to read as follows:

9386. ACCESSORY BUILDINGS. Accessory buildings may be constructed and maintained within the rear yard subject to the limitations and provisions of this Chapter, with the exception that no accessory building shall exceed one story in height. Lofts are allowed that comply with adopted building codes. No accessory structure, such as, but not limited to garages, workshops, sheds or greenhouses, shall be used as living quarters, except as allowed for an ADU as defined in Section 9302.21a. and/or a Junior Accessory Dwelling Unit (JADU) as provided in LMC Section 9302.21b.

SECTION 12. Section 9477 of Chapter 3 of Title IX of the Lakewood Municipal Code, pertaining to the PD (Planned Development) Zone Regulations is amended to read as follows:

9477. OTHER PROVISIONS OF THIS CHAPTER APPLICABLE. Except where inconsistent with the provisions of this Part, all other provisions of this Chapter shall apply to the PD Zone, including the authority to add an ADU and a JADU to any single-family dwelling unit and to add ADUs to a multiple-family dwelling unit complex in accordance with the provisions of this Chapter for such multiple-family dwelling unit complexes.

SECTION 13. REPEAL OF PRIOR ORDINANCE. Ordinance 2019-4 is hereby repealed in its entirety.

SECTION 14. CEQA. This ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.17.

SECTION 15. SEVERABILITY. If any section, subsection, subdivision, paragraph, sentence, clause, phrase or portion of this ordinance or its application to any person or circumstance, is for any reason held to be invalid, unenforceable or unconstitutional by the

decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance or its application to any other person or circumstance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraph, sentences, clauses, phrases, or portions thereof be declared invalid, unenforceable or unconstitutional.

SECTION 16. CONTINUITY. To the extent the provisions of the Lakewood Municipal Code as amended by this ordinance are substantially the same as the provisions of that Code as they read immediately prior to the adoption of this ordinance, then those provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 17. CERTIFICATION. The City Clerk shall certify to the adoption of this ordinance and shall post a certified copy of this ordinance, including the vote for and against same, in the Office of the City Clerk, in accordance with Government Code Section 36933. The City Council hereby finds and determines there are no newspapers of general circulation both published and circulated within the City and, in compliance with Section 36933 of the Government Code, directs the City Clerk to cause the ordinance within 15 days after its passage to be posted in at least three (3) public places within the City as established by ordinance.

SECTION 18. EFFECTIVE DATE. This ordinance shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this _____ day of _____, 2020, by the following roll call vote:

	AYES	NAYS	ABSENT
Council Member Croft	_____	_____	_____
Council Member DuBois	_____	_____	_____
Council Member Wood	_____	_____	_____
Council Member Piazza	_____	_____	_____
Mayor Rogers	_____	_____	_____

Mayor

ATTEST:

City Clerk

DIVIDER SHEET

COUNCIL AGENDA

January 28, 2020

TO: The Honorable Mayor and City Council

SUBJECT: Second Reading of Ordinance of the City Council and the People of the City of Lakewood, California Adding Chapter 10 (Transactions and Use Tax) to Article VI of the Lakewood Municipal Code to Establish a Three-Quarters Percent (3/4%) General Transactions and Use (Sales) Tax, To Be Administered by the California Department of Tax and Fee Administration

INTRODUCTION

At the November 12, 2019 City Council meeting, the ordinance aforementioned was introduced.

STATEMENT OF FACT

The City Council agenda staff report from the November 12, 2019 meeting is below. The report explains the reasons for placing the Ordinance on the March 3, 2020 ballot.

RECOMMENDATION

It is recommended that the City Council adopt the ordinance: An Ordinance of the City Council of the City of Lakewood Adding Chapter 10 (Transactions and Use Tax) to Article VI of the Lakewood Municipal Code to Establish a Three-Quarters Percent (3/4%) General Transactions and Use (Sales) Tax, To Be Administered by the California Department of Tax and Fee Administration.



Thaddeus McCormack
City Manager

COUNCIL AGENDA

November 12, 2019

TO: The Honorable Mayor and City Council

SUBJECT: Consideration of the Placement of a General Transactions and Use (Sales)
Tax Measure on the March 3, 2020 Ballot

INTRODUCTION

The City of Lakewood is suffering from fiscal instability caused by a reduction in key sources of local revenue that impact the City services that Lakewood residents have traditionally received and continue to value and deserve.

