



CITY OF LAWNDALE

14717 Burin Avenue, Lawndale, California 90260
Phone (310) 973-3200 – www.lawndalecity.org

AGENDA LAWNDALE CITY COUNCIL REGULAR MEETING Monday, October 19, 2020 - 6:30 p.m. Lawndale City Hall Council Chamber 14717 Burin Avenue

*** COVID-19 NOTICE ***

Consistent with Executive Orders from the Executive Department of the State of California and the Los Angeles County Health Official's "Safer at Home" Order, this City Council meeting will not be physically open to the public as City Councilmembers will be teleconferencing into the meeting via Webex Communications.

How to observe the Meeting:

To maximize public safety while still maintaining transparency and public access, members of the public can observe the meeting on [YouTube "Lawndale CityTV"](#), the [City Website](#), or Lawndale Community Cable Television on Spectrum & Frontier Channel 3.

How to submit Public Comment:

Members of the public may provide public comment by sending comments to the Clerk by email at cityclerk@lawndalecity.org. Please submit your written comments as early as possible, preferably prior to the start of the meeting or if you are unable to email, please call the City Clerk's Office at (310) 973-3213 by 5:30 p.m. on the date of the meeting. Email comments must identify the Agenda Item Number in the subject line of the email. The public comment period will close once the public comment time for the agenda item has concluded. The comments will be entered into the record and provided to the Council. All comments should be a maximum of 500 words, which corresponds to approximately 3 minutes of speaking time. Please see the [Temporary eComment Policy for Public Meetings](#).

Copies of this Agenda packet may be obtained prior to the meeting outside of the Lawndale City Hall foyer or on the [City Website](#). Interested parties may contact the City Clerk Department at (310) 973-3213 for clarification regarding individual agenda items.

- A. **CALL TO ORDER AND ROLL CALL**
- B. **CEREMONIALS** (Flag Salute and Inspiration)
- C. **PRESENTATION**
 - 1. **Senator Bradford's Office – Legislative Update**
- D. **PUBLIC SAFETY REPORT**
- E. **ORAL COMMUNICATIONS - ITEMS NOT ON THE AGENDA** (Public Comments)
- F. **COMMENTS FROM COUNCIL**
- G. **CONSENT CALENDAR**

Items 1 through 8, will be considered and acted upon under one motion unless a City Councilmember removes individual items for further City Council consideration or explanation.

2. **Motion to read by title only and waive further reading of all ordinances listed on the Agenda**
Recommendation: that the City Council approve.
3. **Amending Title 17 of the Lawndale Municipal Code pertaining to the Development Standards for Accessory Dwelling Units to reflect recent changes in State Law**
Recommendation: that the City Council approve the second reading and adopt Ordinance No. 1177-20, amending Title 17 of the Lawndale Municipal Code pertaining to the Development Standards for Accessory Dwelling Units to reflect recent changes in State Law.
4. **Continuation of Emergency Condition and Approving Repairs without Notice for Bids for the Harold E. Hofmann Community Center**
Recommendation: that the City Council adopt Resolution No. CC-2010-058 extending the emergency condition established on October 5, 2020 with the approval of Resolution No. CC-2010-056 .
5. **Consideration of Claim Against the City**
Recommendation: that the City Council reject the claim filed by Esaul Rosales and instruct staff to process the appropriate correspondence to the claimant.
6. **First Quarter Investment Report**
Recommendation: that the City Council receive and file the Quarterly Investment Report for the quarter ended September 30, 2020.
7. **Accounts Payable Register**
Recommendation: that the City Council adopt Resolution No. CC-2010-057, authorizing the payment of certain claims and demands in the amount of \$153,702.36.
8. **Minutes of the Lawndale City Council Regular Meeting – October 5, 2020**
Recommendation: that the City Council approve.

H. **ADMINISTRATION**

9. **Regional Housing Needs Assessment (RHNA) Allocation Appeal**
Recommendation: that the City Council direct staff to file an appeal with the Southern California Association of Government (SCAG) regarding the Regional Housing Needs Assessment (RHNA) challenging the City's housing allocation of 2,491 units.
10. **Award Construction Contract to Sequel Contractors Inc., for the Fiscal Year 2019-2020 Annual Street Improvement Project No. 2020-5 and 2020-6**
Recommendation: that the City Council (a) award the construction contract to Sequel Contractors Inc. in the amount of \$1,276,820.00 and (b) approve a fifteen percent (15%)

contingency in the amount of \$190,173.00 to cover an unforeseen field conditions and to avoid project delays and facilitate timely project completion.

11. Budget Update for the Fiscal Year Ending June 30, 2020

Recommendation: that the City Council approve the budget adjustments as contained in the Budget Update for Fiscal Year Ended June 30, 2020.

I. CITY MANAGER'S REPORT

12. Cancellation of Upcoming City Council Meetings

Recommendation: that the City Council cancel the following City Council meetings: Monday, November 16, 2020; Monday, December 21, 2020; and Monday, January 4, 2021.

J. ITEMS FROM CITY COUNCILMEMBERS

13. Mayor/City Councilmembers Report of Attendance at Meetings and/or Events

K. ADJOURNMENT

The next regularly scheduled meeting of the City Council will be held at 6:30 p.m. on Monday, November 2, 2020 in the Lawndale City Hall council chamber, 14717 Burin Avenue, Lawndale, California.

It is the intention of the City of Lawndale to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, we will attempt to accommodate you in every reasonable manner. Please contact the City Clerk Department (310) 973-3213 prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

I hereby certify under penalty of perjury under the laws of the State of California that the Agenda for the regular meeting of the City Council to be held on October 19, 2020 was posted not less than 72 hours prior to the meeting.

Matthew Ceballos, Assistant City Clerk



CITY OF LAWDALE
14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020
TO: Honorable Mayor and City Council
FROM: Matthew R. Ceballos, Assistant City Clerk *mc*
SUBJECT: Presentation from Senator Bradford's Office – Legislative Update

Public documentation was forwarded to the City Clerk Department for the item and is attached.



2020 Legislative Accomplishments

Please note: due to COVID-19, the Senator consolidated his legislative package to focus on measures addressing the pandemic, the state's economic recovery, and other urgent issues. All of the bills listed below were enacted by the Legislature this year and were signed into law by the Governor.

Pandemic Response & Recovery

- **[SB 1447](#): Small Business Hiring Tax Credit**
Creates a new \$100 million small business hiring tax credit program, expanding California's assistance programs for small businesses during the COVID-19 pandemic. Eligible businesses can reserve this credit beginning December 1, 2020, with the California Department of Tax & Fee Administration.
Statutes of 2020, Chapter 41.
- **[AB 3088](#) : (Joint Author) Tenant/Landlord COVID-19 Eviction & Foreclosure Relief**
Protects tenants and small landlords struggling due to COVID-19 by providing eviction relief and foreclosure protection. For more information, see [HousingisKey.com](https://www.housingiskey.com).
Statutes of 2020, Chapter 37.

Banking and Financial Institutions

- **[SB 1157](#): Credit Reporting for Lower-Income Households**
A first-in-the-nation requirement that owners of medium and large multifamily, subsidized rental properties must offer their tenants optional reporting of rental payments to assist in building credit scores.
Statutes of 2020, Chapter 204.

Public Safety & Criminal Justice Reform

- **[SB 203](#): Interrogation of Children**
Requires children, up to age 17, to consult with legal counsel prior to custodial interrogation and before waiving their Miranda rights.
Statutes of 2020, Chapter 335.

Consumer Safety

- **[SB 1244](#): Cannabis Testing & Consumer Safety**
Authorizes state and local law enforcement, regulatory, and prosecutorial agencies to have cannabis tested at a licensed facility to ensure it is safe for consumers and complies with existing regulations.
Statutes of 2020, Chapter 309.

- **SB 1192: Benefit and Relief Associations**
Creates important consumer protections for members of police, peace officer, and firefighter benefit associations that offer long-term disability or care benefits by enhancing transparency between these associations and the Department of Insurance.
Statutes of 2020, Chapter 365.

Resolutions:

- **SR 67: Dr. Martin Luther King, Jr. Day**
Honors the late reverend Dr. Martin Luther King, Jr., and commemorates Dr. Martin Luther King, Jr., Day.
- **SR 74: Black History Month**
Recognizes February as Black History Month and celebrates the accomplishments of African Americans, while encouraging Californians to recognize the many talents of African Americans and the achievements and contributions they have made in our country.
- **SCR 31: The Willie L. Brown, Jr. Circle and Plaza**
Names the public street, circle, and plaza at 914 and 915 Capitol Mall as the Willie L. Brown, Jr. Circle and Plaza in recognition of the historical significance of Willie Brown as a former Speaker of the California Assembly and Mayor of San Francisco.

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Senator Bradford is the chair of the Senate Banking & Financial Institutions Committee, vice-chair of the California Legislative Black Caucus, and represents the Los Angeles County communities of Carson, Compton, Gardena, Harbor City, Hawthorne, Inglewood, Lawndale, Lennox, San Pedro, Torrance, Watts, Willowbrook, and Wilmington.

More information about Senator Bradford and his legislation can be found at www.senate.ca.gov/Bradford



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DATE: October 19, 2020
TO: Honorable Mayor and City Council
FROM: Matthew R. Ceballos, Assistant City Clerk *MC*
SUBJECT: Motion Pertaining to the Reading of Ordinances

BACKGROUND

California Government Code reads, in part, as follows:

"Except when, after reading the title, further reading is waived by regular motion adopted by majority vote, all ordinances shall be read in full either at the time of introduction or passage."

RECOMMENDATION

Staff recommends that the City Council read by title only and waive further reading of all ordinances listed on the agenda.



CITY OF LAWNDALE

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PHONE (310) 973-3200, FAX (310) 644-4556
www.lawndalecity.org

DATE: October 19, 2020

TO: Honorable Mayor and City Council

FROM: Kevin M. Chun, City Manager 

PREPARED BY: Sean M. Moore, AICP, Community Development Director 

SUBJECT: **Case No. 20-27: Consideration of an Amendment to Title 17 of the Lawndale Municipal Code, Pertaining to the Development Standards for Accessory Dwelling Units to Reflect Recent Changes in State Law and a Finding of Exemption from CEQA**

BACKGROUND

On October 5, 2020, the City Council introduced and approved the first reading of Ordinance No. 1177-20 to amend the Lawndale Municipal Code (L.M.C.) pertaining to accessory dwelling units.

ANALYSIS

The City Council introduced and approved the first reading of Ordinance No. 1177-20, amending Title 17 of the Lawndale Municipal Code regarding accessory dwelling units. The proposed amendments to the City's accessory dwelling unit regulations are intended to bring the L.M.C. in compliance with the recent changes in the State law. It is recommended that the City Council adopt the Ordinance 1177-20.

LEGAL REVIEW

The City Attorney's office has reviewed and approved Ordinance No. 1177-20 as to form.

FUNDING

Not applicable

RECOMMENDATION

It is recommended that the City Council read by title only, waive further reading, and adopt Ordinance No. 1177-20 to amend accessory dwelling unit requirements to comply with recent changes in State law.

ATTACHMENT:

Ordinance No. 1177-20

ATTACHMENT
ORDINANCE NO. 1177-20

ORDINANCE NO. 1177-20

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
LAWNDALE, CALIFORNIA AMENDING CERTAIN SECTIONS IN
TITLE 17, ZONING, OF THE LAWNDALE MUNICIPAL CODE
REGARDING ACCESSORY DWELLING UNITS AND FINDING
OF EXEMPTION FROM CEQA**

SUMMARY: This ordinance amends the regulations in the City’s Zoning Code for accessory dwelling units and junior accessory dwelling units consistent with current state law.

WHEREAS, in light of the statewide shortage of housing, the State laws on accessory dwelling units have been repeatedly expanded to give property owners more latitude to add new housing units; and

WHEREAS, the Governor of the State of California signed approximately 20 housing bills in October of 2019 including Assembly Bill 68 (AB 68), Assembly Bill 881 (AB 881), and Senate Bill 13 (SB 13) (collectively, the “Bills”), each of which became effective on January 1, 2020, to, among other things, make certain clarifying changes state laws related to Accessory Dwelling Units (“ADUs”) and Junior Accessory Dwelling Units (“JADUs”); and

WHEREAS, on January 6, 2020 the City Council for the City of Lawndale adopted Urgency Ordinance No. 1168-20 to update the City’s codes in an effort to comply with the new laws; and

WHEREAS, the City Council now desires to revise the City’s Zoning Code regarding ADUs JADUs to make the City’s code more user friendly and compliant with the Bills; and

WHEREAS, the Planning Commission considered this ordinance at a properly noticed public hearing on September 23, 2020 and recommended adoption by the City Council; and

WHEREAS, the City Council, after notice duly given as required by law, held a public hearing on October 5, 2020 in the City Hall council chamber located at 14717 Burin Avenue, Lawndale, California, to consider this matter.

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

SECTION 1. The City Council of the City of Lawndale hereby makes the following findings:

- A. The above recitals are true and correct and incorporated fully herein.
- B. The changes to the Zoning Code of the City of Lawndale made by this Ordinance are consistent with the General Plan of the City of Lawndale.

SECTION 2. The definition of “accessory dwelling unit” set forth in Section 17.08.020 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

““Accessory dwelling unit” or “ADU” means an attached or a detached residential dwelling unit which provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and shall be constructed on the same parcel as the single-family or multifamily dwelling unit that is the primary dwelling unit is or will be situated. An accessory dwelling unit also includes the following: (a) an efficiency unit, as defined in Section 17958.1 of the Health & Safety Code, and (b) a manufactured home, as defined in Section 18007 of the Health & Safety Code. This definition shall be interpreted as consistent with and including the definition of accessory dwelling unit found in Government Code Section 65852.2.”

SECTION 3. Section 17.08.020 of the Lawndale Municipal Code is amended to add the following definitions in their respective alphabetical order:

“Existing structure” for the purposes of defining an allowable space that can be converted to an accessory dwelling unit means within the footprint of any structure existing on or after the effective date of this section that can be made safely habitable under local building codes at the determination of the building official regardless of any non-compliance with zoning standards.

“Junior accessory dwelling unit” or “JADU” means a unit that is no more than 500 square feet in size which is contained entirely within a single-family residence. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure. This definition shall be interpreted as consistent with and including the definition of junior accessory dwelling unit found in Government Code Section 65852.22.

“Living area” means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure. This definition shall be interpreted as consistent with and including the definition of living area found in Government Code Section 65852.2.

“Passageway” means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit. This definition shall be interpreted as consistent with and including the definition of passageway found in Government Code Section 65852.2.

“Proposed dwelling” means a dwelling that is the subject of a permit application and that meets the requirements for permitting. This definition shall be interpreted as consistent with and including the definition of proposed dwelling found in Government Code Section 65852.2.

“Public transit,” for the purpose of Section 17.48.056 only, means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public. This definition shall be interpreted as consistent with and including the definition of public transit found in Government Code Section 65852.2.”

SECTION 4. Section 17.48.056 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

“17.48.056 Accessory dwelling units

A. Permit Requirements. Accessory dwelling units will be permitted ministerially, subject to compliance with the regulations for the applicable zone, in areas zoned to allow single-family or multifamily residential use within 60 days of a complete application if there is an existing single-family or multifamily dwelling on the lot, in accordance with state law, including but not limited to Government Code Sections 65852.2 and 65852.22. If the permit application to create an accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the City may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until it acts on the permit application to create the new single-family dwelling, but in such event the application to create the accessory dwelling unit or junior accessory dwelling unit will be considered without discretionary review or hearing. Accessory dwelling units do not exceed the allowable density for the lot upon which the accessory dwelling unit is located and will be considered a residential use that is consistent with the existing general plan and zoning designation for the lot.

B. Fees

1. An accessory dwelling unit will not be considered to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service, unless the accessory dwelling unit was constructed with a new single-family dwelling.
2. No impact fees will be imposed upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit. “Impact fee” does not include any connection fee or capacity charge charged by the city.
3. For an accessory dwelling unit on a lot with a proposed or existing single-family dwelling, the City will not require the installation of a new or separate utility connection directly between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge, unless the accessory dwelling unit was constructed with a new single-family home.
4. For an accessory dwelling unit that is described in Section 17.48.056(D), new or separate utility connections directly between the accessory dwelling unit and the utility are required, unless the proposed ADU will be located within an existing structure. Consistent with Government Code Section 66013, the connection may be subject to a connection fee or capacity charge that is proportionate to the burden of the proposed accessory dwelling unit, based upon either its square feet or the number of its drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials, upon the water or sewer system. This fee will not exceed the reasonable cost of providing this service.

C. Accessory dwelling units on a lot zoned for single-family or multifamily use that is either attached or detached from the primary structure must comply with the following requirements:

1. The lot on which an accessory dwelling unit is located must be one in which residential uses are permitted and contain an existing or proposed single-family or multifamily dwelling.
2. The accessory dwelling unit will be located on the same lot as the proposed or existing primary dwelling and either (i) attached to, (ii) located within the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, (iii) within an accessory structure, or (iv) detached from the proposed or existing primary dwelling.
3. No more than one accessory dwelling unit is permitted, except as allowed by Subsection D of this Section.
4. The total area of floor space of an attached accessory dwelling unit shall not exceed either:
 - i) 50 percent of the existing primary dwelling living area, but in no case shall said requirement prohibit an 800 square foot accessory dwelling unit or
 - ii) 850 square feet for a unit with one bedroom or
 - iii) 1,000 square feet for an accessory dwelling unit that provides more than one bedroom.
5. The total area of floor space of a detached accessory dwelling unit shall not exceed 1,000 square feet for an accessory dwelling unit that provides more than one bedroom.
6. Accessory dwelling units shall comply, without limitation, with all applicable building and safety codes as adopted by Title 15 of the Lawndale Municipal Code.
7. No passageway shall be required in conjunction with the construction of an accessory dwelling unit.
8. No setback shall be required for an ADU constructed within an existing living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an ADU or to a portion of an ADU. However, a setback of four feet from the side and rear lot lines shall be required for both an accessory dwelling unit that is not converted from an existing structure and any new structure constructed in the same location and to the same dimensions as an existing structure.
9. The ADU shall comply with the lot coverage and open space requirements of the zone in which the parcel is located, except that application of this standard shall not preclude the construction of an ADU of at least 800 square feet with four-foot side and rear yard setbacks, in compliance with all other local development standards.
10. An ADU will not be required to provide fire sprinklers if they are not required for the primary residence.

11. The accessory dwelling unit shall be architecturally compatible and designed such that it matches with the design of the primary dwelling unit in terms of exterior treatment, landscaping, and architecture, including but not limited to roofing pitch, roofing materials, and paint color.
12. The maximum height of an accessory dwelling unit shall be 16 feet in height.
13. Parking requirements for accessory dwelling units shall be one parking space per accessory dwelling unit. These parking spaces may be provided as tandem parking, including on a driveway or in setback areas, excluding the non-driveway front yard setback. No parking shall be required for an accessory dwelling unit in any of the following circumstances:
 - a. The accessory dwelling unit is located within one-half mile walking distance of public transit.
 - b. The accessory dwelling unit is located within an architecturally and historically significant historic district.
 - c. The accessory dwelling unit is part of the proposed or existing primary residence or an accessory structure.
 - d. On-street parking permits are required but not offered to the occupant of the accessory dwelling unit.
 - e. There is a car share vehicle located within one block of the accessory dwelling unit.
14. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit or converted to an accessory dwelling unit, the City will not require that those off-street parking spaces be replaced.
15. Other than as set forth in subsection (A)(14) above, nothing in this section shall prohibit the City from enforcing the parking requirements for the existing single-family residence or multi-family residence on the same parcel as the ADU, in a manner consistent with state law.
16. Before permit issuance, the City shall be provided with a copy of the recorded deed restriction, which shall run with the land, using the City's form, memorializing the following: (a) starting January 1, 2026, either the primary residence or the accessory dwelling unit must be owner-occupied at all times as required by State law; (b) the accessory dwelling unit shall not be sold or owned separately from the primary residence, and the property shall not be subdivided in any manner which would authorize such separate sale or ownership; (c) neither the primary residence nor the accessory dwelling unit on the property may be rented for a period of less than 30 days; and (d) the accessory dwelling unit may not exceed the size and attributes described in the deed restriction. This section shall comply with any future amendments to state law.

17. Building Separation: An accessory dwelling unit shall comply with the building separation requirements of the underlying zone including the 20 foot building separation requirement in the Single Family Residential (R-1) zone, but in no case shall said requirement prohibit an accessory dwelling unit that is a minimum of 800 square feet, maximum of 16 feet in height with four-foot side and rear yard setbacks.

18. Landscaping: All setback areas shall be landscaped as required by Section 17.44.015 of this code.

D. Notwithstanding any other requirements of this Title 17, the City will ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following:

a. One ADU per lot with a proposed or existing single-family dwelling if all of the following apply:

- i. The ADU or JADU is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and not more than 150 square feet beyond the same physical dimensions of the existing accessory structure if necessary to accommodate ingress and egress.
- ii. The space has exterior access separate from the proposed or existing single-family dwelling.
- iii. The side and rear setbacks are sufficient for fire and safety.
- iv. The JADU complies with the requirements in Section 17.48.057.

b. One detached, new construction, ADU per lot that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling. The ADU may be combined with a JADU described above in Section 17.48.056(D)(1). The following limitations shall apply to the ADU:

- i. A total floor area limitation of 800 square feet.
- ii. A height limitation of 16 feet.

c. Multiple ADUs within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings. The City will allow at least one ADU and up to 25 percent of the existing number of multifamily dwelling units.

d. Not more than two ADUs that are located on a lot that has an existing multifamily dwelling, but are detached from that multifamily dwelling. Such ADUs shall be subject to a height limit of 16 feet and four-foot rear yard and side setbacks.

E. The following requirements shall apply to ADUs or JADUs created pursuant to subsection D of this section:

1. The City will not require, as a condition for ministerial approval of a permit application for the creation of an ADU or a JADU, the correction of nonconforming zoning conditions.
2. The installation of fire sprinklers shall not be required in an accessory dwelling unit if sprinklers are not required for the primary residence.
3. Rental of an ADU or JADU pursuant to subsection D for 30 days or less is prohibited.
4. As part of the application for a permit to create an accessory dwelling unit connected to an onsite water treatment system, a percolation test shall be completed within the five years preceding the application, or, if the percolation test has been recertified, within the 10 years preceding the application.”

SECTION 5. A new Section 17.48.057, entitled “Junior accessory dwelling units,” is added to the Lawndale Municipal Code to read, in its entirety, as follows:

“17.48.057 Junior accessory dwelling units

JADUs located on a lot zoned for single-family use shall comply with the following development standards:

- A. A JADU shall not exceed five hundred (500) square feet, and must be constructed within the existing walls of the primary single-family dwelling unit.
- B. A JADU shall include a separate exterior entrance from the main entrance to the primary dwelling unit.
- C. A JADU shall include at least an efficiency kitchen which shall include all of the following: i) a cooking facility with appliances; and ii) a food preparation counter and storage cabinets that are of reasonable size in relation to the size of the JADU.
- D. A JADU may share sanitation facilities with the existing primary dwelling.
- E. A JADU shall require owner-occupancy in the single-family residence in which the JADU will be permitted unless the owner is another governmental agency, land trust, or housing organization.
- F. Before permit issuance, the City shall be provided with a copy of the recorded deed restriction, which shall run with the land, and which shall be on file with using the City’s form, to

memorialize the: (i) restrictions on the size and attributes of the JADU; (ii) prohibition on the sale of the JADU separate from the sale of the primary residence; (iii) if the JADU is rented, the unit shall not be rented for a period of less than 30 days; (iv) requirement that either the JADU or primary residence be owner occupied unless the owner is a governmental agency, land trust, or housing corporation; and (v) including a statement that the deed restriction may be enforced against future purchasers.

G. A JADU shall comply with all applicable building and safety codes, including but not limited to those describe in Title 15 of the Lawndale Municipal Code.

H. A JADU will be allowed on the same lot with a new ADU, provided the following criteria are met:

- a. The ADU is fully detached and the JADU is within the proposed space of a single-family dwelling or existing space of a single-family dwelling; and
- b. The ADU does not exceed a total floor area of 800 square feet and a height limitation of 16 feet.

I. No additional parking shall be required for construction of a JADU.

J. Permit Requirements.

Junior accessory dwelling units will be permitted ministerially, subject to compliance with this section, within 60 days of a complete application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the City may delay acting on the permit application for the junior accessory dwelling unit until it acts on the permit application to create the new single-family dwelling, but in such event the application to create the junior accessory dwelling unit will be considered without discretionary review or hearing.

K. Fees. A junior accessory dwelling unit will not be considered to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service, unless the accessory dwelling unit was constructed with a new single-family dwelling. This subdivision shall not be interpreted to prohibit the requirement of an inspection, including the imposition of a fee for that inspection, to determine if the junior accessory dwelling unit complies with applicable building standards.”

SECTION 6. Subsection (B)(2) of Section 17.48.060 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

“An accessory dwelling unit and/or junior accessory dwelling unit that complies with the provisions of Sections 17.48.056 and 17.48.057, as applicable, of this code.”

SECTION 7. Subsection (B) of Section 17.48.110 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

“B. The renting of not more than four rooms to not more than six individuals, or the providing of board to not more than six boarders, or both, in a single-family or two-family residence occupied as such, provided that a home occupation business license is obtained, provided the rent or board is for a period not less than thirty days, and provided that the use does not alter the character of the premises as a single-family or two-family residence.”

SECTION 8. A new subsection J is added to Section 17.48.110 of the Lawndale Municipal Code, to read, in its entirety, as follows:

“J. An accessory dwelling unit or junior accessory dwelling unit that complies with the requirements of Sections 17.48.056 and 17.48.057, as applicable, of this code.”