The causes of the revenue problem are external to our City. The State of California has taken over \$30 million in local property tax dollars from Lakewood over the past eight years, with the State continuing to deprive the City of approximately \$2 million in such funds every year on into the future.

Since the great recession, and compounded by years of state takeaways of local funds, the City has devolved from a traditional environment of annual budget surpluses, which usually funded our capital improvements, to one now where we struggle to adopt balanced budgets due to a reversing of structural conditions relative to revenues and expenditures. This has created what is called a “structural deficit.”

It should be noted that the City of Lakewood has always adopted balanced budgets, but the struggle to do so now has become daunting without significantly impacting local services.

Lakewood is not alone in this struggle, as cities across California are facing similar structural deficits from many of the same factors, including the significant takeaway of local funds by Sacramento.

Lakewood’s long-term financial forecast indicates that the City will continue to incur growing structural deficits each year ranging from nearly \$5 million in our next budget (FY20-21) to \$10 million in approximately 10 years. Unless prompt action is taken to address this structural deficit, there will have to be significant cuts made to all City services, including public safety and the maintenance of vital community infrastructure such as roads, community centers and parks.

STATEMENT OF FACT

Lakewood is a proud yet modest city with the dreams and aspirations of maintaining a proud yet modest way of community life that has defined our city for many generations. People choose to live in Lakewood, including multiple generations of families, because of our quality of life and the reliable and quality city services they expect to receive. However, to maintain and protect the Lakewood that our residents know and love requires financial resources and a commitment to sustain those resources into the future.

The City has a long history of prudent fiscal management and “living within its means” and, accordingly, the City has endeavored in earnest to reduce expenditures in response to the structural deficit. In adopting the most recent two-year budget (FY18-20), the City Council directed staff to make requisite cuts to balance the budget, but also to begin work immediately after the passage of the budget to devise a plan to deal with and rectify the structural deficit. It should be pointed out that \$2.5 million in deficit reductions were utilized to balance the FY18-19 increment of the budget. Then, an additional \$1.3 million of cuts were made to bring the current FY19-20 budget into balance, including initial cuts to public safety, among other items.

Public Safety

As with most cities, the largest portion of Lakewood’s budget is for our public safety services, including our contract with the Los Angeles County Sheriff’s Department. Lakewood residents have indicated that public safety services are their top priority.

Public safety services were, not surprisingly, the last item that incurred a spending cut in the City’s FY19-20 budget deliberations. But to maintain a balanced budget, it was necessary in the end to make a cut in spending to the City’s public safety contingency budget for expenses that would be incurred in dealing with unforeseen public safety issues.

Lakewood has benefitted in the past from the ability to expand Sheriff’s patrols when needed for spikes in crime and to have specialized Deputy Sheriff teams, known as Special Assignment Officers, who investigate and follow up on crime patterns and tackle important quality of life issues in the City.

If the City’s budget shortfalls continue and grow in size, more cuts and deeper cuts to Lakewood’s public safety budget are inevitable, including to those Sheriff’s services that have traditionally helped to keep Lakewood a very safe community with a reputation for high quality law enforcement.

Maintaining our public safety budget is more important than ever now that Lakewood and other California communities are addressing the impacts of recent State laws which have allowed for the early release of prisoners and the shortening of criminal sentences.

Maintaining Community Facilities

Due to our budget shortfalls, the City is now unable to fully keep up with required park and facility maintenance. The continued deferral of maintenance on our aging facilities, which are by-and-large 50 to 60 years old, has led to a desperate need for repairs, with leaking roofs, aging electrical systems and deteriorating park bathrooms, all of which are getting worse and will become more expensive to fix in the future.

A recent Facilities Needs Assessment identified over \$31 million of needed repairs in the coming 10 years just to maintain our buildings at an adequately functional level. This translates to over \$3 million a year on an ongoing basis, a funding source for which the City currently does not have. Every year that we wait to maintain and repair our facilities increases the future cost of that work.

While these necessary budget cuts and infrastructure maintenance deferrals are not without consequence, the City continues to be well-managed and continues to strive to address the needs of the Lakewood community. However, the consequences of the structural deficit include significantly reducing resources available for important City services like public safety and Sheriff's services; keeping our parks and public areas safe and clean; maintaining streets and community facilities; and other services valued by Lakewood residents. The fact is that the City can no longer maintain these services in the foreseeable future based on current revenue and expenditure levels.