SECTION 9. Subsection (B)(3) of Section 17.48.120 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

“3. An accessory dwelling unit and/or junior accessory dwelling unit that complies with the requirements of Section 17.48.056 and 17.48.057, as applicable, of this code; or”

SECTION 10. Subsection (I) of Section 17.48.150 of the Lawndale Municipal Code is hereby deleted.

SECTION 11. Subsection (B)(3) of Section 17.48.160 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

“3. An accessory dwelling unit and/or junior accessory dwelling unit that complies with the requirements of Sections 17.48.056 and 17.48.057, as applicable, of this code; or”

SECTION 12. Subsection (J) of Section 17.48.210 of the Lawndale Municipal Code is hereby deleted.

SECTION 13. Subsection (B)(3) of Section 17.48.230 of the Lawndale Municipal Code is amended to read, in its entirety, as follows:

“3. An accessory dwelling unit and/or junior accessory dwelling unit that complies with the requirements of Sections 17.48.056 and 17.48.057, as applicable, of this code; or”

SECTION 14. Urgency Ordinance 1168-20 is hereby rescinded.

SECTION 15. This Ordinance is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Public Resources Code Section 21080.17 and CEQA Guidelines section 15282(h). These sections statutorily exempt the adoption of an ordinance implementing provisions of Government Code Section 65852.1 and 65852.2. This ordinance would allow for the construction of accessory dwelling units and junior accessory dwelling units in residential zones consistent with and as required by state law. Additionally, this ordinance is exempt from CEQA under Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where, as here, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 16. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 17. The City Clerk shall certify to the passage and adoption of this ordinance, and shall make a minute of the passage and adoption thereof in the records of and the proceedings of the City Council at which the same is passed and adopted. This ordinance shall be in full force and effect thirty (30) days after its final passage and adoption, and within fifteen (15) days after its final passage, the City Clerk shall cause it to be posted and published in a newspaper of general circulation in the manner required by law.

PASSED, APPROVED, AND ADOPTED this 19th day of October, 2020.

Robert Pullen-Miles, Mayor

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Rhonda Hofmann Gorman, City Clerk of the City of Lawndale, California, do hereby certify that the City Council duly introduced the foregoing Ordinance No. 1177-20 at its regular meeting held on the 5th day of October, 2020, and duly approved and adopted said ordinance at its regular meeting held on the 19th day of October, 2020, by the following roll call vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Robert Pullen-Miles, Mayor					
Bernadette Suarez, Mayor Pro Tem					
James H. Osborne					
Pat Kearney					
Daniel Reid					

Rhonda Hofmann Gorman, City Clerk

Date

APPROVED AS TO FORM:

Tiffany J. Israel, City Attorney



CITY OF LAWDALE

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020

TO: Honorable Mayor and City Council

FROM: Kevin M. Chun, City Manager *[Signature]*

PREPARED BY: Mike Estes, Director of Community Services *(Me)*
Marla L. Pendleton, CPA, Director of Finance/City Treasurer *[Signature]*

SUBJECT: **A Report Regarding Update of Community Center Flooding and Request to Continue Emergency Conditions Consistent with California Public Contract Code Sections 1102, 20168 and 22050**

BACKGROUND

The purpose of this report is to provide an update to the repairs performed at the Harold E. Hofmann Community Center as a result of the flood that took place on Monday, September 28, 2020 and the perceived next steps in the repair process.

STAFF REVIEW

At its regularly scheduled meeting on Monday, October 5, 2020, the City Council approved Resolution No. CC-2010-056, declaring “emergency conditions remain and approving the work necessary to make repairs to City Hall without notice for bids pursuant to California Contract Code Sections 1102, 20168 and 22050.”

Remediation Efforts – Third Floor:

Remediation work at the third floor began Tuesday, September 29, 2020, which included removal and dumping all drywall that was damaged by the flood in the south hallway, janitor’s closet and storage closet. In addition, the carpet in the south hallway, which was saturated with water and had a distinct odor, has been professionally steam cleaned and dried and will not have to be immediately replaced.

Remediation Efforts – Second Floor:

Remediation work at the second floor began Tuesday, September 29, 2020, which included removal and dumping all drywall that was damaged by the flood in the family room and south meeting room. Damages at the second floor were more severe due to water running through the third floor deck and dumping into the family room and south meeting room. Damages were extended to one and potentially two wooden ceiling panels and ceiling drywall. However, electrical components were not damaged and do not need replacing. Thankfully the majority of the water dumping from the third floor ran to the west and entered the south meeting room which has a linoleum based floor that resulted in virtually no damage to the floor itself.

It is believed that the contractor performing the remediation work at the Community Center, ATI Disaster Recovery Services (ATI), has found all damages related to the flood and the City does not expect to find any further reports of damages.

As of this writing, the City is waiting for ATI to provide cost estimates for the repair work. The City suspects that the following repairs will need to be made to the damaged areas: 1) replacement of all damaged and removed drywall; 2) replacement of one and potentially two damaged wooden ceiling panels; and 3) painting the replacement drywall at both the second and third floors.

Staff is estimating that approximately 240 square feet of drywall will need to be replaced; however, due to the metal studs and floor boxes inside the community center walls, there was no damage to the internal components of the damaged walls.

LEGAL REVIEW

The City Attorney has reviewed and approved the attached resolution as to form.

FISCAL IMPACT

Funding was approved up to \$69,161, (the amount set aside in Measure A – Maintenance and Servicing Funds), by City Council on October 8, 2020, no additional changes are necessary at this time.

RECOMMENDATION

Staff recommends that the City Council approve Resolution No. CC-2010-058 extending the emergency condition established on October 5, 2020 with the approval of Resolution No. CC-2010-056.

Attachments: Resolution No. CC-2010-058

RESOLUTION NO. CC-2010-058

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF LAWNSDALE, CALIFORNIA
DECLARING THAT EMERGENCY CONDITIONS REMAIN AND
DIRECTING THAT THE WORK NECESSARY TO MAKE REPAIRS
TO THE LAWNSDALE COMMUNITY CENTER WITHOUT
NOTICE FOR BIDS CONTINUE PURSUANT TO
CALIFORNIA PUBLIC CONTRACT CODE SECTION 22050**

WHEREAS, at the regular meeting of the City Council of the City of Lawnsdale conducted on Monday, October 5, 2020, the City Council adopted Resolution No. CC-2010-058 to grant the City Manager and City Engineer the authority to undertake emergency repairs to the Lawnsdale Community Center without notice for bids pursuant to California Public Contract Code Sections 1102, 20168, and 22050 at the Lawnsdale Community Center; and

WHEREAS, the City remains unable to conduct essential public services at the Lawnsdale Community Center as the result of an unexpected flooding occurrence and does not permit the City the minimum three month delay which would result from the City undertaking a competitive solicitation for bids for this repair work; and

WHEREAS, the City Council has heard a report from City staff on the status of the repairs to the Lawnsdale Community Center, which report justifies why the emergency will not permit the delay which would result from seeking competitive bids and why the immediate repair of the Lawnsdale Community Center is necessary to respond to the emergency; and

WHEREAS, pursuant to Public Contract Code section 22050(c), the City Council has reviewed the City's emergency action to determine whether there is a need to continue the emergency repairs without giving notice for bids to award a contract for this repair work.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAWNSDALE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Recitals above are true and correct and hereby incorporated by reference as if fully set forth herein.

SECTION 2. The City Council finds, by at least a four-fifths vote, that the facts set forth above and the report from City staff demonstrate that the emergency condition remains and that such emergency condition does not permit the delays which would result from a competitive solicitation for bids as the immediate repair of the Lawnsdale Community Center remains necessary to respond to the emergency conditions.

SECTION 3. That the City Manager, or his designee, is hereby granted the authority to undertake or order such actions as they deem necessary to cause the needed repairs including undertaking negotiations and executing all documents, agreements, amendments, and related documents, in a form

approved by the City Attorney, which may be necessary for the completion of the emergency repairs to the Lawndale Community Center by a qualified contractor.

SECTION 4. The City Manager shall cause a further report on the status of this emergency work to be agendized at each City Council meeting until after the repair work has been completed or this Council finds that the emergency conditions have ceased to be present.

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

PASSED, APPROVED, AND ADOPTED this 19th day of October, 2020.

Robert Pullen-Miles, Mayor

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Rhonda Hofmann Gorman, City Clerk of the City of Lawndale, California, do hereby certify that the City Council of the City of Lawndale duly approved and adopted the foregoing Resolution No. CC-2010-058 at a regular meeting of said Council held on the 19th day of October, 2020, by the following roll call vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Robert Pullen-Miles, Mayor					
Bernadette Suarez, Mayor Pro Tem					
Pat Kearney					
Daniel Reid					
James H. Osborne					

Rhonda Hofmann Gorman, City Clerk

APPROVED AS TO FORM:

Tiffany J. Israel, City Attorney



CITY OF LAWNDALE

14717 BURIN AVENUE, LAWNDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020
TO: Honorable Mayor and City Council
FROM: Kevin M. Chun, City Manager *KMC*
PREPARED BY: Raylette Felton, Assistant to the City Manager/ Human Resources Director *RF*
SUBJECT: CONSIDERATION OF CLAIM AGAINST THE CITY

BACKGROUND

The City of Lawndale received a claim for property damage filed by Esaul Rosales (Claimant) on or about September 16, 2020. The claim filed allege that their personal vehicle was damaged by fallen tree branch. This matter was referred to the City's third party claims administrator (Carl Warren & Company) for review and investigation.

STAFF REVIEW

Based on an investigation completed by Carl Warren, it was determined that the liability for the claim could not be assigned to the City and recommends that the City reject the claim as filed.

LEGAL REVIEW

N/A

RECOMMENDATION

Staff recommends that the City Council reject the claim filed by Esaul Rosales and instruct staff to process the appropriate correspondence to the claimant.

Attachments: 1) Claim for Damages to Person or Property and Rejection Notice – Esaul Rosales (3005068 CBG)



CITY OF LAWDALE
CLAIM FOR DAMAGES TO PERSON OR PROPERTY

Reserve for Filing Stamp

File with the City Clerk
14717 Burin Ave., Lawndale, CA 90260
(310) 973-3200, Fax: (310) 644-4556

20 SEP 16 3:38 PM

20 SEP 16 3:38 PM
Claim No.:

Instructions:

1. Claims for death, injury to person or to personal property must be filed not later than six (6) months after the occurrence. (Gov. Code Sec. 911.2)
2. Claims for damages to real property must be filed not later than one (1) year after the occurrence. (Gov. Code Sec. 911.2)
3. Read entire claim form before filing.
4. See page 2 for diagram upon which to locate place of accident.
5. This claim form must be signed on page 2 at bottom.
6. Attach separate sheets, if necessary, to give full details. SIGN EACH SHEET.
7. Claim must be filed with the City Clerk. (Gov. Code Sec. 915a)

CITY OF LAWDALE			
Claimant's Name	ESAU ROSALES E	Claimant's Occupation	Builder Polish
Claimant's Home Address	[REDACTED]	Claimant's Home Phone #	[REDACTED]
Claimant's Business Address	[REDACTED]	Claimant's Business Phone #	

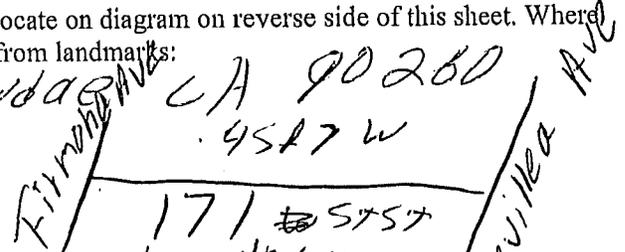
Address and telephone number to which you desire notices or communications to be sent regarding this claim:

When did DAMAGE or INJURY occur? Date: 9/2/2020 Time: AROUND 8:10 am
If claim is for Equitable Indemnity, give date claimant served with the complaint: Date: 9/2/2020
Names of any city employees involved in INJURY or DAMAGE

Marion [REDACTED] I ONLY have his number + Jesse Sampedo

Where did DAMAGE or INJURY occur? Describe fully, and locate on diagram on reverse side of this sheet. Where appropriate, give street names and address and measurements from landmarks:

4517 W 171 ST ST Lawndale CA 90260
ESAU ROSALES
[REDACTED]



Describe in detail how the DAMAGE or INJURY occurred.
Pintar FRONT BUMPER
Pintar REPARAR HOOD, BEND 2 FENDERS
WIPER BROK DIASTI VIDRIO EN FRENTE BROK
FRONT GRILL

Why do you claim the city is responsible? YES

CUANDO SALI AL TRABAJO ESTABA CAIDO EL ARBOL EN EL CARRO
SOON PROOF NO TRABAJA BIEN K DEN BROK

Describe in detail each INJURY or DAMAGE

The amount claimed, as of the date of presentation of this claim, is computed as follows:

Damages incurred to date (exact):	\$	Estimated prospective damages as far as known:	\$
Damage to property	\$	Future expenses for medical and hospital care	\$
Expenses for medical and hospital care	\$	Future loss of earnings	\$
Loss of Earnings	\$	Other prospective special damages	\$
Special Damages for	\$	Prospective general damages	\$
		Total estimate prospective damages	\$3598.29
General Damages	\$		
Total Damages incurred to date	\$		
Total amount claimed as of date of presentation of this claim			\$

Was damage and/or injury investigated by police? NO If so, what city? _____ File #: _____

Were paramedics or ambulance called? NO If so, name city or ambulance _____

If injured, state date, time, _____
name and address of doctor of your first visit _____

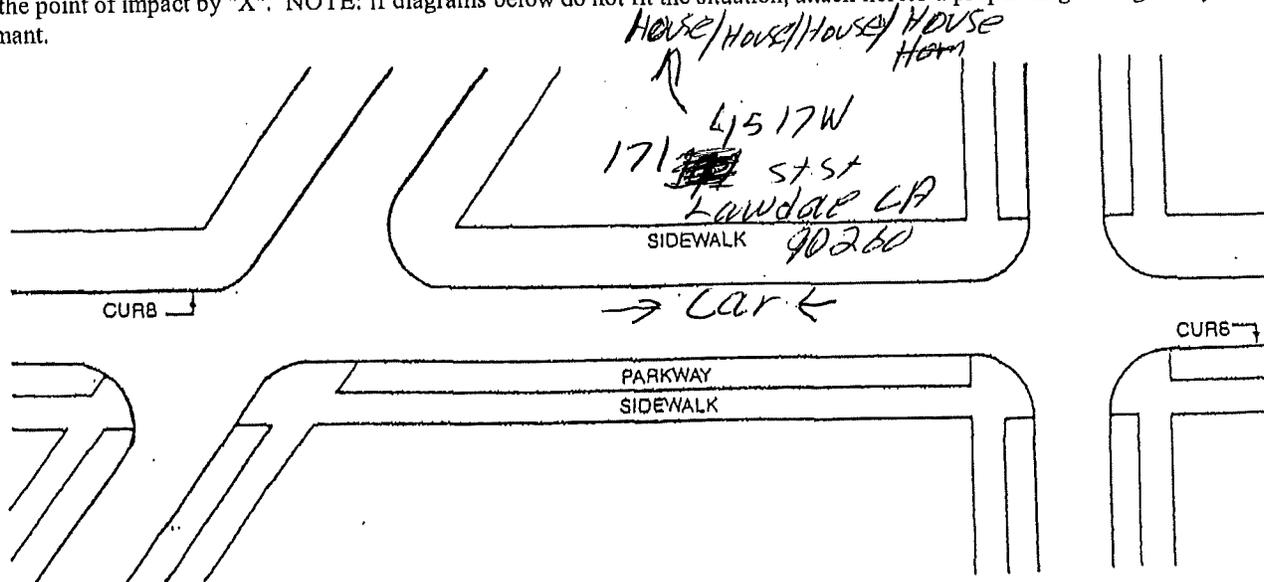
WITNESSES to DAMAGE or INJURY: List all persons and addresses of person known to have information:

Name _____	Address _____	Phone _____
Name _____	Address _____	Phone _____
Name _____	Address _____	Phone _____

DOCTORS and HOSPITALS:

Hospital _____	Address _____	Date of Hospitalization _____
Doctor _____	Address _____	Date of Treatment _____
Doctor _____	Address _____	Date of Treatment _____

For all accident claims place on following diagram names of streets, including North, East, South and West; indicate place of accident by "X" and by showing house numbers or distances to street corners. If city vehicle was involved, designate by letter "A" location of city vehicle when you first saw it, and by "B" location of yourself or your vehicle when you first saw city vehicle; location of city vehicle at time of accident by "A-1" and location of yourself or your vehicle at the time of the accident by "B-1" and the point of impact by "X". NOTE: if diagrams below do not fit the situation, attach hereto a proper diagram signed by claimant.



Signature of Claimant or person filing on his/her behalf giving relationship to Claimant:

Typed/Printed Name

Date

[Redacted Signature]

ESAVI ROSALES 9-2-2020



CARL WARREN & COMPANY
Claims Management and Solutions

October 13, 2020

To: City of Lawndale
Attn: Raylette Felton

RE:	Claimant:	Esaul Rosales
	Date of Loss:	09/02/2020
	Claim Filing Date:	09/16/2020
	Our File Number:	3005068 CBG

We have reviewed the above captioned claim and request that you take the action indicated below:

- **CLAIM REJECTION:** *Send a standard rejection letter to the claimant.*

Please provide us with a copy of the notice sent, as requested above. If you have any questions, please contact the undersigned.

Very Truly Yours,

CARL WARREN & COMPANY

Claudia Bray
Claims Examiner



CITY OF LAWDALE

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020

TO: Honorable Mayor and City Council

FROM: Kevin M. Chun, City Manager *KM Chun*

PREPARED BY: Marla L. Pendleton, CPA, Director of Finance/ City Treasurer *Marla L. Pendleton*

SUBJECT: Quarterly Investment Report for the Quarter Ended September 30, 2020

BACKGROUND

The attached Quarterly Investment Report for the quarter ended September 30, 2020 is provided to City Council per the City of Lawndale's Investment Policy and State of California's Government Code Section 53646.

STAFF REVIEW

As of September 30, 2020, the City had total cash and invested funds (cost basis) of \$22,890,100 plus \$825,675 held with a trustee from the Lawndale Redevelopment Agency's Tax Allocation Bond 2009 issue; \$751,849 maintained in two retirement enhancement plans and \$1,150 in petty cash.

Federal fund rates have consistently ranged from 0-.25% since March 15, 2020 and the City's long-term US Government Agency Securities portfolio has been completely called due to the decline in interest rates. Rather than reinvesting and locking in low rates, 62% of our funds are now held in the Local Agency Investment Fund (LAIF), which has generated higher yields (.81% for the quarter), leaving our options open to reinvest once higher yielding investments are available. Therefore, the liquidity of our portfolio has increased 2.5%, from 80.2% to 82.7%, in on-demand accounts during the past quarter. The remainder of the portfolio includes 4.3% short-term (maturing in less than one year), 6.5% medium-term (one to three years) and 6.5% long-term (maturing from three to five years) investments.



CITY OF LAWDALE
INVESTMENT REPORT
Summary of Investments
For Quarter Ended September 30, 2020

	Adjusted Cost Basis	Category Total	Percent of Portfolio
<u>On Call Deposits</u>			
Checking Accounts	4,817,006		
LAIF State Pool	14,109,094	18,926,100	82.68%
<u>Short-Term Investments (1 Year or Less)</u>			
Time Deposits FDIC Insured	990,000	990,000	4.33%
<u>Medium-Term Investments (1 to 3 Years)</u>			
Time Deposits FDIC Insured	1,484,000	1,484,000	6.48%
<u>Long-Term Investments (3 to 5 Years)</u>			
Time Deposits FDIC Insured	1,490,000		
US Government Agency Securities	0	1,490,000	6.51%
Total Cash and Investments		22,890,100	100.00%

LEGAL REVIEW

Not applicable.

FISCAL IMPACT

Not applicable.

RECOMMENDATION

Staff recommends that the City Council receive and file the Quarterly Investment Report for the quarter ended September 30, 2020.

Attachment: Quarterly Investment Report for the quarter ended September 30, 2020.



CITY OF LAWNDALE
DETAIL OF INVESTMENTS
 For Quarter Ended September 30, 2020

Municipal Investment Account - US Bank	44,139	N/A	N/A	1	None	44,139	44,139
Local Agency Investment Fund- City of Lawndale	14,107,651	N/A	N/A	1	0.81%	14,107,651	14,107,651
Local Agency Investment Fund- Lawndale Housing Authority	1,443	N/A	N/A	1	0.81%	1,443	1,443
On Call Deposits	18,926,100					18,926,100	18,926,100

Short-Term Investments (1 Year or Less)

<i>Time Deposits:</i>							
Ally Bank Utah	247,000	2.10%	FDIC	7/19	7/12/2021	285	247,000
TIAA Bank Jacksonville	247,000	2.05%	FDIC	7/19	7/12/2021	285	247,000
Discover Bank	248,000	1.50%	FDIC	8/16	8/10/2021	314	248,000
Short-Term Investments (1 Year or Less)	990,000					990,000	990,000

Medium-Term Investments (1 to 3 Years)

<i>Time Deposits:</i>							
Sallie Mae Bank Salt Lake	247,000	2.20%	FDIC	7/19	7/5/2022	643	247,000
Goldman Sachs Bank	247,000	2.10%	FDIC	7/19	7/11/2022	649	247,000
First Source Bank	247,000	2.00%	FDIC	7/19	9/12/2022	712	247,000
Enerbank USA	247,000	1.80%	FDIC	9/19	3/13/2023	894	247,000
Morgan Stanley Bank NA	247,000	2.20%	FDIC	7/19	7/11/2023	1,014	247,000
Century Next Bank	249,000	2.00%	FDIC	7/19	7/17/2023	1,020	249,000
Medium-Term Investments (1 - 3 Years)	1,484,000					1,484,000	1,484,000

Long-Term Investments (3 to 5 Years)

<i>Time Deposits:</i>							
Morgan Stanley Private Bank	247,000	2.30%	FDIC	7/19	7/11/2024	1,380	247,000
Merrick Bank	249,000	2.10%	FDIC	7/19	7/12/2024	1,381	249,000
Commercial Bank Harrogate Tenn	249,000	2.00%	FDIC	7/19	7/15/2024	1,384	249,000
Washington Federal	249,000	1.95%	FDIC	8/19	8/28/2024	1,428	249,000
First Bank Puerto Rico	249,000	1.90%	FDIC	9/19	9/6/2024	1,437	249,000
Citibank NA	247,000	2.05%	FDIC	11/19	1/14/2024	1,496	247,000
	1,490,000						1,490,000

Long-Term Investments (3 to 5 Years)

	1,490,000					1,490,000	1,490,000
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Total Cash and Investments

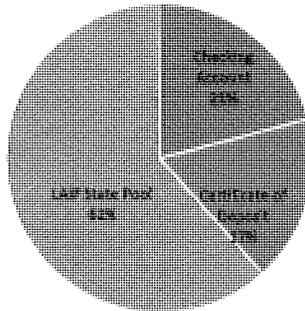
	22,890,100					22,890,100	22,890,100
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**CITY OF LAWDALE
INVESTMENT REPORT**
Portfolio Statistics
For Quarter Ended September 30, 2020

Portfolio Composition

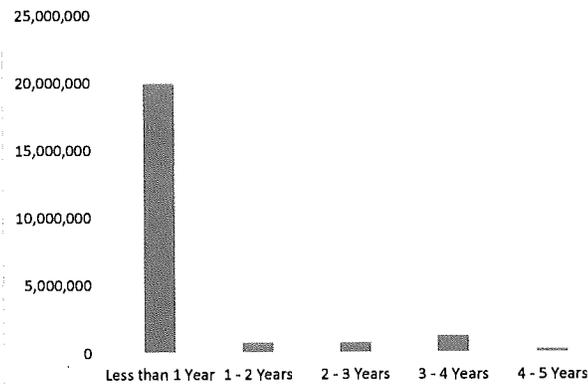
<u>Investment Type</u>	<u>Market Value</u>
Checking Account	4,817,006
Certificate of Deposit	3,964,000
LAIF State Pool	14,109,094
TOTAL	22,890,100



Portfolio Liquidity

<u>Aging Interval *</u>	<u>PAR Value</u>
Less than 1 Year	19,916,100
1 - 2 Years	741,000
2 - 3 Years	743,000
3 - 4 Years	1,243,000
4 - 5 Years	247,000
TOTAL	22,890,100

* Age to maturity; doesn't include call date.





CITY OF LAWNDALE
TREASURY REPORT
For Quarter Ended September 30, 2020

Total Cash and Investments 22,890,100

MISCELLANEOUS ACCOUNTS

 Petty Cash 1,150

 Retirement Enhancement Plans

 Public Agency Retirement Services (PARS)-

 Retirement Enhancement Plan 727,116

 PARS/ City of Lawndale Excess Benefit Trust -

 US Bank 23,583 751,849

Total Cash Investments 23,643,099

RESOLUTION NO. CC-2010-057

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF LAWDALE, CALIFORNIA
AUTHORIZING CERTAIN CLAIMS AND DEMANDS
IN THE SUM OF \$153,702.36**

THE CITY COUNCIL OF THE CITY OF LAWDALE, CALIFORNIA, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

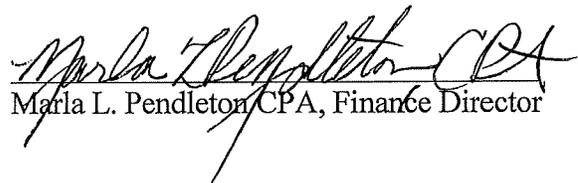
SECTION 1. That in accordance with Sections 37202 and 37209 of the Government Code, the Finance Director, as certified below, hereby attests to the accuracy of these demands and to the availability of funds for the payment thereof.