Community Involvement

In adopting the two-year FY18-20 budget, the City Council conceived the idea of convening a citizens "Budget Advisory Group" formed of long-time Lakewood residents and business leaders. The 15-person group comprised of local residents, included subject matter experts in local government and business, including business leaders from the Greater Lakewood Chamber of Commerce and Lakewood Center, and representatives from various Lakewood community groups like the Rotary Club, Soroptimists and YMCA.

The group met regularly over the course of four months between November 2018 and February 2019 to learn about the City's fiscal and budgetary challenges and to identify possible strategies for addressing those challenges.

The citizens group spent a lot of time understanding the factors contributing to the City's structural deficit, as well as giving definition to the essential components of what makes Lakewood special, or what was called the "Lakewood Way."

Key attributes contributing to the Lakewood Way included the City's beautiful parks, recreation programs for all ages, well-paved streets, and proactive and effective law enforcement service, to name a few. The group discussed potential budget reduction opportunities (over and above what the City has already done), however their brainstorming results amounted to only approximately \$1.8 million in cuts, far less than the \$10 million that will be needed over the next 10 years and at the same time potentially cutting into some of those things that were identified as key elements of the Lakewood Way. The group also reviewed and discussed strategies that the residents of other cities have implemented to deal with their respective structural deficits, including locally-controlled revenue enhancement measures.

In March 2019, a City Council study session was held that summarized the work of the Budget Advisory Group. At that time, the City Council directed staff to broaden its outreach to the community at large and to further study possible strategies for rectifying the structural deficit.

A professionally-implemented and scientifically-valid community survey was conducted in May 2019 that showed that Lakewood residents value the quality of life our City has to offer. According to Lakewood residents, the following City services were identified as high priorities:

- Maintaining 911 emergency response
- Preventing property crimes, like thefts and burglaries
- Protecting Lakewood's long-term financial stability
- Keeping Lakewood parks and public areas safe and clean
- Protecting local drinking water sources
- Maintaining Lakewood sheriff patrols
- Maintaining streets/repairing potholes

At the council's request, City staff expanded that outreach to the broader community this summer and fall by soliciting feedback through a "Join the Conversation" outreach program, including website, online and mail outreach, and in person meetings with community groups citywide. Nearly 2,000 residents took the time to engage with the city and fill out a Join the Conversation survey, indicating which City services were of highest priority to them. We thank them for their participation.

The community meetings and community feedback suggest that the public understands our fiscal constraints and its causal factors, namely the impact of the significant State funding takeaways experienced over the last eight years, as well as appreciates and values the services provided by the City that make up the Lakewood Way and distinguish Lakewood from many other communities.

Summary

In order to continue to meet the reasonable expectations of the Lakewood community and provide essential services, the City needs to secure a reliable, long term funding stream that is locally controlled, where revenue is not subject to seizure or elimination by the State.

The intent of tonight's action is to allow the residents of Lakewood to decide if they wish to do so, to approve a locally-controlled revenue measure to ensure that the City is able to maintain vital services to the community into the future.

A Lakewood voter-approved $\frac{3}{4}$ cent sales tax measure would raise approximately \$10 million a year, an amount that would be just sufficient to meet our budget deficit in the years ahead and to fund and maintain important City services in Lakewood for current and future generations, extending for at least 20 years, which is the outer end of our reasonable financial forecasting.

The City will have total local control of this important source of revenue as these funds will be not subject to seizure by the State or another local taxing jurisdiction.

Sales Tax Threshold and Details

The current sales tax rate in Lakewood is 9.50%. Revenue from the current sales tax is distributed to a number of taxing entities throughout the State and County as follows:

State General Fund (includes K-12/Community Colleges)	3.9375%
City/County General Fund (Bradley-Burns)	1.0000%

County Public Safety (Prop 172)	0.5000%
County Realignment (Mental Health/Social Services)	1.5625%
Countywide Transportation Fund	0.2500%
Los Angeles County Transportation Commission	0.5000%
Los Angeles County Transportation Commission	0.5000%
Los Angeles County Metro Transportation Authority	0.5000%
Los Angeles County Traffic Improvement Plan	0.5000%
Los Angeles County Homeless Assistance	0.2500%

Of the current 9.50% sales tax rate in Los Angeles County, the City of Lakewood receives only the 1% Bradley-Burns allocation.

In Los Angeles County, there are three countywide taxes totaling 1.25% that are subject to the 2% add-on cap. As a result, the current maximum increase allowed for a local sales tax in Lakewood is 0.75%. Such an increase would bring the cumulative sales tax rate in Lakewood to 10.25%.

It should be noted that Lakewood's ability to impose a local sales tax of up to 0.75% could be precluded by the County or other agencies that maintain jurisdiction in the County, should those agencies propose a non-exempt sales tax measure in a future election. If the County or other agency passes a non-exempt local sales tax, and the 2% cap threshold is reached, that would leave Lakewood voters with no opportunity to implement a local sales tax to support public safety, critical infrastructure maintenance or other services in the City. Rather, the sales tax that the City generates in such instance would be used by other agencies to support their programs and services that typically have provided little benefit to Lakewood. In considering a local sales tax measure, one of staff's concerns is protecting the City's ability to retain local sales tax dollars for the direct benefit of Lakewood and its residents – as opposed to those revenues being used to support programs that serve greater Los Angeles County with little or no return to Lakewood.

One benefit of a sales tax in Lakewood, as opposed to other forms of taxes, is that the burden for generating the tax is shared not only by residents, but importantly, by the thousands of people from outside of Lakewood who visit the City every day.

Many other cities in California and locally in Los Angeles and Orange counties have implemented local funding mechanisms to achieve this goal, which ensures that taxpayer dollars stay local to address community priorities. The residents of 39 cities in Los Angeles and Orange counties have voted to enact a local sales tax measure in recent years. Over 25 cities statewide are already planning to give their residents the option to do so in elections next year, including many neighboring cities, including Bellflower, Cerritos and Paramount.

Finally, a sales tax would support the growth of property values for Lakewood residents, as revenue from the sales tax will allow the City to continue to provide the Lakewood community with quality public safety, programs and services in addition to well-maintained facilities and infrastructure, all of which are key factors in sustaining good

property values. Protecting the City's long-term financial stability is therefore important for protecting the property values and financial future of Lakewood residents. A Lakewood with City services in decline would undoubtedly lead to downward pressure on local property values for our residents. Again, Lakewood residents and businesses will reap the benefits that come from a sales tax, all while a significant portion of the burden is shared by non-residents who visit our City.

Options Besides a Locally-Controlled Sales Tax

If a locally-controlled sales tax measure is not placed on the ballot for consideration by Lakewood voters, it is important to note the following:

- Our City's structural deficit will continue to grow and the City's fiscal situation will worsen.
- "Tightening our belts and riding out this tough time" is not an option since we are at an economic peak now, yet the City continues to have a flattening and even reduced sales tax revenue due to online sales growth and State funding takeaways.
- The City has already made significant cuts in services, but much further cuts in public safety, facility maintenance and other vital City services will be required if a source of locally-controlled funds is not identified.

Process and Timing for Placing a Local Sales Tax Measure on the March 3, 2020 Municipal Ballot

A General Tax measure must be placed on the City's General Municipal Election ballot for voter consideration. Only the voters of a community may determine whether or not to impose a local General Tax. Should the City Council wish to place this proposal on the March 3, 2020 General Municipal Election ballot for public consideration, it must approve of the resolution presented herein. The resolution provides ballot language, directs the City Attorney to prepare an impartial analysis, and establishes the deadline and priority for supporting and opposing arguments to be printed in voter information pamphlets.

All resolutions, other documents and official actions by the City of Lakewood required to place the measure on the March 3, 2020 General Municipal Election ballot must be completed and adopted by the City Council and received by the Los Angeles County Board of Supervisors and Los Angeles County Clerk by 5:00 p.m. on Friday, December 6, 2019.

If directed by the City Council to place the measure on the March 3, 2020 General Municipal Election ballot, staff would initiate a program to provide the public with comprehensive information on the proposal. The program would include direct mail, electronic media and the display of information on the City's website, social media and CityTV.

Conclusion

Significant action is required to protect the City's long-term financial stability. Placement of this measure on the March 3, 2020 ballot will allow Lakewood voters to decide the future of their City.