SECTION 2. That the following claims and demands have been audited as required by law, and that appropriations for these claims and demands are included in the annual budget as approved by the City Council.

SECTION 3. That the claims and demands paid by check numbers 200297 through 200372 for the aggregate total of \$153,702.36 are hereby authorized.

Effective Date: October 19th, 2020

Certified by:


Marla L. Pendleton CPA, Finance Director

PASSED, APPROVED AND ADOPTED this 19th day of October, 2020.

Robert Pullen-Miles, Mayor

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Rhonda Hofmann Gorman, City Clerk of the City of Lawndale, California, do hereby certify that the City Council of the City of Lawndale duly approved and adopted the foregoing Resolution No. CC-2010-057 at a regular meeting of said Council held on the 19th day of October, 2020, by the following roll call vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Robert Pullen-Miles, Mayor					
Bernadette Suarez, Mayor Pro Tem					
Pat Kearney					
Daniel Reid					
James H. Osborne					

Rhonda Hofmann Gorman, City Clerk

City of Lawndale
Summary of Audited Claims and Demands

Claims and Demands Paid By Check:

Check Date	Check Number		Aggregate Total
	Beginning	Ending	
10/1/2020	200297	200337	98,987.21
10/8/2020	200338	200372	54,715.15
Total Checks			153,702.36

Claims and Demands Paid By Electronic ACH Transfer:

Date	Name of Payee	Description	Amount
Total ACH Payments			0.00
Total Audited Claims and Demands Paid			153,702.36

Check Register Report

Date: 10/01/2020
 Time: 5:11 pm
 Page: 1

City of Lawndale

BANK: WELLS FARGO BANK N.A

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
WELLS FARGO BANK N.A Checks							
200297	10/01/2020	Printed		2615	A-THRONE CO., INC	PORTABLE RESTROOM RENTAL	95.11
200298	10/01/2020	Printed		1938	ADAPT CONSULTING, INC.	SHOP TOWELS	949.05
200299	10/01/2020	Printed		2207	ASAP SIGN & BANNER	COVID SIGNS	167.58
200300	10/01/2020	Printed		1056	AT&T GLOBAL SERVICES, INC.	CONTRACT SERVICES & MAINT.	1,065.67
200301	10/01/2020	Printed		2669	BLUE DIAMOND MATERIALS	ASPHALT FOR STREET REPAIR	412.20
200302	10/01/2020	Printed		7382	BLUEPRINT SERVICE	STREET IMPROVEMENT PLANS	255.35
200303	10/01/2020	Printed		7478	CHARLES JOHNSON ROOFING	PERMIT FEE REFUND	1,163.09
200304	10/01/2020	Printed		0166	CITY CLERKS ASSOC OF CALIF	ONLINE ELECTION WORKSHOP	35.00
200305	10/01/2020	Printed		0615	CLEANSTREET	STREET SWEEPING CITYWIDE	18,243.50
200306	10/01/2020	Printed		7564	COLANTUONO, HIGHSMITH, &	SCE COALITION SHARE OF COSTS	160.65
200307	10/01/2020	Printed		0219	COUNTY OF LA DEPT OF PUBLIC WK	TRAFFIC SIGNAL ACCIDENT REPAIR	24,652.05
200308	10/01/2020	Printed		3886	SIRLEY CUEVAS	PLANNING COMMISSION STIPEND	100.00
200309	10/01/2020	Printed		1288	EWING IRRIGATION PRODUCTS INC	IRRIGATION PARTS	640.95
200310	10/01/2020	Printed		0242	FEDEX	SHIPPING COSTS	61.58
200311	10/01/2020	Printed		6636	FRONTIER COMMUNICATIONS	PHONE CHARGES	83.34
200312	10/01/2020	Printed		3377	H F & H CONSULTANTS, LLC	SOLID WASTE MANAGEMENT CONSULT	7,381.50
200313	10/01/2020	Printed		0283	HINDERLITER, DE LLAMAS & ASSOC	1ST QTR AUDIT SVCS - SALES TAX	2,065.55
200314	10/01/2020	Printed		7567	HONG JANG	CONST&DEMO DEBRIS DEP REFUND	2,700.00
200315	10/01/2020	Printed		1826	LUCKY'S GLASS, LLC	WINDOW REPAIR	525.00
200316	10/01/2020	Printed		6134	JOHN MARTINEZ	PLANNING COMMISSION STIPEND	100.00
200317	10/01/2020	Printed		1050	UFFE MOLLER	PLANNING COMMISSION STIPEND	100.00
200318	10/01/2020	Printed		4517	TRI T NGO	PLANNING DEPOSIT REFUND	481.53
200319	10/01/2020	Printed		0367	OFFICE DEPOT	OFFICE SUPPLIES	212.01
200320	10/01/2020	Printed		7654	HECTOR R OLGUIN	CONST&DEMO DEBRIS DEP REFUND	390.00
200321	10/01/2020	Printed		7392	ONLINE SOLUTIONS LLC	ANNUAL BILLING - CITIZENSERVE	28,800.00
200322	10/01/2020	Printed		1140	PACIFIC TIRE SERVICE	TIRE REPAIR	50.00
200323	10/01/2020	Printed		7407	PLATINUM CHEMICALS, INC.	HAND WIPES FOR PWD OFFICE	232.00
200324	10/01/2020	Printed		6123	PRUDENTIAL OVERALL SUPPLY	WEEKLY MOP CHARGES	16.00
200325	10/01/2020	Printed		7655	SUSAN REUTER	PLANNING DEPOSIT REFUND	10.14
200326	10/01/2020	Printed		5895	RICOH USA INC	LEASE AND USAGE CHARGES FOR CO	2,142.66
200327	10/01/2020	Printed		7241	CARLA L ROSE-PRYOR	PLANNING COMMISSION STIPEND	100.00
200328	10/01/2020	Printed		6379	SHI	INK CARTRIDGE	60.48
200329	10/01/2020	Printed		6680	SCOTT SMITH	PLANNING COMMISSION STIPEND	100.00
200330	10/01/2020	Printed		0211	SOUTHERN CALIFORNIA NEWS GROUP	LEGAL ADS	411.31
200331	10/01/2020	Printed		5956	SUPERCO SPECIALTY PRODUCTS	GRAFFITI BUSTER	426.00
200332	10/01/2020	Printed		7656	KATHERINE TAN	PLANNING DEPOSIT REFUND	691.16
200333	10/01/2020	Printed		0458	THE SALVATION ARMY	MEALS FOR BEACH CITIES SR.	252.00
200334	10/01/2020	Printed		4142	TIME WARNER CABLE	INTERNET SERVICES	808.96
200335	10/01/2020	Printed		3672-FLEET	U.S. BANK VOYAGER FLEET SYS	CREDIT CARD PAYMENT	2,736.51
200336	10/01/2020	Printed		3672-FIN	U.S. BANK	CREDIT CARD PAYMENT	29.98
200337	10/01/2020	Printed		2883	UNDERGROUND SERVICE ALERT SC	DIG ALERT TICKETS	79.30

Total Checks: 41

Checks Total (excluding void checks):

98,987.21

Check Register Report

Date: 10/01/2020
Time: 5:11 pm
Page: 2

City of Lawndale

BANK: WELLS FARGO BANK N.A

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
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Total Payments: 41

Bank Total (excluding void checks): 98,987.21

Total Payments: 41

Grand Total (excluding void checks): 98,987.21

Check Register Report

Date: 10/08/2020
 Time: 12:21 pm
 Page: 1

City of Lawndale

BANK: WELLS FARGO BANK N.A

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
WELLS FARGO BANK N.A Checks							
200338	10/08/2020	Printed		4185-WEST	AMERICAN STRUCTURAL PEST	MONTHLY PEST CONTROL-CITY HALL	45.00
200339	10/08/2020	Printed		7470	ARAMARK REFRESHMENT SVCS LLC	COFFEE SUPPLIES FOR PWD	158.72
200340	10/08/2020	Printed		2207	ASAP SIGN & BANNER	SIGN DECALS FOR C.H. - COVID19	68.91
200341	10/08/2020	Printed		0115	AT & T	LONG DISTANCE SERVICES	14.91
200342	10/08/2020	Printed		0613	BERICOM IT & DESIGN	INFORMATION AND TECH SERVICES	11,902.00
200343	10/08/2020	Printed		7293	BRINK'S, INCORPORATED	BANK FEES- OUTSTANDING BALANCE	9.81
200344	10/08/2020	Printed		7223	CHRISTINA CARROLL	PRSSC MEETING STIPEND	50.00
200345	10/08/2020	Printed		1105	CDW GOVERNMENT, INC.	MICROSOFT SURFACE PRO 7	1,148.29
200346	10/08/2020	Printed		0219	COUNTY OF LA DEPT OF PUBLIC WK	INDUSTRIAL WASTE SERVICES	3,321.30
200347	10/08/2020	Printed		6158	COUNTY OF LOS ANGELES	RELEASE OF NOTICE OF VIOLATION	20.00
200348	10/08/2020	Printed		5702	DIV OF THE STATE ARCHITECT	SB1186 3RD QTR 2020 REPORTINGS	76.80
200349	10/08/2020	Printed		6636	FRONTIER COMMUNICATIONS	PHONE CHARGES	118.56
200350	10/08/2020	Printed		7659	PATRICIA GOMEZ	CONST&DEMO DEBRIS DEP REFUND	117.00
200351	10/08/2020	Printed		6231	GREENLAND SUPPLY INC.	MAIN LINE REPAIR-HAWTHORNE BLV	122.63
200352	10/08/2020	Printed		4796	ERICA HARBISON	PRSSC MEETING STIPEND	50.00
200353	10/08/2020	Printed		7410	RUDY HERRERA	REFUND MILEAGE REIMBURSEMENT	11.25
200354	10/08/2020	Printed		6051	INFANTE BROS LAWNMOVER SHOP	EQUIPMENT MAINTENANCE	514.44
200355	10/08/2020	Printed		7508	INTRADO INTERACTIVE SERVICES	WEBSITE REDESIGN	6,205.00
200356	10/08/2020	Printed		6955	L.A. UNIFORMS & TAILORING	POLO SHIRT & EMBROIDERY	70.73
200357	10/08/2020	Printed		7366	ANGELA LAM	SPR 19-01 DEP 4724 W 161ST ST	1,035.48
200358	10/08/2020	Printed		7576	LOUIS SARDO UPHOLSTERY INC	REUPHOLSTERY SHUTTLE BUS PASSE	2,012.00
200359	10/08/2020	Printed		0367	OFFICE DEPOT	CREDIT MEMO - ASD	350.08
200360	10/08/2020	Printed		3915	QUALITY CODE PUBLISHING LLC	SUPPLEMENT NO. 71 ORDINANCES	811.30
200361	10/08/2020	Printed		6698	SHIRLEY RUDOLPH	PRSSC MEETING STIPEND	50.00
200362	10/08/2020	Printed		2051	MADONNA SITKA	PRSSC MEETING STIPEND	50.00
200363	10/08/2020	Printed		4533	SOUTH BAY LANDSCAPING INC	IRRIGATION REPAIR	2,626.34
200364	10/08/2020	Printed		6034	SOUTH COAST MECHANICAL INC	HVAC REPAIR FOR PWD	762.00
200365	10/08/2020	Printed		0439	SOUTHERN CALIFORNIA EDISON CO.	UTILITIES ELECTRICITY	15,833.86
200366	10/08/2020	Printed		0440	SOUTHERN CALIFORNIA GAS CO.	UTILITY GAS CHARGES	2,366.27
200367	10/08/2020	Printed		0849	THE SAFEMART OF SO CAL INC	PADLOCKS	111.66
200368	10/08/2020	Printed		7658	NAM H TRINH	CONST&DEMO DEBRIS DEP REFUND	3,896.31
200369	10/08/2020	Printed		3672-CCK	U.S. BANK CORPORATE PAYMENT	CREDIT CARD PAYMENT	170.00
200370	10/08/2020	Printed		3672-ASD	U.S. BANK	CREDIT CARD PAYMENT	215.52
200371	10/08/2020	Printed		4526	URBAN RESTORATION GROUP	GRAFFITI SUPPLIES	348.98
200372	10/08/2020	Printed		6697	DANIEL T WOODS	PRSSC MEETING STIPEND	50.00
Total Checks: 35						Checks Total (excluding void checks):	54,715.15
Total Payments: 35						Bank Total (excluding void checks):	54,715.15
Total Payments: 35						Grand Total (excluding void checks):	54,715.15

**MINUTES OF THE
LAWDALE CITY COUNCIL REGULAR MEETING
October 5, 2020**

A. CALL TO ORDER AND ROLL CALL

Mayor Pullen-Miles called the meeting to order at 6:30 p.m. in the City Hall council chamber, 14717 Burin Avenue, Lawndale, California.

Councilmembers Present: Mayor Robert Pullen-Miles, Mayor Pro Tem Bernadette Suarez, Councilmember James H. Osborne, Councilmember Pat Kearney, Councilmember Daniel Reid

Other Participants: City Clerk Rhonda Hofmann Gorman, City Manager Kevin M. Chun, City Attorney Tiffany J. Israel, Los Angeles County Sheriff's Department Captain Duane Allen, Community Services Director Mike Estes, Assistant to the City Manager/Human Resources Director Raylette Felton, Municipal Services Director Michael Reyes, Finance Director Marla Pendleton, Community Development Director Sean Moore, Assistant City Clerk Matthew Ceballos, and Interim Public Works Director Kahono Oei.

B. CEREMONIALS

Councilmember Pat Kearney led the flag salute.

C. PUBLIC SAFETY REPORT

Captain Duane Allen summarized recent law enforcement activities.

D. ORAL COMMUNICATIONS - ITEMS NOT ON THE AGENDA

No comments provided.

E. COMMENTS FROM COUNCIL

No comments provided.

F. CONSENT CALENDAR

1. Motion to read by title only and waive further reading of all ordinances listed on the Agenda

Recommendation: that the City Council approve.

2. Amending Lawndale Municipal Code Chapter 17.50, Density Bonus Provisions for Residential Units

Recommendation: that the City Council approve this second reading and adopt Ordinance No. 1175-20 amending Lawndale Municipal Code Chapter 17.50, density bonus requirements to comply with recent changes in State Law.

3. **Amending Lawndale Municipal Code Sections 8.24.115 and 8.24.200, Providing Authority for Recovery of Attorney’s Fees and Imposition of Treble Damages in Public Nuisance Abatement Actions**
Recommendation: that the City Council approve this second reading and adopt Ordinance 1176-20, amending Lawndale Municipal Code Sections 8.24.115 and 8.24.200, Providing Authority for Recovery of Attorney’s Fees and Imposition of Treble Damages in Public Nuisance Abatement Actions.
4. **Amending Existing Agreement for Installation of Telecommunication Equipment in the Right of Way**
Recommendation: that the City Council approve an amendment to the Right-of-Way use agreement with Sunesys LLC identifying Crown Castle Fiber LLC as its successor.
5. **Consideration of Claims Against the City**
Recommendation: that the City Council reject the claims filed by Papa John’s International, Erika V. Mendoza, Leticia Bravo Cano and Christopher Espinoza and instruct staff to process the appropriate correspondence to the claimants.
6. **Accounts Payable Register**
Recommendation: that the City Council adopt Resolution No. CC-2010-054, authorizing the payment of certain claims and demands in the amount of \$181,240.21.
7. **Minutes of the Lawndale City Council Regular Meeting – September 21, 2020**
Recommendation: that the City Council approve.

A motion by Councilmember Kearney to approve the consent calendar was seconded by Mayor Pro Tem Bernadette Suarez and carried by a vote of 5-0, following City Attorney Israel's reading of the title of Ordinance Nos. 1175-20 and 1176-20.

G. PUBLIC HEARING

8. **Amending Title 17 of the Lawndale Municipal Code pertaining to the Development Standards for Accessory Dwelling Units to reflect recent changes in State Law and a Finding of Exemption from California Environmental Quality Act**
Recommendation: that the City Council (a) conduct a public hearing (b) determine that Ordinance No. 1177-20 is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of the CEQA Guidelines; and (c) introduce and approve the first reading of Ordinance No. 1177-20, amending Title 17 of the Lawndale Municipal Code regarding ADU amendments to reflect recent changes in State law.

Community Development Director Sean Moore reported on the proposed Amendment to Title 17 of the Lawndale Municipal Code pertaining to the Development Standards for Accessory Dwelling Units to reflect recent changes in State Law and a Finding of Exemption from California Environmental Quality Act.

Mayor Pullen-Miles opened and closed the public hearing immediately at 6:41 p.m., there being no one wishing to testify.

A motion by Councilmember Kearney to approve Ordinance No. 1177-20, amending Title 17 of the Lawndale Municipal Code regarding ADU amendments to reflect recent changes in State law, was seconded by Councilmember Reid and carried by a vote of 5-0, following City Attorney Israel's reading of the title of Ordinance Nos. 1177-20.

H. ADMINISTRATION

9. Harold E. Hofmann Community Center Facilities Use Policy

Recommendation: that the City Council adopt Resolution No. CC-2010-055 related to City Council Policy 104-20 affecting changes to the Harold E. Hofmann Community Center Facilities Use Rules and Regulations.

Community Services Director Mike Estes reported on the proposed changes to the Harold E. Hofmann Community Center Facilities Use Rules and Regulations.

Councilmember Kearney requested clarification how removing Sheriff's and hiring unarmed security service will improve the current situation with inebriated guest and expressed alcohol should not be removed and non-refundable security deposits not be applied during this difficult time on residents and the public.

Councilmember Reid inquired if staff setting up and breaking down the events equipment is to mitigate equipment damages.

Community Services Director Mike Estes responded accordingly to all comments.

Mayor Pro Tem Suarez believed beer, wine, and champagne should remain in the reservations policy with additional new rules also spoke in opposition to the Non-Refundable Deposit system and believed we can revisit the Facilities Policy at a time Los Angeles County Health orders have been lifted for social gatherings.

Councilmember Osborne concurred with the prior Councilmembers comments and added that a Sheriff's presence is important for situations which need an instant arrest.

Community Services Director Mike Estes clarified Sheriffs will be present for the reservations which include alcohol in the event.

Mayor Robert Pullen-Miles spoke about maintaining the beer, wine, and champagne option for the reservation events and spoke in support of placing Sheriff's deputies for hard alcohol events only. The Mayor went on to express his concern about the 25% non-refundable deposit.

City Manager Kevin M. Chun expressed gratitude for all the comments and explained that staff will take into consideration all of their comments and the item would be brought back at a later meeting.

City Council reached a general consensus to make no changes and revisit the Harold E. Hofmann Community Center Facilities Use Rules and Regulations at a later date.

10. Declaring an Emergency Condition and Approving Repairs without Notice for Bids for the Harold E. Hofmann Community Center

Recommendation: that the City Council (a) adopt Resolution No. CC-2010-056 declaring an emergency condition and approving the work necessary to make repairs to the Harold E. Hoffman Community Center without notice for bids pursuant to California public contract code sections 1102, 20168, and 22050 (b) authorize the Director of Finance to use and transfer the actual cost for the insurance deductible and uncovered cost, not to exceed \$69,161, from the Urban Development Action Grants (UDAG) Fund, Fund 215, to Measure A Fund 281, in the event LACRPOSD denies the request to use Measure A-Maintenance and Servicing funding for the Community Center repairs (c) authorize the City Manager to execute contracts and other documents necessary to complete this work.

Community Services Director Mike Estes reported on the proposed Emergency Condition and Approving Repairs without Notice for Bids for the Harold E. Hofmann Community Center.

Councilmember Reid inquired if the cost and damage of the Harold E. Hofmann Community Center was comparable to the flood that occurred inside City Hall years ago.

Community Services Director Mike Estes responded the flooding was mostly in the meeting rooms of the Harold E. Hofmann Community Center and believes the cost could be around \$100,000.

City Manager Kevin M. Chun explained that the \$69,000 is the funding available through grants and \$10,000 is towards the insurance deductible.

Councilmember Kearney inquired if Community Services Department staff will have to be relocated.

City Manager Kevin M. Chun responded it will not be necessary to remove any staff because there are no health concern and the work would be done with no impact to staff. Community Services Director Mike Estes added staff are currently taking alternate routes accessing the building.

A motion by Councilmember Kearney to adopt Resolution No. CC-2010-056 declaring an emergency condition and approving the work necessary to make repairs to the Harold E. Hoffman Community Center without notice for bids pursuant to California public contract code sections 1102, 20168, and 22050 authorize the Director of Finance to use and transfer the actual cost for the insurance deductible and uncovered cost, not to exceed \$69,161, from the Urban Development Action Grants (UDAG) Fund, Fund 215, to Measure A Fund 281, in the event LACRPOSD denies the request to use Measure A-Maintenance and Servicing funding for the Community Center repairs authorize the City Manager to execute contracts and other documents necessary to complete this work, was seconded by Councilmember Reid and carried by a vote of 5-0.

11. CARES Act Funding Allocation Revision

Recommendation: that the City Council approve the Business Revitalization Subcommittee's recommendation to maintain the City's CARES Act funding allocations as approved by the City Council on September 8, 2020.

City Manager Kevin M. Chun reported on CARES Act Funding Allocation Revision.

Mayor Pro Tem Suarez inquired if the City applies CARES act funding to “Project Roomkey” expenses and the City absorbs additional cost after, would Los Angeles County be responsible for that cost. City Attorney Tiffany J. Israel responded the City will only be able to accept funding for liabilities one time.

Mayor Pullen-Miles commented that he would like to continue supporting the small businesses in Lawndale with funding grant opportunities to prevent them from closing or other hardship.

A motion by Councilmember Kearney to approve the Business Revitalization Subcommittee’s recommendation to maintain the City’s CARES Act funding allocations as approved by the City Council on September 8, 2020, was seconded by Councilmember Reid and carried by a vote of 5-0.

I. CITY MANAGER'S REPORT

City Manager Kevin Chun reported the Government Finance Officers Association awarded the City a Certificate of Achievement for excellence and comprehensive annual financial reporting of the fiscal year that ended on June 30th, 2019. The City Manager went on expressing his gratitude for the professional work done by Finance Director Marla Pendleton and the Finance Department, spoke how it shows good responsibility and transparency from the City and would like to achieve this on an annual basis.

Councilmember Kearney and Mayor Robert Pullen-Miles requested to place the award on a future agenda and present it to Finance Director Marla Pendleton and the Finance Department

City Manager Kevin Chun responded that the City will present it as soon as the framed certificate arrives.

City Manager Kevin Chun announced the City has partnered with UCLA and will host a Blood Drive on October 6, 2020, from 8:00 a.m. to 1:00 p.m., directly outside of City Hall.

J. ITEMS FROM CITY COUNCILMEMBERS

12. Mayor/City Councilmembers Report of Attendance at Meetings and/or Events

Councilmember Osborne had nothing to report.

Councilmember Reid had nothing to report.

Councilmember Kearney had nothing to report.

Mayor Pro Tem Suarez had nothing to report.

Mayor Pullen-Miles attended the L.A. County Sanitation District Board of Directors meeting and South Bay Association of Realtors Mayors panel where COVID-19 related issues in neighboring Cities were discussed.

K. ADJOURNMENT

There being no further business to conduct, the Mayor adjourned the meeting at 7:36 p.m.

Robert Pullen-Miles, Mayor

ATTEST:

Rhonda Hofmann Gorman, City Clerk

Approved: 10/19/2020

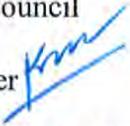


CITY OF LAWDALE

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October, 19 2020

TO: Honorable Mayor and City Council

FROM: Kevin M. Chun, City Manager 

PREPARED BY: Sean M. Moore, AICP, Director of Community Development 

SUBJECT: **Regional Housing Needs Assessment (RHNA) Allocation Appeal**

BACKGROUND

The California Legislature developed the Regional Housing Needs Assessment (RHNA) process in 1977 to address the affordable housing shortage. Throughout the years, the housing element requirements, including the RHNA process, have been revised, revamped, and updated to address California's ever changing housing needs. Pursuant to state requirements, cities and counties are required to adopt housing elements to address both short and long range housing goals and policies for their respective jurisdictional areas. The Housing Element establishes the City of Lawndale's housing policies and programs. It serves as a guide for decision-making for the City Council and sets forth an action plan to implement the City's housing goals.

Every housing cycle, the RHNA process is initiated by the California Department of Housing and Community Development (HCD) to determine existing and projected housing needs for each region throughout California. HCD's housing needs is based in part on population projections provided by the Department of Finance.

The Southern California Association of Governments (SCAG) is tasked with developing the methods for determining cities' and counties' housing allocations throughout the region. SCAG initiated this process several years ago in preparation for the 6th Cycle RHNA methods. On March 5, 2020, SCAG released the final RHNA methodology.

STAFF REVIEW

As mentioned above, SCAG is required to develop a draft RHNA methodology to distribute existing and projected housing needs for the 6th Cycle RHNA for cities and counties. The 6th Cycle RHNA will cover from October 2021 to October 2029. SCAG's Regional Council voted to approve the draft RHNA methodology on November 7, 2019. SCAG utilized three key elements for assessment of regional housing needs:

- Existing Needs;
- Projected Needs; and
- Income Categories.

On September 4, 2020, SCAG sent the City official notification of the City’s RHNA allocation. According to SCAG, HCD determined the regional housing allocation to be 1,341,827 units as shown in Table 1 below. SCAG’s regional housing allocation includes Ventura, Los Angeles, Orange, San Bernardino, Riverside, and Imperial counties.

Table 1.

<i>SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON FINAL RHNA METHODOLOGY & FINAL CONNECT SOCIAL 9/3/20</i>					
<i>ALLOCATION BY COUNTY</i>					
	Total	Very-low income	Low income	Moderate income	Above moderate income
Imperial	15,956	4,659	2,352	2,194	6,751
Los Angeles	813,082	217,565	123,171	131,532	340,814
Orange	183,430	46,295	29,176	32,482	75,477
Riverside	167,177	41,943	26,450	29,146	69,638
San Bernardino	137,786	35,575	21,855	24,087	56,269
Ventura	24,396	5,759	3,803	4,516	10,318
TOTAL	1,341,827	351,796	206,807	223,957	559,267

As illustrated in Table 2 below, the draft 6th housing RHNA allocation for Lawndale’s housing is 2,491 total units broken down into several categories from the following:

- **Very low income units.....730;**
- **Low income units.....310;**
- **Moderate income units.....370; and**
- **Above moderate income units.....1081.**

Table 2.

Lake Elsinore city	Riverside	6666	1874	1097	1131	2564
Lake Forest city	Orange	3228	954	541	558	1175
Lakewood city	Los Angeles	3914	1293	636	652	1333
Lancaster city	Los Angeles	9002	2218	1192	1325	4267
Lawndale city	Los Angeles	2491	730	310	370	1081
Loma Linda city	San Bernardino	2048	522	311	352	863
Lomita city	Los Angeles	827	238	124	127	338
Long Beach city	Los Angeles	26440	7123	4038	4149	11130
Los Alamitos city	Orange	767	193	118	145	311
Los Angeles city	Los Angeles	455577	115680	68593	74936	196368
Lynwood city	Los Angeles	1555	376	139	235	805

SCAG, September 2020 Page 3 of 5

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON RC-APPROVED FINAL RHNA METHODOLOGY

ALLOCATION BY LOCAL JURISDICTION Above-

As illustrated in the proceeding page, SCAG/HCD housing allocation is extremely excessive and very aggressive considering Lawndale's relatively small size geographically, current built out, existing density, and limited available land to develop in order to accommodate to the housing allocation of 2,491 units. Indeed, SCAG/HCD's housing allocation is extreme and excessive when taking into account the City's 5th Housing Cycle allocation, which only allocated 398 units, as compared to the 2,491 extreme housing allocation.

However, SCAG has afforded an opportunity for the jurisdictions to appeal the RHNA by the October 26, 2020, deadline, which can be filed electronically. The hearings on the RHNA allocation appeals is scheduled to be in early December 2020. The final RHNA allocations are anticipated sometime in February 2021. Other jurisdictions are filing appeals for their respective RHNA allocations including the cities of Pasadena, Culver City, and Laguna Beach.

SCAG/HCD has provided very limited and strict appeal requirements that jurisdictions must follow in order to appeal the City's excessive housing allocation (See Attachment B). Staff is recommending appealing the City's RHNA allocation based on the methodology as outlined in the appeal procedures pursuant to Government Code Section 65080(b)(2) as well as for not following the open meeting state law requirements, pursuant to the Brown Act. The SCAG Regional Council violated the Brown Act per Government Code Section 54953(c)(2) by denying the City the right to engage in public participation and have its local data considered in its RHNA allocation, as required under Section 65584.04(d). Staff has also prepared a draft letter to SCAG/HCD for your review and approval (See Attachment D).

filed appeals must be consistent with, and not to the detriment of, the development pattern in the sustainable communities strategy, or SCAG's Connect SoCal Plan, pursuant to Government Code Section 65080(b)(2).

1. Methodology – That SCAG failed to determine the jurisdiction's share of the regional housing need in accordance with the information described in the Final RHNA Methodology established and approved by SCAG, and in a manner that furthers, and does not undermine the five objectives listed in Government Code Section 65584(d).

COMMISSION REVIEW

Not applicable

LEGAL REVIEW

The City Attorney has reviewed staff report and associated appeal application materials and has approved it as to form.

FISCAL IMPACT

Staff does not anticipate fiscal impacts to the City, other than staff time utilized for filing the appeal with SCAG.

RECOMMENDATION

It is recommended that the City Council direct staff to file an appeal with the Southern California Association of Governments (SCAG) regarding the Regional Housing Needs Assessment (RHNA) challenging the City's housing allocation of 2,491 units.

ATTACHMENTS

- A. September 4, 2020, SCAG 6th Cycle Correspondence
- B. SCAG/HCD 6th Housing Cycle RHNA Allocation Appeal Procedures
- C. SCAG/HCD appeal application/materials
- D. Draft SCAG/HCD appeal letter

ATTACHMENT A
SEPTEMBER 4, 2020, SCAG 6TH CYCLE
CORRESPONDENCE



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

REGIONAL COUNCIL OFFICERS

- President
Rex Richardson, Long Beach
- First Vice President
Clint Lorimore, Eastvale
- Second Vice President
**Jan Harnik, Riverside County
Transportation Commission**
- Immediate Past President
Bill Jahn, Big Bear Lake

COMMITTEE CHAIRS

- Executive/Administration
Rex Richardson, Long Beach
- Community, Economic &
Human Development
Jorge Marquez, Covina
- Energy & Environment
David Pollock, Moorpark
- Transportation
Cheryl Viegas-Walker, El Centro

September 4, 2020

Kevin Chun
City of Lawndale
14717 Burin Avenue
Lawndale, CA 90260-1497

Subject: 6th Cycle Draft Regional Housing Needs Assessment (RHNA) Allocation for City of Lawndale and appeals timeline notice.

Dear Mr. Kevin Chun:

Pursuant to Government Code Section 65584 et seq., the Southern California Association of Governments (SCAG) is required to allocate the region's housing need as determined by the California Department of Housing and Community Development (HCD) to all local jurisdictions in the SCAG region. For the 6th Cycle of RHNA, which covers the planning period from 2021 to 2029, HCD has determined our regional housing need to be 1,341,827 units.

After extensive public input and review by HCD, on March 5, 2020, SCAG's Regional Council adopted the final RHNA Methodology which, in coordination with final Connect SoCal adopted on September 3, 2020, results in Draft RHNA Allocations for all local jurisdictions. **Please note that receipt of this letter containing the Draft RHNA Allocations begins the appeals timeline. The Draft RHNA allocation shall be deemed received on September 11, 2020.**

The Draft 6th Cycle RHNA Allocation for the City of Lawndale is 2491 total units, consisting of:

- Very-low income units: 730
- Low income units: 310
- Moderate income units: 370
- Above-moderate income units: 1081

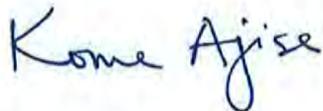
The deadline to electronically file an appeal of your 6th cycle Draft RHNA Allocation is 5:00pm on October 26, 2020 (details attached).

The hearing on the RHNA allocation appeals is scheduled to begin on or about December 10, 2020. Following the conclusion of the appeals process, the Final RHNA Allocations are anticipated to be issued in

February 2021. Local jurisdictions' housing element updates are due to HCD by October 2021.

We appreciate your collaboration and input during this process. Additional information including underlying data can be found on SCAG's RHNA website at www.scag.ca.gov/rhna. If you have additional questions or concerns, please direct them to housing@scag.ca.gov so they can receive priority attention.

Sincerely,

A handwritten signature in blue ink that reads "Kome Ajise". The signature is written in a cursive style with a large, looped initial "K".

Kome Ajise
Executive Director

Attachments:
SCAG Region 6th Cycle Draft RHNA Allocations
SCAG 6th Cycle RHNA Appeals Procedures

ATTACHMENT B

**SCAG/HCD 6TH HOUSING CYCLE RHNA
ALLOCATION APPEAL PROCEDURES**

6th RHNA Cycle Appeals Procedures

Pursuant to Government Code section 65584.05, any local jurisdiction within the SCAG region may file an appeal to modify its allocated share or another jurisdiction's share of the regional housing need included as part of SCAG's Draft Regional Housing Needs Assessment (RHNA) Allocation Plan, hereinafter referred to as the "Draft RHNA Plan." The California Department of Housing and Community Development, hereinafter referred to as "HCD", may also file an appeal to one or more jurisdiction's draft RHNA allocation. No appeal shall be allowed relating to post-appeal reallocation adjustments made by SCAG, as further described in Section II, below.

I. APPEALS PROCESS

A. DEADLINE TO FILE

The period to file appeals shall commence on September 11, 2020¹, which shall be deemed as the date of receipt by jurisdictions and HCD of the draft RHNA Plan. In order to comply with Government Code § 65584.05(b), a jurisdiction or HCD seeking to appeal a draft allocation of the regional housing need must file an appeal by 5:00 p.m. October 26, 2020. Late appeals shall not be accepted by SCAG.

B. FORM OF APPEAL

The local jurisdiction shall state the basis and specific reasons for its appeal on the RHNA Appeal Request Form prepared by SCAG, a copy of which is attached hereto as Exhibit "A". Additional documents may be submitted by the local jurisdiction as attachments, and all such attachments should be properly labeled and numbered.

C. BASES FOR APPEAL

Local jurisdictions shall only file an appeal based upon the criteria listed below. In order to provide guidance to potential appellants, SCAG's Final RHNA Methodology for the 6th Housing Element Cycle (2021-2029) (Final RHNA Methodology) approved by SCAG's Regional Council on March 5, 2020, is attached hereto as Exhibit "B". Appeals based on "change of circumstance" can only be filed by the jurisdiction or jurisdictions where the change in circumstance occurred.

Pursuant to Government Code Section 65584.05, filed appeals must include a statement as to why the revision is necessary to further the intent of the objectives listed in Section 65584. Additionally, Government Code Section 65584.05(b) requires that all

¹ The period to file appeals shall commence on the eighth day after the Regional Council adopts the Final Connect SoCal in its entirety, and all the subsequent dates in this Appeals Procedures shall be adjusted accordingly.

filed appeals must be consistent with, and not to the detriment of, the development pattern in the sustainable communities strategy, or SCAG's Connect SoCal Plan, pursuant to Government Code Section 65080(b)(2).

1. Methodology – That SCAG failed to determine the jurisdiction's share of the regional housing need in accordance with the information described in the Final RHNA Methodology established and approved by SCAG, and in a manner that furthers, and does not undermine the five objectives listed in Government Code Section 65584(d).
2. Local Planning Factors and Information Affirmatively Furthering Fair Housing (AFFH) – That SCAG failed to consider information submitted by the local jurisdiction relating to certain local factors outlined in Govt. Code § 65584.04(e) and information submitted by the local jurisdiction relating to affirmatively furthering fair housing pursuant to Government Code § 65584.04(b)(2) and 65584(d)(5) including the following:
 - a. Each jurisdiction's existing and projected jobs and housing relationship.
 - b. The opportunities and constraints to development of additional housing in each jurisdiction, including the following:
 - (1) lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period;
 - (2) the availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities;
 - (3) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or

preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses.

- (4) County policies to preserve prime agricultural land, as defined pursuant to Government Code § 56064, within an unincorporated area, and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses.
- c. The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.
- d. Agreements between a county and cities in a county to direct growth toward incorporated areas of the county or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.
- e. The loss of units contained in assisted housing developments, as defined in Government Code § 65583(a)(9), that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.
- f. The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.
- g. The rate of overcrowding.
- h. The housing needs of farmworkers.
- i. The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.
- j. The loss of units during a state of emergency that was declared by the Governor pursuant to the California

Emergency Services Act (Chapter 7(commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis. For purposes of these guidelines, this applies to loss of units during a state of emergency occurring since October 2013 and have not yet been rebuilt or replaced by the time of the development of the draft RHNA methodology, or November 7, 2019.

- k. The region’s greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080, to be met by SCAG’s Connect SoCal Plan.
 - l. Information based upon the issues, strategies, and actions that are included, as available in an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing completed by any city or county or the California Department of Housing and Community Development, and in housing elements
3. Changed Circumstances – That a significant and unforeseen change in circumstance has occurred in the jurisdiction after April 30, 2019 and merits a revision of the information previously submitted by the local jurisdiction. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

D. LIMITS ON SCOPE OF APPEAL

Existing law explicitly limits SCAG’s scope of review of appeals. Specifically, SCAG shall not grant any appeal based upon the following:

1. Any other criteria other than the criteria in Section I.C above.
2. A local jurisdiction's existing zoning ordinance and land use restrictions, including but not limited to, the contents of the local jurisdiction's current general plan. Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.
3. Any local ordinance, policy, voter-approved measure or standard limiting residential development. Pursuant to Government Code Section 65584.04(g)(1), any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits shall not be a justification for a determination or a reduction in a city's or county's share of regional housing need.
4. Prior underproduction of housing in a jurisdiction from the previous regional housing need allocation. Pursuant to Government Code Section 65584.04(g)(2), prior underproduction of housing in a jurisdiction from the previous housing need allocation, as determined by each jurisdiction's annual production report submitted to Government Code Section 65400(a)(2)(H) cannot be used as a justification for a determination or reduction in a jurisdiction's share of the regional housing need.
5. Stable population numbers in a jurisdiction. Pursuant to Government Code Section 65584.04(g)(3), stable population growth from the previous regional housing needs cycle cannot be used as a justification for a determination or reduction in a jurisdiction's share of the regional housing need.

E. COMMENTS ON APPEALS

At the close of the appeals period as set forth in I.A., SCAG shall notify all jurisdictions within the region and HCD of all appeals and shall make all materials submitted in support of each appeal available on its website after the close of the appeals filing period. Local jurisdictions and HCD may comment on one or more appeals within the 45 days following the end of the appeals filing period. All comments must be filed by 5:00 p.m. December 10, 2020. No late comments shall be accepted by SCAG.

F. HEARING BODY

SCAG's Regional Council has delegated the responsibility of considering appeals regarding draft allocations to the RHNA Subcommittee, also referred to as the RHNA Appeals Board. All provisions of the RHNA Subcommittee's charter shall apply with respect to the membership and conduct of the appeal hearings. Per the RHNA Subcommittee charter, which was adopted on February 7, 2019 by the Regional Council, ex-officio members may participate as non-voting members of the RHNA Subcommittee and by extension the RHNA Appeals Board, and are not counted for purposes of a quorum. Also per the RHNA Subcommittee charter, all decisions made by the RHNA Appeals Board are considered final and will not be reviewed by the SCAG CEHD Committee or Regional Council.

G. APPEAL HEARING

SCAG shall conduct one public hearing to consider all appeals filed and comments received on the appeals no later than January 10, 2021. This public hearing may be continued (over several days if necessary) until all appeals are heard. Notice shall be provided to the appealing jurisdictions, commenting jurisdictions, and HCD at least 21 days in advance of the hearing. Per Government Code Section 65584.05(i), SCAG may extend the deadline to conduct the appeals hearing by up to thirty (30) days.

The appeal hearing may take place provided that each county is represented either by a member or alternate of the RHNA Appeals Board. Alternates are permitted to participate in the appeal hearing, provided however, that each county shall only be entitled to one vote when deciding on the appeal. Ex-officio members may participate as non-voting members of the RHNA Appeals Board and are not counted for purposes of a quorum. In alignment with the adopted RHNA Subcommittee charter, in the event the hearing involves the member's or alternate's respective jurisdiction, the member or alternate may elect not to participate in the discussion and vote by the RHNA Subcommittee regarding such appeal.

Due to the public health situation that began in late Winter 2020, RHNA appeals hearings may be conducted via teleconference per State-adopted emergency amendments to the Brown Act. SCAG staff will continue to apprise the public on any updates to meeting procedures and will include all information in the public noticing of the appeal hearings.

Appeal Hearing Procedures

The hearing(s) shall be conducted to provide applicants and jurisdictions that did not file appeals but are the subject of an appeal, with the opportunity to make their case regarding a change in their draft regional housing need allocation or another

jurisdiction's allocation, with the burden on the applicants to prove their case. The appeals hearings will be organized by the specific jurisdiction subject to an appeal or appeals and will adhere to the following procedures:

1. Initial Arguments

Applicants who have filed an appeal for a particular jurisdiction will have an opportunity to present their request and reasons to grant the appeal. In the event of multiple appeals filed for a single jurisdiction, the subject jurisdiction will present their argument first if it has filed an appeal on its own draft RHNA allocation. Applicants may present their case either on their own, or in coordination with other applicants, but each applicant shall be allotted five (5) minutes each. If the subject jurisdiction did not file an appeal on its own draft RHNA allocation, it will be given an opportunity to present after all applicants have provided initial arguments on their filed appeals. Any presentation from the jurisdiction who did not appeal but is the subject of the appeal is limited to five (5) minutes unless it is responding to more than one appeal, in which case the jurisdiction is limited to eight (8) minutes.

2. Staff Response

After initial arguments are presented, SCAG staff will present their recommendation to approve or deny the appeals filed for the subject jurisdiction. The staff response is limited to five (5) minutes .

3. Rebuttal

Applicants and the jurisdiction who did not file an appeal but is the subject of the appeal may elect to provide a rebuttal but are limited to the arguments and evidence presented in the staff response. Each applicant and the subject jurisdiction that did not file an appeal on its own draft RHNA allocation will be allotted three (3) minutes each for a rebuttal.

4. Extension of Time Allotment

The Chair of the Appeals Board may elect to grant additional time for any presentation, staff response, or rebuttal in the interest of due process and equity.

5. Appeal Board Discussion and Determination

After arguments and rebuttals are presented, the RHNA Appeals Board may ask questions of applicants, the subject jurisdiction (if present), and SCAG staff. The Chair of the Appeals Board may request that questions

from the Appeals Board be asked prior to a discussion among Appeals Board members. Any voting Board member may make a motion regarding the appeal(s) for the subject jurisdiction. The Appeals Board is encouraged to make a single determination on the subject jurisdiction after hearing all arguments and presentations on each subject jurisdiction.

The RHNA Appeals Board need not adhere to formal evidentiary rules and procedures in conducting the hearing. An appealing jurisdiction may choose to have technical staff present its case at the hearing. At a minimum, technical staff should be available at the hearing to answer any questions of the RHNA Appeals Board.

H. DETERMINATION OF APPEAL

The RHNA Appeals Board shall issue a written final determination on all filed appeals after the conclusion of the public hearing(s). The written final determination shall consider all arguments and comments presented on revising the draft RHNA allocation of the subject jurisdiction and make a determination for each subject jurisdiction. The final determinations shall be based upon the information and methodology set forth in Government Code section 65584.04 and whether the revision is necessary to further the objectives listed in Government Code section 65584(d). The final determination shall include written findings as to how the determination is consistent with Government Code section 65584.05. The decision of the RHNA Appeals Board shall be final, and local jurisdictions shall have no further right to appeal.

In accordance with existing law, the final determination on an appeal by the RHNA Subcommittee may require the adjustment of allocation of a local jurisdiction that is not the subject of an appeal. Specific adjustments to jurisdictions not the subject of an appeal as a result of an appeal will be included as part of the Appeal Board's determination. These specific adjustments may be excluded from the cumulative total adjustments required to be reallocated as described in Section II of these Appeals Guidelines if it is included as part of the appeals determination of the subject jurisdiction.

I. ALTERNATIVE DATA REQUIREMENTS

To the extent a local jurisdiction submits admissible alternative data or evidentiary documentation to SCAG in support of its appeal, such alternative data shall meet the following requirements:

1. The alternative data shall be readily available for SCAG's review and verification. Alternative data should not be constrained for use by proprietary conditions or other conditions rendering them difficult to obtain or process.
2. The alternative data shall be accurate, current, and reasonably free from defect.
3. The alternative data shall be relevant and germane to the local jurisdiction's basis of appeal.
4. The alternative data shall be used to support a logical analysis relating to the local jurisdiction's request for a change to its draft regional housing need allocation.

II. POST-APPEAL REALLOCATION OF REGIONAL HOUSING NEED

In accordance with existing law (*see*, Government Code Section 65584.05(g)), after the conclusion of the appeals process, SCAG shall total the successfully appealed housing need allocations, except for adjustments made to jurisdictions not the subject of an appeal as determined by the Appeals Board in Section I.H. If the adjustments total seven percent (7%) or less of the regional housing need, SCAG shall distribute the adjustments proportionally, to all local jurisdictions. For purposes of these procedures, proportional distribution shall be based on the share of regional need after the appeals are determined and prior to the required redistribution.

If the adjustments total more than seven percent (7%) of the regional housing need, existing law requires that SCAG to develop a methodology to distribute the amount greater than seven percent to local governments. In this situation, SCAG will redistribute the amount greater than the seven percent based on the "residual" existing need calculation included in the adopted final RHNA methodology. To be consistent with the "residual" existing need calculation, successfully appealed units above the seven percent threshold will be redistributed to each county based on their proportion of total successful appeals. Fifty percent (50%) of each county's amount above the regional seven percent will be redistributed within the county based on population within a High Quality Transit Area (HQTA) and fifty percent (50%) of the amount will be redistributed within the county based on share of regional jobs accessible. Communities designated as disadvantaged, defined in the Final RHNA Methodology as having more than fifty percent (50%) of their population in lower resource areas, will be exempt from redistribution of the amount greater than seven percent. For more information regarding the existing need distribution in the Final RHNA Methodology, please refer to Exhibit B SCAG's adopted Final RHNA Methodology.

III. FINAL RHNA PLAN

After SCAG reallocates units to all local jurisdictions resulting from successful appeals, SCAG's Regional Council shall review and consider adoption of the Final RHNA Plan for SCAG's 6th cycle RHNA. This is scheduled to occur on February 4, 2021.

List of Exhibits

Exhibit A: RHNA Appeal Request Form

Exhibit B: Final RHNA Methodology

Exhibit C:

- Government Code Section 65580
- Government Code Section 65584
- Government Code Section 65584.04
- Government Code Section 65584.05

Exhibit D: RHNA Subcommittee Charter

Final RHNA Methodology

EXECUTIVE SUMMARY

SCAG is required to develop a final RHNA methodology to distribute existing and projected housing need for the 6th cycle RHNA for each jurisdiction, which will cover the planning period October 2021 through October 2029. Following extensive feedback from stakeholders during the proposed methodology comment period and an extensive policy discussion, SCAG’s Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019, as described below, and provide it to the State Department of Housing and Community Development (HCD) for their statutory review. On January 13, 2020, HCD completed its review of the draft methodology and found that it furthers the five statutory objectives of RHNA and on March 4, 2020, SCAG’s Regional Council voted to approve the Final RHNA Methodology. The overall framework for this methodology is included in the table below and further described in the rest of this document.

Projected need	Existing need	Income categories
Household growth 2020-2030	Transit accessibility (HQTA population 2045)	150% social equity adjustment minimum
Future vacancy need	Job accessibility	0-30% additional adjustment for areas with lowest or highest resource concentration
Replacement need	Residual distribution within the county	

HOUSING CRISIS

There is no question that there is an ongoing housing crisis throughout the State of California. A variety of measures indicate the extent of the crisis including overcrowding and cost-burdened households, but the underlying cause is due to insufficient housing supply despite continuing population growth over recent decades.

As part of the RHNA process SCAG must develop a final RHNA methodology, which will determine each jurisdiction’s draft RHNA allocation as a share of the regional determination of existing and projected housing need provided by the California Department of Housing and Community Development (HCD). There are several requirements outlined by Government Code Section 65584.04, which will be covered in different sections of this packet:

- Allocation methodology, per Government Code 65584.04(a)
- How the allocation methodology furthers the objectives State housing law, per GC 65584.04(f)

- How local planning factors are incorporated into the RHNA methodology, per GC 65584.04(f)
- Furthering the objectives of affirmatively furthering fair housing (AFFH), per GC 65584.04(d)
- Public engagement, per GC 65584.04(d)

Additionally, SCAG has developed a dynamic estimator tool and data appendix that contains a full set of various underlying data and assumptions to support the methodology. Due to the size of the appendix, a limited number of printed copies are available. SCAG has posted the dynamic estimator tool and full methodology appendix, on its RHNA webpage: www.scag.ca.gov/rhna.

Per State housing law, the RHNA methodology must distribute existing and projected housing need to all jurisdictions. The following section provides the final methodology for distributing projected and existing need to jurisdictions from the RHNA regional determination provided by the California Department of Housing and Community Development (HCD) pursuant to Government Code Section 65584.01.

Guiding Principles for RHNA Methodology

In addition to furthering the five objectives pursuant to Government Code 65585(d), there are several guiding principles that SCAG staff has developed to use as the basis for developing the distribution mechanism for the RHNA methodology. These principles are based on the input and guidance provided by the RHNA Subcommittee during their discussions on RHNA methodology between February 2019 and June 2019.

1. The housing crisis is a result of housing building not keeping up with growth over the last several decades. The RHNA allocation for all jurisdictions is expected to be higher than the 5th RHNA cycle.
2. Each jurisdiction must receive a fair share of their regional housing need. This includes a fair share of planning for enough housing for all income levels, and consideration of factors that indicate areas that have high and low concentration of access to opportunity.
3. It is important to emphasize the linkage to other regional planning principles to develop more efficient land use patterns, reduce greenhouse gas emissions, and improve overall quality of life.

The jurisdictional boundaries used in the recommended RHNA methodology will be based on those as of August 31, 2016. Spheres of influence in unincorporated county areas are considered within unincorporated county boundaries for purposes of RHNA.

Proposed RHNA Allocation Methodology

The proposed RHNA methodology, which was released for public review on August 1, contained three (3) options to distribute HCD's regional determination for existing and projected need for the

SCAG region. HCD provided SCAG a final regional determination of 1,341,827 units for the 6th cycle RHNA on October 15, 2019.¹

The three options were developed based on RHNA Subcommittee feedback on various factors at their meetings between February and June 2019 and feedback from stakeholders. SCAG solicited formal public comment on the three options and any other factors, modifications, or alternative options during the public comment period, which commenced on August 1 and concluded on September 13, 2019.