It is important to note that only the voters of Lakewood have the power to make this decision, not the City Council, but only the voters. The City Council only has the authority to place the measure before the voters, thereby determining whether voters can vote on the measure or not. The measure that is being proposed for the March 3, 2020 ballot has a number of benefits for the City's long-term fiscal sustainability:

- The measure will generate just enough revenue to allow the City to meet the needs of current and future generations of Lakewood residents.
- This measure would ensure that the funds raised would stay locally in Lakewood and cannot be taken away by the State government in Sacramento.
- The measure includes strict accountability requirements such as annual independent financial audits of revenues and expenditures and a Citizens Oversight Committee to ensure that funds are used effectively and only to benefit the Lakewood community.

RECOMMENDATION

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

1. Approve proposed resolution: Placing on the Ballot at the March 3, 2020, General Municipal Election a Proposed Ordinance to Establish a Three-Quarters Percent (3/4%) General Transactions and Use (Sales) Tax; Directing the City Attorney to Prepare and File an Impartial Analysis of the Ballot Measure; and Authorizing and Setting Deadlines for the Filing of Arguments in the Office of the City Clerk For and Against the Ballot Measure.
2. Introduce proposed ordinance: An Ordinance of the City Council of the City of Lakewood Adding Chapter 10 (Transactions and Use Tax) to Article VI of the Lakewood Municipal Code to Establish a Three-Quarters Percent (3/4%) General Transactions and Use (Sales) Tax, To Be Administered by the California Department of Tax and Fee Administration.

Thaddeus McCormack *PB for TM*
City Manager

ORDINANCE NO. 2020-2

AN ORDINANCE OF THE CITY COUNCIL AND THE PEOPLE OF THE CITY OF LAKEWOOD, CALIFORNIA ADDING CHAPTER 10 (TRANSACTIONS AND USE TAX) TO ARTICLE VI OF THE LAKEWOOD MUNICIPAL CODE TO ESTABLISH A THREE-QUARTERS PERCENT (3/4%) GENERAL TRANSACTIONS AND USE (SALES) TAX, TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

THE CITY COUNCIL AND THE PEOPLE OF THE CITY OF LAKEWOOD, CALIFORNIA DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Chapter 10 is hereby added to Title VI of the Lakewood Municipal Code, to read as follows:

**“CHAPTER 10
LOCAL TRANSACTIONS AND USE TAX**

6920. Title. This Chapter shall be known as the Lakewood Local Transactions and Use Tax. The City of Lakewood hereinafter shall be called the "City." This Chapter shall be applicable in the incorporated territory of the City.

6921. Operative Date. The Operative Date for the imposition and collection of taxes pursuant to this Chapter shall be the first day of the first calendar quarter commencing more than 110 days after the approval of the tax set forth in this Chapter by the voters pursuant to applicable law.

6922. Purposes. This Chapter is adopted to achieve the following purposes, among other purposes, and the provisions hereof shall be interpreted in order to accomplish such purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Cal. Revenue and Taxation Code and § 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this Chapter which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Cal. Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Cal. Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

E. To provide transactions and use tax revenue to the City to be used for general purposes.

6923. Contract with State. Prior to the Operative Date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this Chapter; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the Operative Date, it shall nevertheless so contract and in such a case the Operative Date shall be the first day of the first calendar quarter following the execution of such a contract.

6924. Transactions Tax Rate. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of three-quarters percent (3/4%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

6925. Place of Sale. For the purposes of this Chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

6926. Use Tax Rate. An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the Operative Date for storage, use or other consumption in said territory at the rate of three-quarters percent (3/4%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

6927. Adoption of Provisions of State Law. Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Cal. Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Cal. Revenue and Taxation Code are hereby adopted and made a part of this Chapter as though fully set forth herein.

6928. Limitations on Adoption of State Law and Collection of Use Taxes.

In adopting the provisions of Part 1 of Division 2 of the Cal. Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this chapter.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Cal. Revenue and Taxation Code, or;

b. Impose this transactions and use tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that Code.

4. In §§ 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Cal. Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in § 6203 of the Cal. Revenue and Taxation Code and in the definition of that phrase in § 6203.

C. A "retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to

the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

6929. Permit Not Required. If a seller's permit has been issued to a retailer under § 6067 of the Cal. Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

6930. Exemptions and Exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this section, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with § 4000) of Division 3 of the Cal. Vehicle Code, aircraft licensed in compliance with § 21411 of the Cal. Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with § 9840) of the Cal. Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of paragraphs (B)(3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in §§ 6366 and 6366.1 of the Cal. Revenue and Taxation Code.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the Operative Date of this Chapter.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the Operative Date of this Chapter.