Four public hearings were conducted to formally receive verbal and written comments on the proposed RHNA methodology, in addition to one public information session with a total participation of approximately 250 people. Almost 250 written comments were submitted to SCAG specifically on the proposed methodology and over 35 verbal comments were shared at four (4) public hearings held in August 2019.

Draft and Final RHNA Allocation Methodology

Based on comments received during the public comment period, staff recommended a combination of the three options in the proposed methodology further enhanced by factors specifically suggested by stakeholders.

On November 7, 2019, SCAG's Regional Council voted to approve the Draft RHNA Methodology. The approved draft methodology included modifications to the staff-recommended draft methodology for calculating existing housing need to more closely align the methodology with job and transit accessibility factors.

On January 13, 2020, HCD completed their statutory review and found that SCAG's Draft RHNA Methodology furthers the five statutory objectives of RHNA, which allows SCAG to finalize the RHNA methodology and issue draft RHNA allocations to each individual jurisdiction. HCD's comment letter, which can be found at www.scag.ca.gov/rhna, notes:

"HCD has completed its review of the methodology and finds that the draft SCAG RHNA methodology furthers the five statutory objectives of RHNA. HCD acknowledges the complex task of developing a methodology to allocate RHNA to 197 diverse jurisdictions while furthering the five statutory objectives of RHNA. This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of objective factors specifically linked the statutory objectives in the existing need methodology."

Following this finding, staff recommended the draft RHNA methodology as the final RHNA methodology. On March 5, 2020, SCAG's Regional Council approved Resolution No. 20-619-2

¹ On September 5, 2019, the SCAG Regional Council voted to object to HCD the regional determination of 1,344,740, per Government Code Section 65584.01, that was provided on August 15, 2019. After review of SCAG's objection letter, HCD provided a final regional determination of 1,341,827 units on October 15, 2019.

adopting the Final RHNA Methodology for the Sixth Housing Element Cycle. Following the formal distribution of draft RHNA allocations based on the Final RHNA methodology and a separate appeals phase described in Government Code 65584.05 et seq., RHNA allocations will be finalized in approximately October 2020.

The next section describes the final RHNA methodology mechanism to distribute the 1,341,827 housing units determined by HCD to all SCAG jurisdictions.

Determining Existing Need and Projected Need

SCAG's final RHNA methodology starts with the total regional determination provided by HCD and separates existing need from projected need.

Projected need is considered as household growth for jurisdictions between the RHNA projection period between July 1, 2021 and October 1, 2029, in addition to a calculated future vacancy need and replacement need. For projected household growth, SCAG's Connect SoCal growth forecast for the years 2020-2030 is used as the basis for calculating projected housing unit need for the region. The anticipated growth in households over this period is multiplied by 0.825 to approximate growth during the 8.25-year RHNA projection period of July 1, 2021 to October 1, 2029.

For several jurisdictions, SCAG's growth forecast includes projected household growth on tribal land. For these jurisdictions, SCAG's estimate of household growth on tribal land from July 1, 2021 to October 1, 2029 is subtracted from the jurisdictional projected household growth (see note in the accompanying dynamic estimator tool). A vacancy adjustment of 1.5% for owner-occupied units and 5% for renter-occupied units representing healthy-market vacancy will be applied to projected household growth to determine future vacancy need. Next a replacement need is added, which is an estimate of expected replacement need over the RHNA period. **Based on these components, the regional projected need is 504,970 units.**

Existing need is considered the remainder of the regional determination after projected need is subtracted. **Based on this consideration, the regional existing need is 836,857 units.**

Determining a Jurisdiction's RHNA Allocation (Existing and Projected Need)

In determining the existing need and projected need for the region, the methodology applies a three-step process to determine a jurisdiction's RHNA allocation by income category:

1. Determine a jurisdiction's projected housing need
 - a. Assign household growth to jurisdictions based on SCAG's Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy Growth Forecast between 2020 and 2030
 - b. Calculate a jurisdiction's future vacancy need by applying a healthy market vacancy rate separately to the jurisdiction's owner and renter households
 - c. Assign a replacement need to jurisdictions based on each jurisdiction's share of regional net replacement need based on information collected from the replacement need survey submitted by local jurisdictions

2. Determine a jurisdiction's existing housing need
 - a. Assign 50 percent of regional existing need based on a jurisdiction's share of region's population within the high quality transit areas (HQTAs) based on future 2045 HQTAs
 - b. Assign 50 percent of regional existing need based on a jurisdiction's share of the region's jobs that can be accessed within a 30-minute driving commute
 - c. For extremely disadvantaged communities (hereafter "DACs," see definition below), identify residual existing need, which is defined herein as total housing need in excess of household growth between 2020 and 2045². DACs are jurisdictions with more than half of the population living in high segregation and poverty or low resource areas as defined by the California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Index Scores further described in the document.
 - d. Reallocate residual existing need by county to non-DAC jurisdictions within the same county based on the formula in (a) and (b) above, i.e. 50% transit accessibility and 50% job accessibility.

3. Determine a jurisdiction's total housing need
 - a. Add a jurisdiction's projected housing need from (1) above to its existing housing need from (2) above to determine its total housing need.

4. Determine four RHNA income categories (very low, low, moderate, and above moderate)
 - a. Use a minimum 150% social equity adjustment
 - b. Add an additional percentage of social equity adjustment to jurisdictions that have a high concentration of very low or very high resource areas using the California Tax Credit Allocation Committee (TCAC)'s index scoring
 - i. Add a 10% social equity adjustment to areas that are designated as 70-80% very high or very low resource area
 - ii. Add a 20% social equity adjustment to areas that are designated as 81-90% very high or very low resource area
 - iii. Add a 30% social equity adjustment to areas that are designated as 91-100% very high or very low resource area

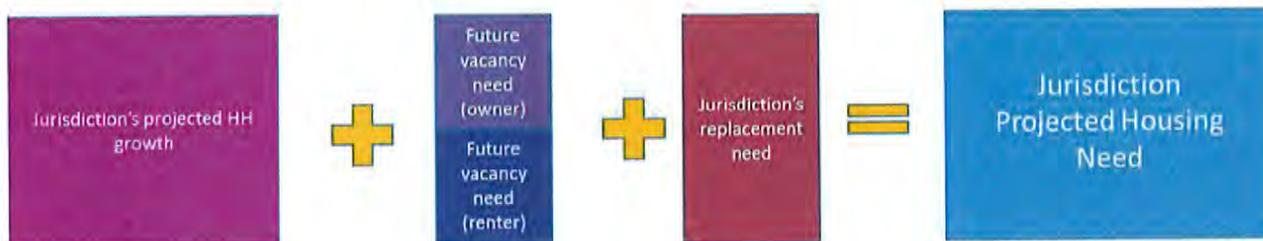
Methodology Component	Assigned units
Projected need: Household growth	466,958
Projected need: Future vacancy need	14,467
Projected need: Replacement need	23,545
Projected need subtotal	504,970

² Since HCD's regional determination of 1,341,827 exceeds SCAG's 2020-2045 household growth forecast of 1,297,000 by 3.46 percent, for the purposes of existing need allocation, exceeding "local input" or more accurately, Connect SoCal Growth Forecast, household growth shall mean exceeding 1.0368 times household growth.

	Percentage of Existing Need	Assigned units
Existing need: Transit accessibility	50%	418,429
Existing need: Job accessibility	50%	418,428
Existing need subtotal		836,857
Total regional need		1,341,827

Step 1: Determine Projected Housing Need

The first step of the RHNA methodology is to determine a jurisdiction's projected need. From the regional determination, projected need is considered to be regional household growth, regional future vacancy need, and regional replacement need.



To determine a jurisdiction's projected need, the methodology uses a three-step process:

- a. Determine the jurisdiction's regional projected household growth based on local input
- b. Determine future vacancy need based on a jurisdiction's existing composition of owner and renter households and apply a vacancy rate on projected household growth based on the following:
 - a. Apply a 1.5% vacancy need for owner households
 - b. Apply a 5.0% vacancy need for renter households
- c. Determine a jurisdiction's net replacement need based on replacement need survey results

Step 1a: Projected Household Growth

SCAG's Connect SoCal regional growth forecast reflects recent and past trends, key demographic and economic assumptions, and local, regional, state, and national policy. SCAG's regional growth forecasting process also emphasizes the participation of local jurisdictions and other stakeholders. The growth forecast process kicked off on May 30, 2017 with a panel of experts meeting wherein fifteen academic scholars and leading practitioners in demographics and economics were invited to review key input assumptions for the growth forecast including expected job growth, labor force

participation, birth rates, immigration and household formation rates. SCAG staff then incorporated the recommendations of the panel of experts into a preliminary range of population, household, and employment growth figures for 2016, 2020, 2030, 2035, and 2045 for the region and six counties individually.

SCAG further projects jurisdiction-level and sub-jurisdiction-level employment, population, and households using several major data sources, including:

- California Department of Finance (DOF) population and household estimates;
- California Employment Development Department (EDD) jobs report by industry;
- 2015 existing land use and General Plans from local jurisdictions;
- 2010 Census and the latest ACS data (2013-2017 5-year samples);
- County assessor parcel databases;
- 2011 and 2015 Business Installment data from InfoGroup; and
- SCAG's 2016 RTP/SCS growth forecast.

On October 31, 2017, the preliminary small area (i.e. jurisdiction and sub-jurisdiction) growth forecasts were released to local jurisdictions for their comments and input. This kicked off SCAG's *Bottom-Up Local Input and Envisioning Process* which provided each local jurisdiction with their preliminary growth forecast information as well as several other data elements both produced by SCAG and other agencies which are related to the development of Connect SoCal. Data map books were generated and provided electronically and in hard copy format and included detailed parcel-level land use data, information on resource areas, farmland, transportation, geographical boundaries and the draft growth forecast. Complete information on the Data map books and the Bottom-Up Local Input and Envisioning Process can be found at <http://scagrtpscsc.net/Pages/DataMapBooks.aspx>. Over the next eight months, SCAG staff conducted one-on-one meetings with all 197 local jurisdictions to explain methods and assumptions behind the jurisdiction and sub-jurisdiction growth forecast as well as to provide an opportunity to review, edit, and approve SCAG's preliminary forecast for population, employment, and households for 2016, 2020, 2030, 2035, and 2045.

Between October 2018 and February 2019, SCAG reviewed local input on the growth forecast and other data map book elements. The local input growth forecast was evaluated at the county and regional level for the base year of 2016 and the horizon year of 2045 and was found to be technically sound. Specifically, as it relates to SCAG's local input household forecast:

- The forecast generates a 2045 regional unemployment rate of 4.7 percent which is reasonable based on past trends and ensured that the forecast is balanced, i.e. there are not too many jobs for the number of anticipated workers
- The forecast generates a 2045 population-to-household ratio of 2.9 which is consistent with the preliminary forecast and reflects expert-anticipated decreases in this ratio, ensuring that there are not too many people for the anticipated number of households region-wide
- From 2020-2045, the forecast anticipates household growth of 21 percent and population growth of 15 percent, indicating an alleviation of the region's current housing shortage over this future period.

SCAG's growth forecast for the years 2020-2030 is used as the basis for calculating projected housing unit need. Because the 6th cycle RHNA projection period covers July 1, 2021 through October 15, 2029, it is necessary to adjust reported household growth between 2020 and 2030 and adjust it to an 8.25 year projection period. The anticipated growth in households over this period is multiplied by 0.825 to approximate growth during the 8.25-year RHNA projection period (July 1, 2021 to October 15, 2029).

Step 1b: Future Vacancy Need

The purpose of a future vacancy need is to ensure that there are enough vacant units to support a healthy housing market that can genuinely accommodate projected household growth. An undersupply of vacant units can prevent new households from forming or moving into a jurisdiction. Formulaically, future vacancy need is a percentage applied to the jurisdiction's household growth by tenure type (owner and renter households). While individual jurisdictions may experience different vacancy rates at different points in time, future vacancy need is independent of existing conditions and instead is a minimum need to support household growth.

To calculate a jurisdiction's future vacancy need, its proportion of owner-occupied units and renter-occupied units are determined using American Community Survey (ACS) 2013-2017 data—the most recent available at the time of the draft methodology's development. The percentages are applied to the jurisdiction's projected household growth from the previous step, which results in the number of projected households that are predicted to be owners and those that are predicted to be renters.

Next, two different vacancy rates are applied based on the regional determination provided by HCD. The recommended methodology uses 1.5 percent for owner-occupied units and a rate of 5 percent for renter-occupied units. The difference is due to the higher rates of turnover generally reported by renter units in comparison to owner-occupied units. The vacancy rates are applied to their respective tenure category to determine how many future vacant units are needed by tenure and then added together to get the total future vacancy need.

Step 1c: Replacement Need

Residential units are demolished for a variety of reasons including natural disasters, fire, or desire to construct entirely new residences. Each time a unit is demolished, a household is displaced and disrupts the jurisdiction's pattern of projected household growth. The household may choose to live in a vacant unit or leave the jurisdiction, of which both scenarios result in negative household growth through the loss of a vacant unit for a new household or subtracting from the jurisdiction's number of households.

For these reasons, replacement need is a required component of the regional determination provided by HCD. The methodology's replacement need will be calculated using a jurisdiction's net replacement need based on data submitted for the replacement need survey, which was conducted between March and April 2019.

Each jurisdiction's data on historical demolitions between reporting years 2008 and 2018, which was collected from the California Department of Finance (DOF), was tabulated and provided to

jurisdictions in the replacement need survey. Jurisdictions were asked to provide data on units that replaced the reported demolished units. A net replacement need was determined based on this information for each jurisdiction.

After determining each of the projected housing need components, they are combined to determine a jurisdiction's projected housing need.

Step 2: Determine Existing Housing Need

After determining a jurisdiction's projected need, the next step is to determine a jurisdiction's existing need. Following the above discussion and based on HCD's determination of total regional housing need, existing need is defined as the total need minus the projected need—approximately 62 percent of the entire regional determination. SCAG's Regional Council determined that the regional existing need be split into two parts:

- Fifty (50) percent on population near transit (HQTA), or 31 percent of total need
- Fifty (50) percent on job accessibility, or 31 percent of total need

Regional Existing Need



Step 2a: Share of Regional HQTA Population

The next step involves the consideration of proximity to transit to distribute fifty (50) percent of the region's existing housing need, in an effort to better align transportation and housing planning.

For several years, SCAG has developed a measure called High Quality Transit Areas (HQTAs) which are areas within a half-mile of transit stations and corridors with at least a fifteen (15) minute headway during peak hours for bus service. HQTAs are based on state statutory definitions of high-quality transit corridors (HQTCS) and major transit stops. For the development of Connect SoCal, freeway-running HQTCS have been excluded from HQTAs to better reflect the level of service they provide to nearby areas.

Planned HQTCS and major transit stops for future years are improvements that are expected to be implemented by transit agencies by the Connect SoCal horizon year of 2045. SCAG updates its inventory with the quadrennial adoption of each RTP/SCS; however, planning and environmental

impact studies may be completed by transit agencies more frequently. Therefore, HQTAs in future years reflect the best information currently available to SCAG regarding the location of future high-quality transit service accessibility. More detailed information on HQTA-related definitions is available in the data appendix.

50 percent of the regional existing housing need will be distributed based on a jurisdiction's share of regional residential population within an HQTA, based on the HQTA boundaries used in the final Connect SoCal Plan anticipated to be adopted by SCAG in April 2020. Not all jurisdictions have an HQTA within their jurisdictional boundaries and thus may not receive existing need based on this factor.

Step 2b: Job Accessibility

The concept behind job accessibility is to further the statewide housing objective and SCAG's Connect SoCal objective of improving the relationship between jobs and housing. While none of the three options presented in the proposed RHNA methodology included a factor directly based on job accessibility, an overwhelming number of public comments expressed support for the methodology to include this specific component.

The methodology assigns fifty (50) percent of regional existing need based on job accessibility. Job accessibility is based on the share of the region's jobs accessible by a thirty (30) minute commute by car in 2045. Importantly, the RHNA methodology's job access factor is *not* based on the number of jobs within a jurisdiction from SCAG's Connect SoCal Plan or any other data source. Rather, it is a measure based on how many jobs can be *accessed* from that jurisdiction within a 30-minute commute, which includes jobs in other jurisdictions. Since over 80 percent of SCAG region workers live and work in different jurisdictions, genuinely improving the relationship between jobs and housing necessitates an approach based on job access rather than the number of jobs in a jurisdiction.

These job accessibility data are derived at the transportation analysis zone (TAZ) level from travel demand modelling output from SCAG's final Connect SoCal Plan. SCAG realizes that in many jurisdictions, especially larger ones, job access may not be uniform in all parts of the city or county. However, since the RHNA process requires allocating housing need at the jurisdictional-level, staff reviewed several ways to measure the typical commuter's experience in each jurisdiction. Ultimately, the share of the region's jobs that could be accessed by a jurisdiction's *median TAZ* was found to be the best available measure of job accessibility for that jurisdiction. Based on this measure, in central parts of the region, residents of some jurisdictions can access as much as 23 percent of the region's jobs in a 30 minute car commute, while the average across all the region's jurisdictions was 10.5 percent.

This measure is multiplied by a jurisdiction's share of total population in order to allocate housing unit need to jurisdictions. This important step ensures that the potential beneficiaries of greater accessibility (i.e., the population in a jurisdiction with good job access) are captured in the methodology. Based on this approach, jurisdictions with limited accessibility to jobs will receive a smaller RHNA allocation based on this component.

Step 2c: "Residual" Adjustment Factor for Existing Need

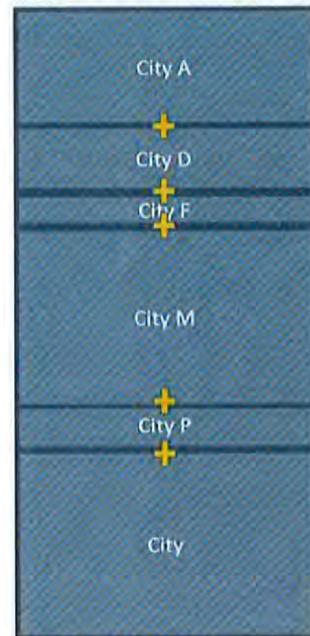
In many jurisdictions defined as “disadvantaged communities (DACs)”, the calculated projected and existing need is higher than its household growth between 2020 and 2045, as determined by the SCAG Growth Forecast used in the final Connect SoCal regional plan. Those DAC jurisdictions that have a need as determined by the RHNA methodology as higher than its 2020 to 2045 household growth³ will be considered as generating “residual” existing need. Residual need will be subtracted from jurisdictional need in these cases so that the maximum a DAC jurisdiction will receive for existing need is equivalent to its 2020 to 2045 household growth. Not all DAC jurisdictions will have a residual existing need.

Extremely Disadvantaged Communities:

City A calculated projected +existing need



County “residual” existing need



A county total of residual existing need will be calculated and then redistributed with the same county to non-DAC jurisdictions. The redistribution will be assigned to jurisdictions based on transit accessibility (50%) and job accessibility (50%), and will exclude DAC jurisdictions which have over 50% of their populations in very low resource areas using California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Indices.

Very low resource areas are areas that have least access to opportunity as measured by indicators such as poverty levels, low wage job proximity, math and reading proficiency, and pollution levels. This mechanism will help to further AFFH objectives since residual existing RHNA need, which includes additional affordable units, will be assigned to areas that are not identified as those with the

³ Since HCD’s regional determination of 1,341,827 exceeds SCAG’s 2020-2045 household growth forecast of 1,297,000 by 3.68 percent, for the purposes of existing need allocation, exceeding “local input” or “Connect SoCal” household growth shall mean exceeding 1.0368 times household growth.

lowest resources, which will increase access to opportunity. A full discussion on the TCAC opportunity indicators is provided in the following section on social equity adjustment. Data relating to the TCAC opportunity indicator categories for each jurisdiction can be found in the RHNA methodology data appendix and in the accompanying RHNA allocation estimator tool on the RHNA webpage: www.scag.ca.gov/rhna.

Step 3: Determining Total Housing Need

After determining a jurisdiction's projected housing need from step 1 and its existing housing need from step 2, the sum of the projected and existing need becomes a jurisdiction's total housing need.



Step 4: Determining Four Income Categories through Social Equity Adjustment

After determining a jurisdiction's total RHNA allocation, the next step is to assign the total into four RHNA income categories. The four RHNA income categories are:

- Very low (50 percent or less of the county median income);
- Low (50-80 percent);
- Moderate (80 to 120 percent); and
- Above moderate (120 percent and above)

The fourth RHNA objective specifically requires that the RHNA methodology allocate a lower proportion of housing need in jurisdictions that already have a disproportionately high concentration of those households in comparison to the county distribution. Additionally, the fifth objective, affirmatively furthering fair housing (AFFH), requires that the RHNA methodology further the objectives of addressing significant disparities in housing needs and access to opportunity in order to overcome patterns of segregation.

To further these two objectives, the RHNA methodology includes a minimum 150 percent social equity adjustment and an additional 10 to 30 percent added in areas with significant populations that are defined as very low or very high resource areas, referred to as an AFFH adjustment. This determines the distribution of four income categories for each jurisdiction.

Social equity adjustment



A social equity adjustment ensures that jurisdictions accommodate their fair share of each income category. First, the percentage of each jurisdiction's distribution of four income categories is determined using the county median income as a benchmark. For example, in Los Angeles County, a household earning less than \$30,552 annually, or 50 percent of the county median income, would be considered a very low income household. A household in Los Angeles County earning more than \$73,218 annually, or 120 percent of the county median income, would be counted in the above moderate category. The number of households in each category is summed and then a percentage of each category is then calculated.

For reference, below is the median household income by county.

- Imperial County: \$44,779
- Los Angeles County: \$61,015
- Orange County: \$81,851
- Riverside County: \$60,807
- San Bernardino County: \$57,156
- Ventura County: \$81,972
- SCAG region: \$64,114

Source: American Community Survey (ACS) 2013-2017 5-year estimates

Once a jurisdiction's household income distribution by category is determined, the percentage is compared to the county's percentage of existing household income distribution. For example, if a jurisdiction has an existing distribution of 30 percent of very low income households while the county is 25 percent, the jurisdiction is considered as having an overconcentration of very low income households compared to the county. A social equity adjustment ensures that the jurisdiction will be assigned a smaller percentage of very low income households for its RHNA allocation than both what it and the county currently experience.

If the jurisdiction is assigned a social equity adjustment of 150 percent, the formula to calculate its very low income percentage is:

Household Income Level	Formula to Calculate City A Social Equity Adjustment of 150%
Very Low Income	$30\% - [(30\% - 25\%) \times 1.5] = 22.5\%$

In this example, 22.5 percent of the jurisdiction's total RHNA allocation would be assigned to the very low income category. This adjustment is lower than both its existing household income distribution (30 percent) and the existing county distribution (25 percent).

The inverse occurs in higher income categories. Assuming 20 percent of a jurisdiction's households are above moderate income while 25 percent of the county's households are above moderate income, the jurisdiction will be assigned a distribution of 27.5 percent for above moderate income need.

Household Income Level	Formula to Calculate City A Social Equity Adjustment of 150%
Above moderate income	$20\% - [(20\% - 25\%) \times 1.5] = 27.5\%$

If the adjustment was 100 percent a jurisdiction’s distribution would be exactly the same as the County’s distribution. Conceptually a 150 percent adjustment means that the City meets the County distribution and goes beyond that threshold by 50 percent, resulting in a higher or lower distribution than the County depending on what existing conditions are in the City. The higher the adjustment, the more noticeable the difference between the jurisdiction’s existing household income distribution and its revised distribution.

The RHNA methodology recommends a minimum of 150 percent social equity adjustment with an additional 10, 20, or 30 percent added depending on whether the jurisdiction is considered a very low or very high resource area based on its Opportunity Index score.

In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of “Opportunity Indices” to help states and localities identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act. In late 2017, a Task Force convened by HCD and the California Tax Credit Allocation Committee (TCAC) released an “Opportunity mapping” tool based on these HUD indices to identify areas in California that can “offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.”⁴

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. The indices are based on measures of economic, environmental, and educational opportunities within communities. Regional patterns of segregation are also identified based on this tool. Below is a summary table of the 11 indices sorted by type:

Economic	Environment	Education
Poverty	CalEnviroScreen 3.0 indicators	Math proficiency
Adult education		Reading proficiency
Employment		High school graduation rates
Low-wage job proximity		Student poverty rate
Median home value		<ul style="list-style-type: none"> • <i>Ozone</i> • <i>PM2.5</i> • <i>Diesel PM</i> • <i>Drinking water contaminates</i> • <i>Pesticides</i> • <i>Toxic releases from facilities</i> • <i>Traffic density</i> • <i>Cleanup sites</i> • <i>Groundwater threats</i> • <i>Hazardous waste</i> • <i>Impaired water bodies</i> • <i>Solid waste sites</i>

⁴ California Fair Housing Taskforce Revised opportunity Mapping Technology, Updated November 27, 2018: <https://www.treasurer.ca.gov/ctcac/opportunity/final-opportunity-mapping-methodology.pdf>

Based on its respective access to opportunity, each census tract is given a score that designates it under one of the following categories:

- High segregation & poverty
- Low resource
- Moderate resource
- High resource
- Highest resource

Tract-level indices were summed to the jurisdictional-level by SCAG using area-weighted interpolation. Using 2013-2017 American Community Survey population data, SCAG determined the share of each jurisdiction’s population in each of these five categories. For example:

	Lowest Resource				Very High Resource
Opportunity Indicator Category	High segregation & poverty	Low resource	Moderate resource	High resource	Highest resource
City A Percentage of population	10%	10%	30%	30%	20%
City B Percentage of population	90%	5%	5%	0%	0%
City C Percentage of population	0%	0%	10%	15%	75%

The recommended methodology determines high resource concentration using the “very high” resource area score. The recommended methodology determines “lowest” resource areas by combining the two lowest measures. In the above table, City B would be considered to have a much higher concentration of lower resource areas than City A. City C would be considered to have a much higher concentration of highest resource areas.⁵

- High segregation & Poverty + Low Resource = Lowest Resource
- Highest Resource

Jurisdictions that are identified as having between 70 and 100 percent of the population within a lowest or very high resource area are assigned an additional 10 and 30 percent social equity adjustment:

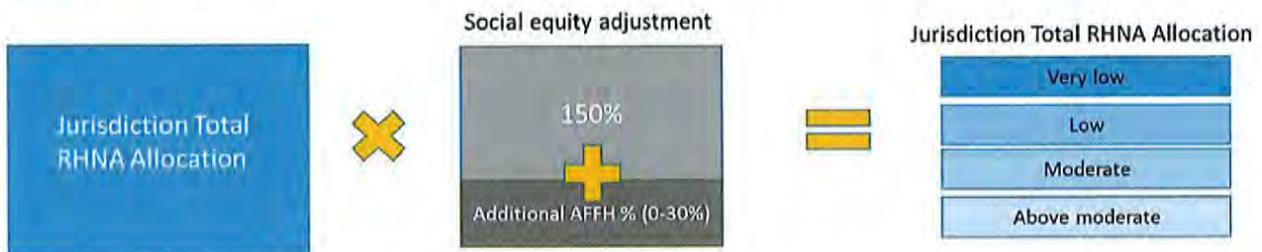
⁵ As a cross-reference, if City B has both a high job and transit accessibility it would be exempt from the redistribution of residual existing need from the RHNA methodology’s Step 2d because more than 50 percent of its population is within a very low resource area. On the other hand City A and City C, if they have a high job and transit access, would not be exempt from receiving regional residual need because they have only 20 percent and 0 percent of their respective population within a very low resource area.

Concentration of population within very low or very high resource area	Additional social equity adjustment
70-80%	+10%
80-90%	+20%
90-100%	+30%

In the example table, City B would receive an additional social equity adjustment of 30% because 95% of its population is within a lowest resource area (sum of high segregation & poverty and low resource measures). City C would receive an additional social equity adjustment of 10% because 75% of its population is within a very high resource area. City A would not receive a further adjustment because it does not have a high enough concentration of population within either the lowest or very high resource categories.

Assigning a higher social equity adjustment based on Opportunity Indices will result in a higher percentage of affordable housing units to areas that have higher resources. Concurrently, it will assign a lower percentage of affordable housing in areas where they are already an overconcentration. Because Opportunity Indices consider factors such as access to lower wage jobs, poverty rates, and school proficiency, the social equity adjustment in the RHNA methodology will result in factors beyond simply household income distribution. This additional adjustment will help to adjust the disparity in access to fair housing across the region, furthering the AFFH objective required in State housing law.

Once the social equity adjustment is determined, it is used to assign need to the four income categories.



Final Adjustments

On a regional level the final RHNA allocation plan must be the same as the regional determination, by income category, provided by HCD. The final RHNA methodology will result in slight differences, among income categories, since income categories are required to use county distributions as benchmarks and the HCD determination does not include county-level benchmarks. For this reason, after the initial income categories are determined for jurisdictions, SCAG will apply a normalization adjustment to the draft fsRHNA allocation to ensure that the regional total by income category is maintained.

Additionally, in the event that a jurisdiction receives an allocation of zero (0) units under the RHNA methodology a minimum RHNA allocation of eight (8) units would be assigned. Government Code Section 65584.04(m)(2) requires that the final RHNA allocation plan ensure that each jurisdiction receive an allocation of units for low- and very low income households. Under these circumstances, SCAG will assign those jurisdictions a minimum of four (4) units in the very low income category and four (4) units in the low income category for a draft RHNA allocation of eight (8) units.

Meeting the Objectives of RHNA

Government Code Section 65584.04(a) requires that the RHNA methodology furthers the five objectives of the Regional Housing Needs Assessment:

- (1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households.
- (2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.
- (3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.
- (4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.
- (5) Affirmatively furthering fair housing.
 - (e) For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

On January 13, 2020, HCD completed its review of SCAG's draft RHNA methodology and found that it furthers the five statutory objectives of RHNA.

Local Planning Factors

As part of the development of the proposed RHNA methodology, SCAG must conduct a survey of planning factors that identify local conditions and explain how each of the listed factors are incorporated into the RHNA methodology. This survey, also known as the "Local Planning Factor" survey, is a specific requirement for the RHNA methodology process and is separate from the local review process of the Growth Forecast used as the basis for determining future growth in the Connect SoCal plan.

The survey was distributed to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019. One-hundred and nine (109) jurisdictions, or approximately 55%, submitted a response to the local planning factor survey. To facilitate the conversation about local planning factors, between October 2017 and October 2018 SCAG included these factors as part of the local input survey and surveyed a binary yes/no as to whether these factors impacted jurisdictions. The formal local planning factor survey was pre-populated with the pre-survey answers to help facilitate survey response. The full packet of local planning factor surveys can be downloaded at www.scag.ca.gov/rhna.

SCAG staff reviewed each of the submitted surveys to analyze planning factors opportunities and constraints across the region. The collected information was used to ensure that the methodology will equitably distribute housing need and that underlying challenges as a region are collectively addressed.

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate, based on readily available data, of the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate, based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

The RHNA methodology directly considers job accessibility and determines a portion of housing need for each jurisdiction based on this factor. Using transportation analysis zones as a basis, the percentage of jobs accessible within a 30 minute drive for a jurisdiction's population is determined and then weighted based on the jurisdiction's population size to determine individual shares of regional jobs accessible. Based on a review of other potential mechanisms to factor in jobs into the RHNA methodology, SCAG staff has determined that this mechanism most closely aligns with the goals of State housing law.

A supplemental analysis of the impact of the draft RHNA methodology's impact on jobs-housing relationships and low-wage jobs-housing relationships was provided to the Regional Council on February 5, 2020.

- (2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:*
- (A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.*
 - (B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.*
 - (C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses.*
 - (D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses.*

Consideration of the above planning factors have been incorporated into the Growth Forecast process and results by way of analysis of aerial land use data, general plan, parcel level property data, open space, agricultural land and resource areas, and forecast surveys distributed to local jurisdictions. The bottom-up Local Input and Envisioning Process, which is used as the basis for both RHNA and SCAG's Connect SoCal (Regional Transportation Plan/Sustainable Communities Strategy) started with an extensive outreach effort involving all local jurisdictions regarding their land use and development constraints. All local jurisdictions were invited to provide SCAG their respective growth perspective and input. The RHNA methodology directly incorporates local input on projected household growth, which should be a direct reflection of local planning factors such as lack of water or sewer capacity, FEMA-designated flood sites, and open space and agricultural land protection.

Prior RHNA cycles did not promote direct linkage to transit proximity and the methodology encourages more efficient land use patterns by utilizing existing as well as future planned transportation infrastructure and preserves areas designated as open space and agricultural

lands. In particular the inclusion of transit proximity places an increased emphasis on infill opportunities and areas that are more likely to support higher residential densities.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

As indicated above, the Growth Forecast used as the basis for the Connect SoCal Plan is also used as the basis for projected household growth in the RHNA methodology. The weighting of a jurisdiction's population share within an HQTAs directly maximizes the use of public transportation and existing transportation infrastructure.

(4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county, and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.

This planning factor has been identified through the local input process and local planning factor survey collection as affecting growth within Ventura County. The urban growth boundary, known as Save Our Agricultural Resources (SOAR), is an agreement between the County of Ventura and its incorporated cities to direct growth toward incorporated areas, and was recently extended to 2050. Based on the input collected, SCAG staff has concluded that this factor is already reflected in the RHNA methodology since it was considered and incorporated into the local input submitted by jurisdictions.

(5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583 that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

The conversion of low income units into non-low income units is not explicitly addressed through the distribution of existing and projected housing need. Staff has provided statistics in the RHNA methodology appendix on the potential loss of units in assisted housing developments. The loss of such units affects the proportion of affordable housing needed within a community and the region as a whole.

Local planning factor survey responses indicate that the impact of this factor is not regionally uniform. Many jurisdictions that replied some units are at-risk for losing their affordability status in the near future have indicated that they are currently reviewing and developing local resources to address the potential loss. Based on this, SCAG staff has determined that at-risk units are best addressed through providing data on these units as part of the RHNA methodology and giving local jurisdictions the discretion to address this factor and adequately plan for any at-risk unit loss in preparing their housing elements.

(6)The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

An evaluation of survey responses reveals that cost-burdened households, or those who pay at least 30 percent of their household income on housing costs, is a prevalent problem throughout the region. The RHNA methodology also includes in its appendix data from the ACS 2013-2017 on cost-burdened statistics for households who pay more than 30 percent of their income on housing by owner and renter, and for renter households who pay 50 percent or more of their income on housing. The general trend is seen in both high and low income communities, suggesting that in most of the SCAG region high housing costs are a problem for all income levels.

Nonetheless a large number of jurisdictions indicated in the survey that overpaying for housing costs disproportionately impacts lower income households in comparison to higher income households. This issue is exacerbated in areas where there is not enough affordable housing available, particularly in higher income areas. For this reason, the RHNA methodology incorporates not only a 150 percent social equity adjustment, but also uses the TCAC Opportunity Indices to distribute the RHNA allocation into the four income categories in areas identified as being the highest resource areas of the region. The Opportunity Indices include a proximity to jobs indicator, particularly for low-wage jobs, which identifies areas with a high geographical mismatch between low wage jobs and affordable housing. Increasing affordable housing supply in these areas can help alleviate cost-burden experienced by local lower income households because more affordable options will be available.

The reason for using social equity adjustment and opportunity indices to address cost-burden households rather than assigning total need is because it is impossible to determine through the methodology how and why the cost-burden is occurring in a particular jurisdiction. Cost-burden is a symptom of housing need and not its cause. A jurisdiction might permit a high number of units but still experiences cost-burden because other jurisdictions restrict residential permitting. Or, a jurisdiction might have a large number of owner-occupied housing units that command premium pricing, causing cost-burden for high income households and especially on lower income households due to high rents from high land costs. An analysis of existing need indicators by jurisdiction, which is part of the RHNA methodology data appendix, does not reveal a single strong trend to base a distribution methodology for cost-burden and thus the RHNA methodology distributes this existing need indicator regionally using social equity adjustment and Opportunity Indices rather than to where the indicators exist.

(7)The rate of overcrowding.

An evaluation of survey responses indicates that there is a variety of trends in overcrowding throughout the region. Overcrowding is defined as more than 1.01 persons per room (not bedroom) in a housing unit. Some jurisdictions have responded that overcrowding is a severe issue, particularly for lower income and/or renter households, while others have

responded that overcrowding is not an issue at all. At the regional determination level HCD applied an overcrowding component, which is a new requirement for the 6th RHNA cycle. Because

Similar to cost-burden, overcrowding is caused by an accumulated housing supply deficit and is considered an indicator of existing housing need. The reason for not assigning need directly based on this indicator is because it is impossible to determine through the methodology how and why the overcrowding is occurring in a particular jurisdiction. A jurisdiction that has an overcrowding rate higher than the regional average might be issuing more residential permits than the regional average while the surrounding jurisdictions might not have overcrowding issues but issue fewer permits than the regional average. An analysis of existing need indicators by jurisdiction, which is part of the RHNA methodology data appendix, does not reveal a single strong trend to base a distribution methodology for overcrowding and thus the methodology distributes this existing need indicator regionally rather than to where the indicators exist.

While not specifically surveyed, several jurisdictions have indicated that density has affected their jurisdictions and have requested that the methodology should consider this as a factor. While density is not directly addressed as a factor, the social equity adjustment indirectly addresses density particularly for lower income jurisdictions. In housing elements, jurisdictions most demonstrate that a site is affordable for lower income households by applying a "default density", defined in State housing law as either 20 or 30 dwelling units per acre depending on geography and population. In other words, a site that is zoned at 30 dwelling units per acre is automatically considered as meeting the zoning need for a low income household.

However there is not a corresponding default density for above moderate income zoning. Assigning a lower percentage of lower income households than existing conditions indirectly reduces future density since the jurisdiction can zone at lower densities if it so chooses. While this result does not apply to higher income jurisdictions, directing growth toward less dense areas for the explicit purpose of reducing density is in direct contradiction to the objectives of state housing law, especially for promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development pattern.

(8)The housing needs of farmworkers.

The RHNA methodology appendix provides data on agricultural jobs by jurisdiction as well as workers by place of residence. The survey responses indicate that most jurisdictions do not have agricultural land or only have small agricultural operations that do not necessarily require designated farmworker housing. For the geographically concentrated areas that do have farmworker housing, responses indicate that many jurisdictions already permit or are working to allow farmworker housing by-right in the same manner as other agricultural uses are allowed. Jurisdictions that are affected by the housing needs of farmworkers can be assumed to have considered this local factor when submitting feedback on SCAG's Growth

Forecast. A number of jurisdictions reiterated their approach in the local planning factor survey response.

Similar to at-risk units, the RHNA methodology does not include a distribution mechanism to distribute farmworker housing. However, SCAG has provided data in its RHNA methodology appendix related to this factor and encourages local jurisdictions to adequately plan for this need in their housing elements.

(9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

SCAG staff has prepared a map outlining the location of four-year private and public universities in the SCAG region along with enrollment numbers from the California School Campus Database (2018). Based on an evaluation of survey responses that indicated a presence of a university within their boundaries, SCAG staff concludes that most housing needs related to university enrollment are addressed and met by dormitories provided by the institution both on- and off-campus. No jurisdiction expressed concern in the surveys about student housing needs due to the presence of a university within their jurisdiction.

However, some jurisdictions have indicated outside of the survey that off-campus student housing is an important issue within their jurisdictions and are in dialogue with HCD to determine how this type of housing can be integrated into their local housing elements. Because this circumstance applies to only a handful of jurisdictions, it is recommended that housing needs generated by a public or private university be addressed in the jurisdiction's housing element if it is applicable.

(10) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

Replacement need, defined as units that have been demolished but not yet replaced, are included as a component of projected housing need in the RHNA methodology. To determine this number, HCD reviewed historical demolition permit data between 2008 and 2017 (reporting years 2009 and 2018) as reported by the California Department of Finance (DOF), and assigned SCAG a regional replacement need of 0.5% of projected and existing need, or 34,010 units.

There have been several states of emergency declared for fires in the SCAG region that have destroyed residential units, as indicated by several jurisdictions in their local planning factor survey responses. Survey responses indicate that a total of 1,785 units have been lost regionally from fires occurring after January 1, 2018. Units lost from fires that occurred prior to January 1, 2018, have already been counted in the replacement need for the 6th RHNA cycle.

In spring 2019, SCAG conducted a replacement need survey with jurisdictions to determine units that have been replaced on the site of demolished units reported. Region wide 23,545 of the region's demolished units still needed to be replaced based on survey results. The sum of the number of units needing to be replaced based on the replacement need survey and the number of units reported as lost due to recent states of emergency, or 25,330, is lower than HCD's regional determination of replacement need of 34,010. One can reasonably conclude that units lost based on this planning factor are already included in the regional total and distributed, and thus an extra mechanism to distribute RHNA based on this factor is not necessary to meet the loss of units.

(11)The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

An assessment of survey responses indicate that a number of jurisdictions in the SCAG region are developing efforts for more efficient land use patterns and zoning that would result in greenhouse gas emissions. These include a mix of high-density housing types, neighborhood based mixed-use zoning, climate action plans, and other local efforts to reduce greenhouse gas emissions at the regional level.

The RHNA methodology includes a distribution of 50 percent of regional existing need based on a jurisdiction's share of regional population within an HQT. The linkage between housing planning and transportation planning will allow for a better alignment between the RHNA allocation plan and the Connect SoCal RTP/SCS. It will promote more efficient development land use patterns, encourage transit use, and importantly reduce greenhouse gas emissions. This will in turn support local efforts already underway to support the reduction of regional greenhouse gas emissions.

Moreover the RHNA methodology includes the Growth Forecast reviewed with local input as a distribution component, particularly for projected housing need. Local input is a basis for SCAG's Connect SoCal Plan, which addresses greenhouse gas emissions at the regional level since it is used to reach the State Air Resources Board regional targets. An analysis of the consistency between the RHNA and Connect SoCal Plan is included as an attachment to this document.

(12)Any other factors adopted by the council of governments that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.

No other planning factors were adopted by SCAG to review as a specific local planning factor.

Affirmatively Furthering Fair Housing (AFFH)

Among a number of changes due to recent RHNA legislation is the inclusion of affirmatively furthering fair housing (AFFH) as both an addition to the listed State housing objectives of Government Section 65588 and to the requirements of RHNA methodology as listed in Government Code Section 65584.04(b) and (c), which includes surveying jurisdictions on AFFH issues and strategies and developing a regional analysis of findings from the survey.

AFFH Survey

The AFFH survey accompanied the required local planning factor survey and was sent to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019. Ninety (90) of SCAG's 197 jurisdictions completed the AFFH survey, though some jurisdictions indicated that they would not be submitting the AFFH survey due to various reasons. The full packet of surveys submitted prior to the development of the proposed methodology packet can be downloaded at www.scag.ca.gov/rhna.

Jurisdictions were asked various questions regarding fair housing issues, strategies and actions. These questions included:

- Describe demographic trends and patterns in your jurisdiction over the past ten years. Do any groups experience disproportionate housing needs?
- To what extent do the following factors impact your jurisdiction by contributing to segregated housing patterns or racially or ethnically-concentrated areas of poverty?
- To what extent do the following acts as determinants for fair housing and compliance issues in your jurisdiction?
- What are your public outreach strategies to reach disadvantaged communities?
- What steps has your jurisdiction undertaken to overcome historical patterns of segregation or remove barriers to equal housing opportunity?

The survey questions were based on the U.S. Department of Housing and Urban Development (HUD) Analysis of Impediments to Fair Housing Choice survey that each jurisdiction, or their designated local Housing Authority, must submit to HUD to receive Community Development Block Grant (CDBG) funds. For the AFFH survey, jurisdictions were encouraged to review their HUD-submitted surveys to obtain data and information that would be useful for submitting the AFFH survey.

Pursuant to Government Code Section 65584.04(c), the following is an analysis of the survey results.

Themes

Several demographic themes emerged throughout the SCAG region based on submitted AFFH surveys. A high number of jurisdictions indicated that their senior populations are increasing and many indicated that the fixed income typically associated with senior populations might have an effect on housing affordability. Other jurisdictions have experienced an increase in minority populations, especially among Latino and Asian groups. There is also a trend of the loss of young adults (typically younger than 30) and a decrease in the number of families with children in more suburban locations due to the rise in housing costs.

Barriers

There was a wide variety of barriers reported in the AFFH survey, though a number of jurisdictions indicated they did not have any reportable barriers to fair access to housing. Throughout the SCAG region, communities of all types reported that community opposition to all types of housing was an impediment to housing development. Sometimes the opposition occurred in existing low income and minority areas. Some jurisdictions indicated that high opportunity resource areas currently do not have a lot of affordable housing or Section 8 voucher units while at the same time, these areas have a fundamental misunderstanding of who affordable housing serves and what affordable housing buildings actually look like. Based on these responses, it appears that community opposition to housing, especially affordable housing and the associated stigma with affordable housing, is a prevalent barrier throughout the SCAG region.

Other barriers to access to fair housing are caused by high land and development costs since they contribute to very few affordable housing projects being proposed in higher opportunity areas. The high cost of housing also limits access to fair housing and is a significant contributing factor to disparities in access to opportunity. Increasing property values were reported across the region and some jurisdictions indicated that they are occurring in existing affordable neighborhoods and can contribute to gentrification and displacement. Additionally, during the economic downturn a large number of Black and Latino homeowners were disproportionately impacted by predatory lending practices and therefore entered foreclosure in higher numbers than other populations.

Other barriers reported in the AFFH survey include the lack of funding available to develop housing after the dissolution of redevelopment agencies in 2012. Moreover, some jurisdictions indicated that the lack of regional cooperation contributes to segregation.

Strategies to Overcome Barriers

All submitted AFFH surveys indicated that their respective jurisdictions employed at least a few strategies to overcome barriers to access fair housing. These strategies ranged from local planning and zoning tools to funding assistance to innovative outreach strategies.

In regard to planning and zoning tools, a number of jurisdictions indicated they have adopted inclusionary zoning ordinances or an in-lieu fee to increase the number of affordable units within their jurisdictions. Others have adopted an accessory dwelling unit (ADU) ordinance with accommodating standards to allow for higher densities in existing single-family zone neighborhoods. A few jurisdictions indicated that they have adopted an unpermitted dwelling unit (UDU) ordinance, which legalizes unpermitted units instead of removing them provided that the units meet health and safety codes. In addition to ADU and UDU ordinances, some jurisdictions have also adopted density bonuses, which allow a project to exceed existing density standards if it meets certain affordability requirements. Some responses in the survey indicate that the establishment of some of these tools and standards have reduced community opposition to projects. In addition, some jurisdictions responded that they have reduced review times for residential permit approvals and reduced or waived fees associated with affordable housing development.

To combat gentrification and displacement, some jurisdictions have established rent-stabilization ordinances while others have established a rent registry so that the jurisdiction can monitor rents

and landlord practices. Some jurisdictions have adopted relocation plans and others are actively seeking to extend affordability covenants for those that are expiring.

In regard to funding, SCAG jurisdictions provide a wide variety of support to increase the supply of affordable housing and increase access to fair housing. A number of jurisdictions provide citywide rental assistance programs for low income households and some indicated that their programs include favorable home purchasing options. Some of these programs also encourage developers to utilize the local first-time homebuyer assistance program to specifically qualify lower income applicants.

Other jurisdictions indicate that they manage housing improvement programs to ensure that their existing affordable housing stock is well maintained. Some AFFH surveys describe local multiple rental assistance programs, including Section 8 Housing Choice vouchers and financial support of tenant/landlord arbitration or mediation services.

Some jurisdictions indicated that they have focused on mobile homes as a way to increase access to fair housing. There are programs described that assist households that live in dilapidated and unsafe mobile homes in unpermitted mobile home parks by allowing the household to trade in their mobile home in exchange for a new one in a permitted mobile park. Other programs include rental assistance specifically for households who live in mobile homes.

In regard to community outreach, a large number of jurisdictions in the SCAG region have established or are seeking to establish innovative partnerships to increase access to fair housing and reduce existing barriers. Many jurisdictions work with fair housing advocacy groups such as the Housing Rights Center, which provide community workshops, counseling, and tenant-landlord mediation services. Other jurisdictions have established landlord-tenant commissions to resolve housing disputes and provide services to individuals with limited resources. Some jurisdictions have partnered with advocacy groups, such as the League of United Latin American Citizens (LULAC), to hold community-based workshops featuring simultaneous multi-lingual translations. Other innovative partnerships created by jurisdictions include those with local schools and school districts and public health institutions to engage disadvantaged groups and provide services to areas with limited resources.

A large number of jurisdictions have also indicated that they have increased their social media presence to reach more communities. Others have also increased their multi-lingual outreach efforts to ensure that limited-English proficiency populations have the opportunity to engage in local fair housing efforts.

Based on the AFFH surveys submitted by jurisdictions, while there is a wide range of barriers to fair housing opportunities in the SCAG region there is also a wide range of strategies to help overcome these barriers at the local level.

Meeting AFFH Objectives on a Regional Basis

To work towards the objective of AFFH, several benchmarks were reviewed as potential indicators of increasing access to fair housing and removing barriers that led to historical segregation patterns.

Opportunity Indices

The objectives of affirmatively furthering fair housing are to not only overcome patterns of segregation, but to also increase access to opportunity for historically marginalized groups, particularly in racially and ethnically concentrated areas of poverty. In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act.

In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act. In late 2017, a Task Force convened by HCD and the California Tax Credit Allocation Committee (TCAC) released an “Opportunity mapping” tool based on these HUD indices to identify areas in California that can “offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.”

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. Regional patterns of segregation can be identified based on this tool. The indices are based on indicators such as poverty levels, low wage job proximity, pollution, math and reading proficiency. Below is a summary table of the 11 indices sorted by type:

Economic	Environment	Education
Poverty	CalEnviroScreen 3.0 indicators <ul style="list-style-type: none"> • <i>Ozone</i> • <i>PM2.5</i> • <i>Diesel PM</i> • <i>Drinking water contaminates</i> • <i>Pesticides</i> • <i>Toxic releases from facilities</i> • <i>Traffic density</i> • <i>Cleanup sites</i> • <i>Groundwater threats</i> • <i>Hazardous waste</i> • <i>Impaired water bodies</i> • <i>Solid waste sites</i> 	Math proficiency
Adult education		Reading proficiency
Employment		High school graduation rates
Low-wage job proximity		Student poverty rate
Median home value		

To further the objectives of AFFH, SCAG utilizes the Opportunity indices tool at multiple points in the RHNA methodology. Jurisdictions that have the highest concentration of population in low resource areas are exempted from receiving regional residual existing need, which will result in fewer units

assigned to areas identified as having high rates of poverty and racial segregation. Additionally, jurisdictions with the highest concentration of population within highest resource areas will receive a higher social equity adjustment, which will result in more access to opportunity for lower income households.