5. For the purposes of paragraphs (C)(3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in paragraph (C)(7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with § 4000) of Division 3 of the Cal. Vehicle Code, aircraft licensed in compliance with § 21411 of the Cal. Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with § 9840) of the Cal. Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax pursuant to this Chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Cal. Revenue and Taxation Code with respect to the sale to the person of the property, the storage, use or other consumption of which is subject to the use tax.

6931. Annual Audit. The proceeds of the tax imposed pursuant to this Chapter, as well as the expenditure thereof, shall be audited annually by an independent accounting firm.

6932. Citizens Oversight. The City Council shall appoint a Citizens Oversight Committee to review revenues generated pursuant to this Chapter, and the expenditure thereof, as part of the City's budget preparation process.

6933. Amendments. All amendments subsequent to the effective date of this Chapter to Part 1 of Division 2 of the Cal. Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Cal. Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Cal. Revenue and Taxation Code, shall automatically become a part of this Chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Chapter.

6934. Enjoining Collection Forbidden. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this Chapter, or Part 1.6 of Division 2 of the Cal. Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

6935. Duration of Tax. The authority to levy the tax set forth in this Chapter shall continue until the enacting ordinance is repealed.

6936. Interaction With Other Code Provisions. The taxes imposed pursuant to this Chapter shall be in addition to any other taxes of any nature paid to the City, whether imposed by other Chapters in this Code or by other operation of Law. All provisions contained in this Chapter shall be conclusive and exclusive with respect to this Chapter, and shall not be superseded by any provisions contained elsewhere in Title VI in this Code."

SECTION 2. Pursuant to California Constitution, Article XIII C, Section 2(b) and Revenue and Taxation Code Section 7285.9, this ordinance was approved for placement on the ballot by at least a two-thirds affirmative vote of all members of the City Council on November 12, 2019.

SECTION 3. Once the City Council certifies passage of this ordinance by the voters, the City Clerk shall publish the same as required by applicable law, and forward a copy of the adopted ordinance to the California Department of Tax and Fee Administration.

SECTION 4. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any other provision or applications, and to this end the provisions of this ordinance are declared to be severable. The City Council, and the electorate by initiative, do hereby declare that they would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases, parts or portions thereof, be declared invalid or unconstitutional.

SECTION 5. The Mayor is hereby authorized to attest to the adoption of this ordinance by signing where indicated below.

Introduced by the City Council of the City of Lakewood on the 12th day of November, 2019, by the following roll call vote:

	AYES	NAYS	ABSENT
Council Member Croft	_____	_____	_____
Council Member DuBois	_____	_____	_____
Council Member Wood	_____	_____	_____
Council Member Piazza	_____	_____	_____
Mayor Rogers	_____	_____	_____

Adopted and approved by the City Council of the City of Lakewood on the 28th day of January, 2020, by the following roll call vote:

	AYES	NAYS	ABSENT
Council Member Croft	_____	_____	_____
Council Member DuBois	_____	_____	_____
Council Member Wood	_____	_____	_____
Council Member Piazza	_____	_____	_____
Mayor Rogers	_____	_____	_____

Mayor of the City of Lakewood

ATTEST:

City Clerk

DIVIDER SHEET

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
FUND SUMMARY 1/16/2020**

In accordance with section 2521 of the Lakewood Municipal Code there is presented herewith a summary of obligations to be paid by voucher 375 through 375. Each of the following demands has been audited by the Director of Administrative Services and approved by the City Manager.

3901	HOUSING SUCCESSOR AGENCY	3,400.00
		<hr/>
		3,400.00

:

Council Approval

Date

City Manager

Attest

City Clerk

Director of Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
SUMMARY CHECK REGISTER**

<u>CHECK #</u>	<u>CHECK DATE</u>	<u>VEND #</u>	<u>VENDOR NAME</u>	<u>GROSS</u>	<u>DISC.</u>	<u>CHECK AMOUNT</u>
375	01/16/2020	2177	SINDAHA SAMIR	3,400.00	0.00	3,400.00
Totals:				<u>3,400.00</u>	<u>0.00</u>	<u>3,400.00</u>