Public Engagement

The development of a comprehensive RHNA methodology requires comprehensive public engagement. Government Code Section 65584.04(d) requires at least one public hearing to receive oral and written comments on the proposed methodology, and also requires SCAG to distribute the proposed methodology to all jurisdictions and requesting stakeholders, along with publishing the proposed methodology on the SCAG website. The official public comment period on the proposed RHNA methodology began on August 1, 2019 after Regional Council action and concluded on September 13, 2019.

To maximize public engagement opportunities, SCAG staff hosted four public workshops to receive verbal and written comment on the proposed RHNA methodology and an additional public information session in August 2019:

- August 15, 6-8 p.m. Public Workshop, Los Angeles (View-only webcasting available)
- August 20, 1-3 p.m. Public Workshop, Los Angeles (Videoconference at SCAG regional offices and View-only webcasting available)
- August 22, 1-3 p.m., Public Workshop, Irvine
- August 27, 6-8 p.m., Public Workshop, San Bernardino (View-only webcasting available)
- August 29, 1-3pm Public Information Session, Santa Clarita

Approximately 250 people attended the workshops in-person, at videoconference locations, or via webcast. Over 35 individual verbal comments were shared over the four workshops.

To increase participation from individuals and stakeholders that are unable to participate during regular working hours, two of the public workshops were held in the evening hours. One of the workshops was held in the Inland Empire. SCAG will worked with its Environmental Justice Working Group (EJWG) and local stakeholder groups to reach out to their respective contacts in order to maximize outreach to groups representing low income, minority, and other traditionally disadvantaged populations.

Almost 250 written comments were submitted by the comment deadline and included a wide range of stakeholders. Approximately 50 percent were from local jurisdictions and subregions, and the other 50 percent were submitted by advocacy organizations, industry groups, residents and resident groups, and the general public. All of the comments received, both verbal and written, were reviewed by SCAG staff, and were used as the basis for developing the RHNA methodology.

The increased involvement by the number of jurisdictions and stakeholders beyond the municipal level compared to prior RHNA cycles indicate an increased level of interest by the public in the housing crisis and its solutions, and the efforts of SCAG to meet these interests. As part of its housing

program initiatives, SCAG will continue to reach out to not only jurisdictions, but to advocacy groups and traditionally disadvantaged communities that have not historically participated in the RHNA process and regional housing planning. These efforts will be expanded beyond the RHNA program and will be encompassed into addressing the housing crisis at the regional level and ensuring that those at the local and community level can be part of solutions to the housing crisis.

Additional RHNA Methodology Supporting Materials

Please note that additional supporting materials for the RHNA Methodology have been posted on SCAG's RHNA website at www.scag.ca.gov/rhna including Data Appendix, Local Planning Factor Survey Responses and Affirmatively Furthering Fair Housing Survey Responses.

State of California

GOVERNMENT CODE

Section 65080

65080. (a) Each transportation planning agency designated under Section 29532 or 29532.1 shall prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, including, but not limited to, mass transportation, highway, railroad, maritime, bicycle, pedestrian, goods movement, and aviation facilities and services. The plan shall be action-oriented and pragmatic, considering both the short-term and long-term future, and shall present clear, concise policy guidance to local and state officials. The regional transportation plan shall consider factors specified in Section 134 of Title 23 of the United States Code. Each transportation planning agency shall consider and incorporate, as appropriate, the transportation plans of cities, counties, districts, private organizations, and state and federal agencies.

(b) The regional transportation plan shall be an internally consistent document and shall include all of the following:

(1) A policy element that describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, and pragmatic objective and policy statements. The objective and policy statements shall be consistent with the funding estimates of the financial element. The policy element of transportation planning agencies with populations that exceed 200,000 persons may quantify a set of indicators including, but not limited to, all of the following:

(A) Measures of mobility and traffic congestion, including, but not limited to, daily vehicle hours of delay per capita and vehicle miles traveled per capita.

(B) Measures of road and bridge maintenance and rehabilitation needs, including, but not limited to, roadway pavement and bridge conditions.

(C) Measures of means of travel, including, but not limited to, percentage share of all trips (work and nonwork) made by all of the following:

(i) Single occupant vehicle.

(ii) Multiple occupant vehicle or carpool.

(iii) Public transit including commuter rail and intercity rail.

(iv) Walking.

(v) Bicycling.

(D) Measures of safety and security, including, but not limited to, total injuries and fatalities assigned to each of the modes set forth in subparagraph (C).

(E) Measures of equity and accessibility, including, but not limited to, percentage of the population served by frequent and reliable public transit, with a breakdown by

income bracket, and percentage of all jobs accessible by frequent and reliable public transit service, with a breakdown by income bracket.

(F) The requirements of this section may be met using existing sources of information. No additional traffic counts, household surveys, or other sources of data shall be required.

(2) A sustainable communities strategy prepared by each metropolitan planning organization as follows:

(A) No later than September 30, 2010, the State Air Resources Board shall provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035, respectively.

(i) No later than January 31, 2009, the state board shall appoint a Regional Targets Advisory Committee to recommend factors to be considered and methodologies to be used for setting greenhouse gas emission reduction targets for the affected regions. The committee shall be composed of representatives of the metropolitan planning organizations, affected air districts, the League of California Cities, the California State Association of Counties, local transportation agencies, and members of the public, including homebuilders, environmental organizations, planning organizations, environmental justice organizations, affordable housing organizations, and others. The advisory committee shall transmit a report with its recommendations to the state board no later than September 30, 2009. In recommending factors to be considered and methodologies to be used, the advisory committee may consider any relevant issues, including, but not limited to, data needs, modeling techniques, growth forecasts, the impacts of regional jobs-housing balance on interregional travel and greenhouse gas emissions, economic and demographic trends, the magnitude of greenhouse gas reduction benefits from a variety of land use and transportation strategies, and appropriate methods to describe regional targets and to monitor performance in attaining those targets. The state board shall consider the report before setting the targets.

(ii) Before setting the targets for a region, the state board shall exchange technical information with the metropolitan planning organization and the affected air district. The metropolitan planning organization may recommend a target for the region. The metropolitan planning organization shall hold at least one public workshop within the region after receipt of the report from the advisory committee. The state board shall release draft targets for each region no later than June 30, 2010.

(iii) In establishing these targets, the state board shall take into account greenhouse gas emission reductions that will be achieved by improved vehicle emission standards, changes in fuel composition, and other measures it has approved that will reduce greenhouse gas emissions in the affected regions, and prospective measures the state board plans to adopt to reduce greenhouse gas emissions from other greenhouse gas emission sources as that term is defined in subdivision (i) of Section 38505 of the Health and Safety Code and consistent with the regulations promulgated pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), including Section 38566 of the Health and Safety Code.

(iv) The state board shall update the regional greenhouse gas emission reduction targets every eight years consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan under federal law until 2050. The state board may revise the targets every four years based on changes in the factors considered under clause (iii). The state board shall exchange technical information with the Department of Transportation, metropolitan planning organizations, local governments, and affected air districts and engage in a consultative process with public and private stakeholders, before updating these targets.

(v) The greenhouse gas emission reduction targets may be expressed in gross tons, tons per capita, tons per household, or in any other metric deemed appropriate by the state board.

(B) Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to use the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region, (ii) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment growth, (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584, (iv) identify a transportation network to service the transportation needs of the region, (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01, (vi) consider the state housing goals specified in Sections 65580 and 65581, (vii) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board, and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506).

(C) (i) Within the jurisdiction of the Metropolitan Transportation Commission, as defined by Section 66502, the Association of Bay Area Governments shall be responsible for clauses (i), (ii), (iii), (v), and (vi) of subparagraph (B); the Metropolitan Transportation Commission shall be responsible for clauses (iv) and (viii) of subparagraph (B); and the Association of Bay Area Governments and the Metropolitan Transportation Commission shall jointly be responsible for clause (vii) of subparagraph (B).

(ii) Within the jurisdiction of the Tahoe Regional Planning Agency, as defined in Sections 66800 and 66801, the Tahoe Metropolitan Planning Organization shall use the Regional Plan for the Lake Tahoe Region as the sustainable community strategy, provided that it complies with clauses (vii) and (viii) of subparagraph (B).

(D) In the region served by the Southern California Association of Governments, a subregional council of governments and the county transportation commission may work together to propose the sustainable communities strategy and an alternative planning strategy, if one is prepared pursuant to subparagraph (I), for that subregional area. The metropolitan planning organization may adopt a framework for a subregional sustainable communities strategy or a subregional alternative planning strategy to address the intraregional land use, transportation, economic, air quality, and climate policy relationships. The metropolitan planning organization shall include the subregional sustainable communities strategy for that subregion in the regional sustainable communities strategy to the extent consistent with this section and federal law and approve the subregional alternative planning strategy, if one is prepared pursuant to subparagraph (I), for that subregional area to the extent consistent with this section. The metropolitan planning organization shall develop overall guidelines, create public participation plans pursuant to subparagraph (F), ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region.

(E) The metropolitan planning organization shall conduct at least two informational meetings in each county within the region for members of the board of supervisors and city councils on the sustainable communities strategy and alternative planning strategy, if any. The metropolitan planning organization may conduct only one informational meeting if it is attended by representatives of the county board of supervisors and city council members representing a majority of the cities representing a majority of the population in the incorporated areas of that county. Notice of the meeting or meetings shall be sent to the clerk of the board of supervisors and to each city clerk. The purpose of the meeting or meetings shall be to discuss the sustainable communities strategy and the alternative planning strategy, if any, including the key land use and planning assumptions to the members of the board of supervisors and the city council members in that county and to solicit and consider their input and recommendations.

(F) Each metropolitan planning organization shall adopt a public participation plan, for development of the sustainable communities strategy and an alternative planning strategy, if any, that includes all of the following:

(i) Outreach efforts to encourage the active participation of a broad range of stakeholder groups in the planning process, consistent with the agency's adopted Federal Public Participation Plan, including, but not limited to, affordable housing advocates, transportation advocates, neighborhood and community groups, environmental advocates, home builder representatives, broad-based business organizations, landowners, commercial property interests, and homeowner associations.

(ii) Consultation with congestion management agencies, transportation agencies, and transportation commissions.

(iii) Workshops throughout the region to provide the public with the information and tools necessary to provide a clear understanding of the issues and policy choices. At least one workshop shall be held in each county in the region. For counties with a population greater than 500,000, at least three workshops shall be held. Each

workshop, to the extent practicable, shall include urban simulation computer modeling to create visual representations of the sustainable communities strategy and the alternative planning strategy.

(iv) Preparation and circulation of a draft sustainable communities strategy and an alternative planning strategy, if one is prepared, not less than 55 days before adoption of a final regional transportation plan.

(v) At least three public hearings on the draft sustainable communities strategy in the regional transportation plan and alternative planning strategy, if one is prepared. If the metropolitan transportation organization consists of a single county, at least two public hearings shall be held. To the maximum extent feasible, the hearings shall be in different parts of the region to maximize the opportunity for participation by members of the public throughout the region.

(vi) A process for enabling members of the public to provide a single request to receive notices, information, and updates.

(G) In preparing a sustainable communities strategy, the metropolitan planning organization shall consider spheres of influence that have been adopted by the local agency formation commissions within its region.

(H) Before adopting a sustainable communities strategy, the metropolitan planning organization shall quantify the reduction in greenhouse gas emissions projected to be achieved by the sustainable communities strategy and set forth the difference, if any, between the amount of that reduction and the target for the region established by the state board.

(I) If the sustainable communities strategy, prepared in compliance with subparagraph (B) or (D), is unable to reduce greenhouse gas emissions to achieve the greenhouse gas emission reduction targets established by the state board, the metropolitan planning organization shall prepare an alternative planning strategy to the sustainable communities strategy showing how those greenhouse gas emission targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The alternative planning strategy shall be a separate document from the regional transportation plan, but it may be adopted concurrently with the regional transportation plan. In preparing the alternative planning strategy, the metropolitan planning organization:

(i) Shall identify the principal impediments to achieving the targets within the sustainable communities strategy.

(ii) May include an alternative development pattern for the region pursuant to subparagraphs (B) to (G), inclusive.

(iii) Shall describe how the greenhouse gas emission reduction targets would be achieved by the alternative planning strategy, and why the development pattern, measures, and policies in the alternative planning strategy are the most practicable choices for achievement of the greenhouse gas emission reduction targets.

(iv) An alternative development pattern set forth in the alternative planning strategy shall comply with Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, except to the extent that compliance will prevent achievement of the greenhouse gas emission reduction targets approved by the state board.

(v) For purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), an alternative planning strategy shall not constitute a land use plan, policy, or regulation, and the inconsistency of a project with an alternative planning strategy shall not be a consideration in determining whether a project may have an environmental effect.

(J) (i) Before starting the public participation process adopted pursuant to subparagraph (F), the metropolitan planning organization shall submit a description to the state board of the technical methodology it intends to use to estimate the greenhouse gas emissions from its sustainable communities strategy and, if appropriate, its alternative planning strategy. The state board shall respond to the metropolitan planning organization in a timely manner with written comments about the technical methodology, including specifically describing any aspects of that methodology it concludes will not yield accurate estimates of greenhouse gas emissions, and suggested remedies. The metropolitan planning organization is encouraged to work with the state board until the state board concludes that the technical methodology operates accurately.

(ii) After adoption, a metropolitan planning organization shall submit a sustainable communities strategy or an alternative planning strategy, if one has been adopted, to the state board for review, including the quantification of the greenhouse gas emission reductions the strategy would achieve and a description of the technical methodology used to obtain that result. Review by the state board shall be limited to acceptance or rejection of the metropolitan planning organization's determination that the strategy submitted would, if implemented, achieve the greenhouse gas emission reduction targets established by the state board. The state board shall complete its review within 60 days.

(iii) If the state board determines that the strategy submitted would not, if implemented, achieve the greenhouse gas emission reduction targets, the metropolitan planning organization shall revise its strategy or adopt an alternative planning strategy, if not previously adopted, and submit the strategy for review pursuant to clause (ii). At a minimum, the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets established for that region by the state board.

(iv) On or before September 1, 2018, and every four years thereafter to align with target setting, notwithstanding Section 10231.5, the state board shall prepare a report that assesses progress made by each metropolitan planning organization in meeting the regional greenhouse gas emission reduction targets set by the state board. The report shall include changes to greenhouse gas emissions in each region and data-supported metrics for the strategies used to meet the targets. The report shall also include a discussion of best practices and the challenges faced by the metropolitan planning organizations in meeting the targets, including the effect of state policies and funding. The report shall be developed in consultation with the metropolitan planning organizations and affected stakeholders. The report shall be submitted to the Assembly Committee on Transportation and the Assembly Committee on Natural

Resources, and to the Senate Committee on Transportation, the Senate Committee on Housing, and the Senate Committee on Environmental Quality.

(K) Neither a sustainable communities strategy nor an alternative planning strategy regulates the use of land, nor, except as provided by subparagraph (J), shall either one be subject to any state approval. Nothing in a sustainable communities strategy shall be interpreted as superseding the exercise of the land use authority of cities and counties within the region. Nothing in this section shall be interpreted to limit the state board's authority under any other law. Nothing in this section shall be interpreted to authorize the abrogation of any vested right whether created by statute or by common law. Nothing in this section shall require a city's or county's land use policies and regulations, including its general plan, to be consistent with the regional transportation plan or an alternative planning strategy. Nothing in this section requires a metropolitan planning organization to approve a sustainable communities strategy that would be inconsistent with Part 450 of Title 23 of, or Part 93 of Title 40 of, the Code of Federal Regulations and any administrative guidance under those regulations. Nothing in this section relieves a public or private entity or any person from compliance with any other local, state, or federal law.

(L) Nothing in this section requires projects programmed for funding on or before December 31, 2011, to be subject to the provisions of this paragraph if they (i) are contained in the 2007 or 2009 Federal Statewide Transportation Improvement Program, (ii) are funded pursuant to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Chapter 12.49 (commencing with Section 8879.20) of Division 1 of Title 2), or (iii) were specifically listed in a ballot measure before December 31, 2008, approving a sales tax increase for transportation projects. Nothing in this section shall require a transportation sales tax authority to change the funding allocations approved by the voters for categories of transportation projects in a sales tax measure adopted before December 31, 2010. For purposes of this subparagraph, a transportation sales tax authority is a district, as defined in Section 7252 of the Revenue and Taxation Code, that is authorized to impose a sales tax for transportation purposes.

(M) A metropolitan planning organization, or a regional transportation planning agency not within a metropolitan planning organization, that is required to adopt a regional transportation plan not less than every five years, may elect to adopt the plan not less than every four years. This election shall be made by the board of directors of the metropolitan planning organization or regional transportation planning agency no later than June 1, 2009, or thereafter 54 months before the statutory deadline for the adoption of housing elements for the local jurisdictions within the region, after a public hearing at which comments are accepted from members of the public and representatives of cities and counties within the region covered by the metropolitan planning organization or regional transportation planning agency. Notice of the public hearing shall be given to the general public and by mail to cities and counties within the region no later than 30 days before the date of the public hearing. Notice of election shall be promptly given to the Department of Housing and Community Development. The metropolitan planning organization or the regional transportation planning agency

shall complete its next regional transportation plan within three years of the notice of election.

(N) Two or more of the metropolitan planning organizations for Fresno County, Kern County, Kings County, Madera County, Merced County, San Joaquin County, Stanislaus County, and Tulare County may work together to develop and adopt multiregional goals and policies that may address interregional land use, transportation, economic, air quality, and climate relationships. The participating metropolitan planning organizations may also develop a multiregional sustainable communities strategy, to the extent consistent with federal law, or an alternative planning strategy for adoption by the metropolitan planning organizations. Each participating metropolitan planning organization shall consider any adopted multiregional goals and policies in the development of a sustainable communities strategy and, if applicable, an alternative planning strategy for its region.

(3) An action element that describes the programs and actions necessary to implement the plan and assigns implementation responsibilities. The action element may describe all transportation projects proposed for development during the 20-year or greater life of the plan. The action element shall consider congestion management programming activities carried out within the region.

(4) (A) A financial element that summarizes the cost of plan implementation constrained by a realistic projection of available revenues. The financial element shall also contain recommendations for allocation of funds. A county transportation commission created pursuant to the County Transportation Commissions Act (Division 12 (commencing with Section 130000) of the Public Utilities Code) shall be responsible for recommending projects to be funded with regional improvement funds, if the project is consistent with the regional transportation plan. The first five years of the financial element shall be based on the five-year estimate of funds developed pursuant to Section 14524. The financial element may recommend the development of specified new sources of revenue, consistent with the policy element and action element.

(B) The financial element of transportation planning agencies with populations that exceed 200,000 persons may include a project cost breakdown for all projects proposed for development during the 20-year life of the plan that includes total expenditures and related percentages of total expenditures for all of the following:

- (i) State highway expansion.
- (ii) State highway rehabilitation, maintenance, and operations.
- (iii) Local road and street expansion.
- (iv) Local road and street rehabilitation, maintenance, and operation.
- (v) Mass transit, commuter rail, and intercity rail expansion.
- (vi) Mass transit, commuter rail, and intercity rail rehabilitation, maintenance, and operations.
- (vii) Pedestrian and bicycle facilities.
- (viii) Environmental enhancements and mitigation.
- (ix) Research and planning.
- (x) Other categories.

(C) The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall consider financial incentives for cities and counties that have resource areas or farmland, as defined in Section 65080.01, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system and farm-to-market and interconnectivity transportation needs. The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute toward the greenhouse gas emission reduction targets by implementing policies for growth to occur within their cities.

(c) Each transportation planning agency may also include other factors of local significance as an element of the regional transportation plan, including, but not limited to, issues of mobility for specific sectors of the community, including, but not limited to, senior citizens.

(d) (1) Except as otherwise provided in this subdivision, each transportation planning agency shall adopt and submit, every four years, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. A transportation planning agency located in a federally designated air quality attainment area or that does not contain an urbanized area may at its option adopt and submit a regional transportation plan every five years. When applicable, the plan shall be consistent with federal planning and programming requirements and shall conform to the regional transportation plan guidelines adopted by the California Transportation Commission. Before adoption of the regional transportation plan, a public hearing shall be held after the giving of notice of the hearing by publication in the affected county or counties pursuant to Section 6061.

(2) (A) Notwithstanding subdivisions (b) and (c), and paragraph (1), inclusive, the regional transportation plan, sustainable communities strategy, and environmental impact report adopted by the San Diego Association of Governments on October 9, 2015, shall remain in effect for all purposes, including for purposes of consistency determinations and funding eligibility for the San Diego Association of Governments and all other agencies relying on those documents, until the San Diego Association of Governments adopts its next update to its regional transportation plan.

(B) The San Diego Association of Governments shall adopt and submit its update to the 2015 regional transportation plan on or before December 31, 2021.

(C) After the update described in subparagraph (B), the time period for San Diego Association of Governments' updates to its regional transportation plan shall be reset and shall be adopted and submitted every four years.

(D) Notwithstanding clause (iv) of subparagraph (A) of paragraph (2) of subdivision (b), the State Air Resources Board shall not update the greenhouse gas emission reduction targets for the region within the jurisdiction of the San Diego Association of Governments before the adoption of the update to the regional transportation plan pursuant to subparagraph (B).

(E) The update to the regional transportation plan adopted by the San Diego Association of Governments on October 9, 2015, which will be prepared and submitted

to federal agencies for purposes of compliance with federal laws applicable to regional transportation plans and air quality conformity and which is due in October 2019, shall not be considered a regional transportation plan pursuant to this section and shall not constitute a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(F) In addition to meeting the other requirements to nominate a project for funding through the Solutions for Congested Corridors Program (Chapter 8.5 (commencing with Section 2390) of Division 3 of the Streets and Highways Code), the San Diego Association of Governments, until December 31, 2021, shall only nominate projects for funding through the Solutions for Congested Corridors Program that are consistent with the eligibility requirements for projects under any of the following programs:

(i) The Transit and Intercity Rail Capital Program (Part 2 (commencing with Section 75220) of Division 44 of the Public Resources Code).

(ii) The Low Carbon Transit Operations Program (Part 3 (commencing with Section 75230) of Division 44 of the Public Resources Code).

(iii) The Active Transportation Program (Chapter 8 (commencing with Section 2380) of Division 3 of the Streets and Highways Code).

(G) Commencing January 1, 2020, and every two years thereafter, the San Diego Association of Governments shall begin developing an implementation report that tracks the implementation of its most recently adopted sustainable communities strategy. The report shall discuss the status of the implementation of the strategy at the regional and local level, and any successes and barriers that have occurred since the last report. The San Diego Association of Governments shall submit the implementation report to the state board by including it in its sustainable communities strategy implementation review pursuant to clause (ii) of subparagraph (J) of paragraph (2) of subdivision (b).

(Amended by Stats. 2019, Ch. 634, Sec. 2. (AB 1730) Effective January 1, 2020.)

State of California

GOVERNMENT CODE

Section 65584

65584. (a) (1) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the department shall determine the existing and projected need for housing for each region pursuant to this article. For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing need shall include that share of the housing need of persons at all income levels within the area significantly affected by the general plan of the city or county.

(2) It is the intent of the Legislature that cities, counties, and cities and counties should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established for planning purposes. These actions shall include applicable reforms and incentives in Section 65582.1.

(3) The Legislature finds and declares that insufficient housing in job centers hinders the state's environmental quality and runs counter to the state's environmental goals. In particular, when Californians seeking affordable housing are forced to drive longer distances to work, an increased amount of greenhouse gases and other pollutants is released and puts in jeopardy the achievement of the state's climate goals, as established pursuant to Section 38566 of the Health and Safety Code, and clean air goals.

(b) The department, in consultation with each council of governments, shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. The appropriate council of governments, or for cities and counties without a council of governments, the department, shall adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county at least one year prior to the scheduled revision for the region required by Section 65588. The allocation plan prepared by a council of governments shall be prepared pursuant to Sections 65584.04 and 65584.05.

(c) Notwithstanding any other provision of law, the due dates for the determinations of the department or for the council of governments, respectively, regarding the regional housing need may be extended by the department by not more than 60 days if the extension will enable access to more recent critical population or housing data from a pending or recent release of the United States Census Bureau or the Department of Finance. If the due date for the determination of the department or the council of governments is extended for this reason, the department shall extend the corresponding

housing element revision deadline pursuant to Section 65588 by not more than 60 days.

(d) The regional housing needs allocation plan shall further all of the following objectives:

(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households.

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.

(3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

(4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.

(5) Affirmatively furthering fair housing.

(e) For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

(f) For purposes of this section, "household income levels" are as determined by the department as of the most recent American Community Survey pursuant to the following code sections:

(1) Very low incomes as defined by Section 50105 of the Health and Safety Code.

(2) Lower incomes, as defined by Section 50079.5 of the Health and Safety Code.

(3) Moderate incomes, as defined by Section 50093 of the Health and Safety Code.

(4) Above moderate incomes are those exceeding the moderate-income level of Section 50093 of the Health and Safety Code.

(g) Notwithstanding any other provision of law, determinations made by the department, a council of governments, or a city or county pursuant to this section or Section 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, 65584.06, 65584.07, or

65584.08 are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(Amended by Stats. 2018, Ch. 989, Sec. 1.5. (AB 1771) Effective January 1, 2019.)

State of California

GOVERNMENT CODE

Section 65584.04

65584.04. (a) At least two years before a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop, in consultation with the department, a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, where applicable pursuant to this section. The methodology shall further the objectives listed in subdivision (d) of Section 65584.

(b) (1) No more than six months before the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (e) that will allow the development of a methodology based upon the factors established in subdivision (e).

(2) With respect to the objective in paragraph (5) of subdivision (d) of Section 65584, the survey shall review and compile information that will allow the development of a methodology based upon the issues, strategies, and actions that are included, as available, in an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing completed by any city or county or the department that covers communities within the area served by the council of governments, and in housing elements adopted pursuant to this article by cities and counties within the area served by the council of governments.

(3) The council of governments shall seek to obtain the information in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible.

(4) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(5) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (e) before the public comment period provided for in subdivision (d).

(c) The council of governments shall electronically report the results of the survey of fair housing issues, strategies, and actions compiled pursuant to paragraph (2) of subdivision (b). The report shall describe common themes and effective strategies

employed by cities and counties within the area served by the council of governments, including common themes and effective strategies around avoiding the displacement of lower income households. The council of governments shall also identify significant barriers to affirmatively furthering fair housing at the regional level and may recommend strategies or actions to overcome those barriers. A council of governments or metropolitan planning organization, as appropriate, may use this information for any other purpose, including publication within a regional transportation plan adopted pursuant to Section 65080 or to inform the land use assumptions that are applied in the development of a regional transportation plan.

(d) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community as well as members of protected classes under Section 12955. The proposed methodology, along with any relevant underlying data and assumptions, an explanation of how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology, how each of the factors listed in subdivision (e) is incorporated into the methodology, and how the proposed methodology furthers the objectives listed in subdivision (e) of Section 65584, shall be distributed to all cities, counties, any subregions, and members of the public who have made a written or electronic request for the proposed methodology and published on the council of governments', or delegate subregion's, internet website. The council of governments, or delegate subregion, as applicable, shall conduct at least one public hearing to receive oral and written comments on the proposed methodology.

(e) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill

development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

(6) The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

(7) The rate of overcrowding.

(8) The housing needs of farmworkers.

(9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

(10) The housing needs of individuals and families experiencing homelessness. If a council of governments has surveyed each of its member jurisdictions pursuant to subdivision (b) on or before January 1, 2020, this paragraph shall apply only to the

development of methodologies for the seventh and subsequent revisions of the housing element.

(11) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

(12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

(13) Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.

(f) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors described in subdivision (e) was incorporated into the methodology and how the methodology furthers the objectives listed in subdivision (d) of Section 65584. The methodology may include numerical weighting. This information, and any other supporting materials used in determining the methodology, shall be posted on the council of governments', or delegate subregion's, internet website.

(g) The following criteria shall not be a justification for a determination or a reduction in a jurisdiction's share of the regional housing need:

(1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.

(2) Prior underproduction of housing in a city or county from the previous regional housing need allocation, as determined by each jurisdiction's annual production report submitted pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

(3) Stable population numbers in a city or county from the previous regional housing needs cycle.

(h) Following the conclusion of the public comment period described in subdivision (d) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, and as a result of consultation with the department, each council of governments, or delegate subregion, as applicable, shall publish a draft allocation methodology on its internet website and submit the draft allocation methodology, along with the information required pursuant to subdivision (e), to the department.

(i) Within 60 days, the department shall review the draft allocation methodology and report its written findings to the council of governments, or delegate subregion, as applicable. In its written findings the department shall determine whether the methodology furthers the objectives listed in subdivision (d) of Section 65584. If the department determines that the methodology is not consistent with subdivision (d) of Section 65584, the council of governments, or delegate subregion, as applicable, shall take one of the following actions:

(1) Revise the methodology to further the objectives listed in subdivision (d) of Section 65584 and adopt a final regional, or subregional, housing need allocation methodology.

(2) Adopt the regional, or subregional, housing need allocation methodology without revisions and include within its resolution of adoption findings, supported by substantial evidence, as to why the council of governments, or delegate subregion, believes that the methodology furthers the objectives listed in subdivision (d) of Section 65584 despite the findings of the department.

(j) If the department's findings are not available within the time limits set by subdivision (i), the council of governments, or delegate subregion, may act without them.

(k) Upon either action pursuant to subdivision (i), the council of governments, or delegate subregion, shall provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion, as applicable, and to the department, and shall publish the adopted allocation methodology, along with its resolution and any adopted written findings, on its internet website.

(l) The department may, within 90 days, review the adopted methodology and report its findings to the council of governments, or delegate subregion.

(m) (1) It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy.

(2) The final allocation plan shall ensure that the total regional housing need, by income category, as determined under Section 65584, is maintained, and that each jurisdiction in the region receive an allocation of units for low- and very low income households.

(3) The resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the sustainable communities strategy in the regional transportation plan and furthers the objectives listed in subdivision (d) of Section 65584.

(Amended (as amended by Stats. 2018, Ch. 990, Sec. 3.7) by Stats. 2019, Ch. 335, Sec. 4. (AB 139) Effective January 1, 2020.)

State of California

GOVERNMENT CODE

Section 65584.05

65584.05. (a) At least one and one-half years before the scheduled revision required by Section 65588, each council of governments and delegate subregion, as applicable, shall distribute a draft allocation of regional housing needs to each local government in the region or subregion, where applicable, and the department, based on the methodology adopted pursuant to Section 65584.04 and shall publish the draft allocation on its internet website. The draft allocation shall include the underlying data and methodology on which the allocation is based, and a statement as to how it furthers the objectives listed in subdivision (d) of Section 65584. It is the intent of the Legislature that the draft allocation should be distributed before the completion of the update of the applicable regional transportation plan. The draft allocation shall distribute to localities and subregions, if any, within the region the entire regional housing need determined pursuant to Section 65584.01 or within subregions, as applicable, the subregion's entire share of the regional housing need determined pursuant to Section 65584.03.

(b) Within 45 days following receipt of the draft allocation, a local government within the region or the delegate subregion, as applicable, or the department may appeal to the council of governments or the delegate subregion for a revision of the share of the regional housing need proposed to be allocated to one or more local governments. Appeals shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in subdivision (d) of Section 65584. An appeal pursuant to this subdivision shall be consistent with, and not to the detriment of, the development pattern in an applicable sustainable communities strategy developed pursuant to paragraph (2) of subdivision (b) of Section 65080. Appeals shall be limited to any of the following circumstances:

(1) The council of governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.

(2) The council of governments or delegate subregion, as applicable, failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.

(3) A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant

to subdivision (b) of Section 65584.04. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

(c) At the close of the period for filing appeals pursuant to subdivision (b), the council of governments or delegate subregion, as applicable, shall notify all other local governments within the region or delegate subregion and the department of all appeals and shall make all materials submitted in support of each appeal available on a publicly available internet website. Local governments and the department may, within 45 days, comment on one or more appeals. If no appeals are filed, the draft allocation shall be issued as the proposed final allocation plan pursuant to paragraph (2) of subdivision (e).

(d) No later than 30 days after the close of the comment period, and after providing all local governments within the region or delegate subregion, as applicable, at least 21 days prior notice, the council of governments or delegate subregion shall conduct one public hearing to consider all appeals filed pursuant to subdivision (b) and all comments received pursuant to subdivision (c).

(e) No later than 45 days after the public hearing pursuant to subdivision (d), the council of governments or delegate subregion, as applicable, shall do both of the following:

(1) Make a final determination that either accepts, rejects, or modifies each appeal for a revised share filed pursuant to subdivision (b). Final determinations shall be based upon the information and methodology described in Section 65584.04 and whether the revision is necessary to further the objectives listed in subdivision (d) of Section 65584. The final determination shall be in writing and shall include written findings as to how the determination is consistent with this article. The final determination on an appeal may require the council of governments or delegate subregion, as applicable, to adjust the share of the regional housing need allocated to one or more local governments that are not the subject of an appeal.

(2) Issue a proposed final allocation plan.

(f) In the proposed final allocation plan, the council of governments or delegate subregion, as applicable, shall adjust allocations to local governments based upon the results of the appeals process. If the adjustments total 7 percent or less of the regional housing need determined pursuant to Section 65584.01, or, as applicable, total 7 percent or less of the subregion's share of the regional housing need as determined pursuant to Section 65584.03, then the council of governments or delegate subregion, as applicable, shall distribute the adjustments proportionally to all local governments. If the adjustments total more than 7 percent of the regional housing need, then the council of governments or delegate subregion, as applicable, shall develop a methodology to distribute the amount greater than the 7 percent to local governments. The total distribution of housing need shall not equal less than the regional housing need, as determined pursuant to Section 65584.01, nor shall the subregional distribution of housing need equal less than its share of the regional housing need as determined pursuant to Section 65584.03.

(g) Within 45 days after the issuance of the proposed final allocation plan by the council of governments and each delegate subregion, as applicable, the council of

governments shall hold a public hearing to adopt a final allocation plan. To the extent that the final allocation plan fully allocates the regional share of statewide housing need, as determined pursuant to Section 65584.01 and has taken into account all appeals, the council of governments shall have final authority to determine the distribution of the region's existing and projected housing need as determined pursuant to Section 65584.01. The council of governments shall submit its final allocation plan to the department within three days of adoption. Within 30 days after the department's receipt of the final allocation plan adopted by the council of governments, the department shall determine if the final allocation plan is consistent with the existing and projected housing need for the region, as determined pursuant to Section 65584.01. The department may revise the determination of the council of governments if necessary to obtain this consistency.

(h) Any authority of the council of governments to review and revise the share of a city or county of the regional housing need under this section shall not constitute authority to revise, approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.

(i) Any time period in subdivision (d) or (e) may be extended by a council of governments or delegate subregion, as applicable, for up to 30 days.

(j) The San Diego Association of Governments may follow the process in this section for the draft and final allocation plan for the sixth revision of the housing element notwithstanding such actions being carried out before the adoption of an updated regional transportation plan and sustainable communities strategy.

(Amended by Stats. 2019, Ch. 634, Sec. 4. (AB 1730) Effective January 1, 2020.)

RHNA SUBCOMMITTEE CHARTER – 6th Cycle

Page 1 of 2

Purpose of the Subcommittee

The purpose of the RHNA Subcommittee is to review in-depth the various policy considerations necessary to the development of SCAG's Regional Housing Needs Assessment (RHNA), and to make critical decisions throughout the RHNA process, including but not limited to the following: the RHNA methodology, the draft and final RHNA allocations, and appeals related to draft RHNA allocations. The decisions of the RHNA Subcommittee will serve as recommendations to SCAG's Community, Economic and Human Development (CEHD) Committee and the Regional Council, except that the RHNA Subcommittee will make the final decisions regarding all appeals of draft RHNA allocations.

Authority

Authorized by the Regional Council, the RHNA Subcommittee serves as a subcommittee of the CEHD Committee, and will be reporting to the CEHD Committee. All actions by the RHNA Subcommittee, except for actions pertaining to appeals of draft RHNA allocations, are subject to the review and approval of the CEHD Committee and the Regional Council. Recognizing the significant amount of work undertaken by the RHNA Subcommittee, the CEHD Committee and the Regional Council will rely on the policy judgments of the RHNA Subcommittee. The RHNA Subcommittee shall be dissolved as of the date in which the final RHNA allocation is adopted by the Regional Council.

Composition

The RHNA Subcommittee will consist of twelve (12) members of the Regional Council or the CEHD Committee to represent the six (6) counties of the SCAG region. Each county shall have a primary member and an alternate member to serve on the RHNA Subcommittee. The SCAG President will appoint the members of the RHNA Subcommittee and will select one of the members to serve as the Chair of the RHNA Subcommittee. Membership of the RHNA Subcommittee may also include as non-voting members serving as stakeholder representatives appointed by the SCAG President.

Meetings and Voting

The meetings of the RHNA Subcommittee will occur during the applicable period when SCAG is developing the RHNA. The RHNA Subcommittee shall have the authority to convene meetings as circumstances require. A meeting quorum shall be established when there is attendance by at least one representative (either a primary member or an alternate member) from each of the six (6) counties. Stakeholder representatives serving as non-voting members of the RHNA Subcommittee are not counted for purposes of establishing a meeting quorum.

All RHNA Subcommittee members are expected to attend each meeting, to the extent feasible. RHNA Subcommittee members may attend meetings by teleconference or video-conference. All meetings of the RHNA Subcommittee are subject to the Brown Act. The Chair of the RHNA Subcommittee shall preside over all meetings and the Subcommittee may select another

RHNA SUBCOMMITTEE CHARTER – 6th Cycle

Page 2 of 2

Subcommittee member to serve as the Vice-Chair in the Chair's absence. The RHNA Subcommittee will invite SCAG staff or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to RHNA Subcommittee members, along with appropriate briefing materials and reports, in accordance with the Brown Act. Minutes of each meeting will be prepared.

For purposes of voting, each county shall be entitled to one (1) vote to be cast by either the primary member or alternate member representing the respective county. In the event of a tie vote, the Chair of the Subcommittee may vote to break the tie except if the Chair of the Subcommittee has casted a vote as a Subcommittee member. In that exception, the Vice Chair of the Subcommittee may break the tie vote. In the case of an appeal submitted on behalf of a Subcommittee member's individual local jurisdiction, the Subcommittee member may elect not to participate in the discussion and vote by the RHNA Subcommittee regarding such appeal.

Responsibilities

The RHNA Subcommittee will carry out the following responsibilities:

- Review information useful to the development of the RHNA Plan;
- Review and make policy decisions related to the RHNA process including policies for the RHNA methodology, the RHNA methodology, and the draft and final RHNA allocations, and forward such decisions to the CEHD Committee for review and approval. In making its policy decisions, the RHNA Subcommittee should consider the integration of the RHNA with the Regional Transportation Plan/Sustainable Communities Strategy;
- Review and make decisions regarding guidelines for the RHNA process including guidelines related to subregional delegation, and forward such decisions to the CEHD Committee for review and approval; and
- Review and make the final decisions regarding appeals related to the jurisdiction's draft RHNA allocation. In this capacity, the RHNA Subcommittee shall be known as the "RHNA Appeals Board." These final decisions by the RHNA Appeals Board shall not be reviewable by the CEHD Committee or by the Regional Council.

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON FINAL RHNA METHODOLOGY & FINAL CONNECT SOCIAL
 9/3/20

ALLOCATION BY COUNTY

	Total	Very-low income	Low income	Moderate income	Above moderate income
Imperial	15,956	4,659	2,352	2,194	6,751
Los Angeles	813,082	217,565	123,171	131,532	340,814
Orange	183,430	46,295	29,176	32,482	75,477
Riverside	167,177	41,943	26,450	29,146	69,638
San Bernardino	137,786	35,575	21,855	24,087	56,269
Ventura	24,396	5,759	3,803	4,516	10,318
TOTAL	1,341,827	351,796	206,807	223,957	559,267

ALLOCATION BY LOCAL JURISDICTION

	County	Total	Very-low income	Low income	Moderate income	Above- moderate income
Adelanto city	San Bernardino	3756	394	565	650	2147
Agoura Hills city	Los Angeles	318	127	72	55	64
Alhambra city	Los Angeles	6808	1769	1033	1077	2929
Aliso Viejo city	Orange	1193	389	214	205	385
Anaheim city	Orange	17411	3757	2391	2939	8324
Apple Valley town	San Bernardino	4280	1083	599	745	1853
Arcadia city	Los Angeles	3206	1099	569	604	934
Artesia city	Los Angeles	1067	311	168	128	460
Avalon city	Los Angeles	27	8	5	3	11
Azusa city	Los Angeles	2646	759	367	382	1138
Baldwin Park city	Los Angeles	1996	574	275	262	885
Banning city	Riverside	1668	316	192	279	881

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON RC-APPROVED FINAL RHNA METHODOLOGY

ALLOCATION BY LOCAL JURISDICTION

	County	Total	Very-low income	Low income	Moderate income	Above- moderate income
Barstow city	San Bernardino	1516	172	227	299	818
Beaumont city	Riverside	4202	1226	720	722	1534
Bell city	Los Angeles	228	43	23	29	133
Bell Gardens city	Los Angeles	501	99	29	72	301
Bellflower city	Los Angeles	3726	1012	487	552	1675
Beverly Hills city	Los Angeles	3096	1005	678	601	812
Big Bear Lake city	San Bernardino	212	50	33	37	92
Blythe city	Riverside	493	82	71	96	244
Bradbury city	Los Angeles	41	16	9	9	7
Brawley city	Imperial	1423	398	210	202	613
Brea city	Orange	2360	667	393	402	898
Buena Park city	Orange	8899	2114	1340	1570	3875
Burbank city	Los Angeles	8751	2546	1415	1406	3384
Calabasas city	Los Angeles	353	131	71	70	81
Calexico city	Imperial	4856	1276	653	612	2315
Calimesa city	Riverside	2013	494	275	378	866
Calipatria city	Imperial	151	36	21	16	78
Camarillo city	Ventura	1373	352	244	270	507
Canyon Lake city	Riverside	128	43	24	24	37
Carson city	Los Angeles	5605	1766	911	873	2055
Cathedral City city	Riverside	2542	538	352	456	1196
Cerritos city	Los Angeles	1903	678	344	331	550
Chino city	San Bernardino	6961	2107	1281	1201	2372
Chino Hills city	San Bernardino	3720	1384	819	787	730
Claremont city	Los Angeles	1707	554	309	297	547
Coachella city	Riverside	7867	1030	997	1364	4476
Colton city	San Bernardino	5420	1314	666	904	2536
Commerce city	Los Angeles	246	55	22	38	131
Compton city	Los Angeles	1001	235	121	130	515
Corona city	Riverside	6075	1748	1038	1094	2195
Costa Mesa city	Orange	11733	2912	1790	2084	4947
Covina city	Los Angeles	1905	612	267	281	745
Cudahy city	Los Angeles	392	80	36	53	223
Culver City city	Los Angeles	3333	1105	603	559	1066
Cypress city	Orange	3927	1147	656	622	1502
Dana Point city	Orange	530	147	84	101	198
Desert Hot Springs city	Riverside	3865	568	534	687	2076
Diamond Bar city	Los Angeles	2516	842	433	436	805
Downey city	Los Angeles	6510	2074	944	913	2579
Duarte city	Los Angeles	886	268	144	137	337
Eastvale City	Riverside	3022	1142	671	634	575
El Centro city	Imperial	3433	998	489	461	1485
El Monte city	Los Angeles	8481	1792	851	1230	4608
El Segundo city	Los Angeles	491	189	88	83	131
Fillmore city	Ventura	413	72	61	72	208
Fontana city	San Bernardino	17477	5096	2943	3029	6409
Fountain Valley city	Orange	4827	1304	784	832	1907

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON RC-APPROVED FINAL RHNA METHODOLOGY

ALLOCATION BY LOCAL JURISDICTION

	County	Total	Very-low income	Low income	Moderate income	Above- moderate income
Fullerton city	Orange	13180	3190	1985	2267	5738
Garden Grove city	Orange	19122	4155	2795	3204	8968
Gardena city	Los Angeles	5721	1481	759	892	2589
Glendale city	Los Angeles	13393	3430	2158	2244	5561
Glendora city	Los Angeles	2270	733	385	387	765
Grand Terrace city	San Bernardino	628	188	92	106	242
Hawaiian Gardens city	Los Angeles	331	61	44	46	180
Hawthorne city	Los Angeles	1731	444	204	249	834
Hemet city	Riverside	6450	810	730	1171	3739
Hermosa Beach city	Los Angeles	556	231	127	105	93
Hesperia city	San Bernardino	8135	1916	1228	1406	3585
Hidden Hills city	Los Angeles	40	17	8	9	6
Highland city	San Bernardino	2508	618	408	470	1012
Holtville city	Imperial	171	41	33	26	71
Huntington Beach city	Orange	13337	3652	2179	2303	5203
Huntington Park city	Los Angeles	1601	263	196	242	900
Imperial city	Imperial	1597	702	345	294	256
Indian Wells city	Riverside	382	117	81	91	93
Indio city	Riverside	7793	1788	1167	1312	3526
Industry city	Los Angeles	17	6	4	2	5
Inglewood city	Los Angeles	7422	1808	953	1110	3551
Irvine city	Orange	23554	6379	4225	4299	8651
Irwindale city	Los Angeles	118	36	11	16	55
Jurupa Valley City	Riverside	4485	1204	747	729	1805
La Cañada Flintridge city	Los Angeles	610	251	135	139	85
La Habra city	Orange	803	192	116	130	365
La Habra Heights city	Los Angeles	172	78	35	31	28
La Mirada city	Los Angeles	1957	633	341	319	664
La Palma city	Orange	800	223	140	137	300
La Puente city	Los Angeles	1924	542	275	274	833
La Quinta city	Riverside	1526	419	268	296	543
La Verne city	Los Angeles	1343	413	238	223	469
Laguna Beach city	Orange	393	117	80	79	117
Laguna Hills city	Orange	1980	566	353	353	708
Laguna Niguel city	Orange	1204	347	201	223	433
Laguna Woods city	Orange	993	126	135	191	541
Lake Elsinore city	Riverside	6666	1874	1097	1131	2564
Lake Forest city	Orange	3228	954	541	558	1175
Lakewood city	Los Angeles	3914	1293	636	652	1333
Lancaster city	Los Angeles	9002	2218	1192	1325	4267
Lawndale city	Los Angeles	2491	730	310	370	1081
Loma Linda city	San Bernardino	2048	522	311	352	863
Lomita city	Los Angeles	827	238	124	127	338
Long Beach city	Los Angeles	26440	7123	4038	4149	11130
Los Alamitos city	Orange	767	193	118	145	311
Los Angeles city	Los Angeles	455577	115680	68593	74936	196368
Lynwood city	Los Angeles	1555	376	139	235	805

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON RC-APPROVED FINAL RHNA METHODOLOGY

ALLOCATION BY LOCAL JURISDICTION

	County	Total	Very-low income	Low income	Moderate income	Above- moderate income
Malibu city	Los Angeles	78	27	19	17	15
Manhattan Beach city	Los Angeles	773	322	164	155	132
Maywood city	Los Angeles	363	54	47	55	207
Menifee city	Riverside	6594	1756	1049	1104	2685
Mission Viejo city	Orange	2211	672	400	396	743
Monrovia city	Los Angeles	1665	518	261	253	633
Montclair city	San Bernardino	2586	696	382	398	1110
Montebello city	Los Angeles	5174	1311	705	775	2383
Monterey Park city	Los Angeles	5245	1321	820	846	2258
Moorpark city	Ventura	1288	377	233	245	433
Moreno Valley city	Riverside	13596	3769	2047	2161	5619
Murrieta city	Riverside	3034	1006	581	543	904
Needles city	San Bernardino	87	10	11	16	50
Newport Beach city	Orange	4834	1453	928	1048	1405
Norco city	Riverside	454	145	85	82	142
Norwalk city	Los Angeles	5022	1542	757	657	2066
Ojai city	Ventura	53	13	9	10	21
Ontario city	San Bernardino	20805	5625	3279	3322	8579
Orange city	Orange	3927	1064	603	676	1584
Oxnard city	Ventura	8528	1835	1068	1535	4090
Palm Desert city	Riverside	2783	673	459	460	1191
Palm Springs city	Riverside	2552	544	407	461	1140
Palmdale city	Los Angeles	6625	1773	933	1002	2917
Palos Verdes Estates city	Los Angeles	198	82	44	47	25
Paramount city	Los Angeles	362	91	43	48	180
Pasadena city	Los Angeles	9408	2740	1659	1562	3447
Perris city	Riverside	7786	2025	1124	1271	3366
Pico Rivera city	Los Angeles	3939	1149	562	572	1656
Placentia city	Orange	4365	1228	679	769	1689
Pomona city	Los Angeles	10534	2792	1336	1507	4899
Port Hueneme city	Ventura	125	26	16	18	65
Rancho Cucamonga city	San Bernardino	10501	3237	1916	2033	3315
Rancho Mirage city	Riverside	1741	429	317	327	668
Rancho Palos Verdes city	Los Angeles	638	253	139	125	121
Rancho Santa Margarita city	Orange	680	209	120	125	226
Redlands city	San Bernardino	3507	964	614	650	1279
Redondo Beach city	Los Angeles	2483	933	507	489	554
Rialto city	San Bernardino	8252	2212	1203	1368	3469
Riverside city	Riverside	18415	4849	3057	3133	7376
Rolling Hills city	Los Angeles	45	20	9	11	5
Rolling Hills Estates city	Los Angeles	191	82	42	38	29
Rosemead city	Los Angeles	4601	1151	636	685	2129
San Bernardino city	San Bernardino	8104	1411	1095	1445	4153
San Buenaventura (Ventura) city	Ventura	5300	1184	863	948	2305
San Clemente city	Orange	978	281	163	187	347
San Dimas city	Los Angeles	1245	383	219	206	437
San Fernando city	Los Angeles	1791	460	273	283	775

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON RC-APPROVED FINAL RHNA METHODOLOGY

ALLOCATION BY LOCAL JURISDICTION

	County	Total	Very-low income	Low income	Moderate income	Above- moderate income
San Gabriel city	Los Angeles	3017	844	415	465	1293
San Jacinto city	Riverside	3385	798	464	559	1564
San Juan Capistrano city	Orange	1051	269	172	183	427
San Marino city	Los Angeles	397	149	91	91	66
Santa Ana city	Orange	3087	584	361	522	1620
Santa Clarita city	Los Angeles	10008	3389	1730	1668	3221
Santa Fe Springs city	Los Angeles	950	252	159	152	387
Santa Monica city	Los Angeles	8873	2787	1668	1698	2720
Santa Paula city	Ventura	656	102	99	121	334
Seal Beach city	Orange	1239	257	201	238	543
Sierra Madre city	Los Angeles	204	79	39	35	51
Signal Hill city	Los Angeles	516	160	78	90	188
Simi Valley city	Ventura	2786	747	492	517	1030
South El Monte city	Los Angeles	576	131	64	70	311
South Gate city	Los Angeles	8263	2131	991	1171	3970
South Pasadena city	Los Angeles	2062	755	397	333	577
Stanton city	Orange	1227	164	144	231	688
Temecula city	Riverside	4183	1355	799	777	1252
Temple City city	Los Angeles	2182	628	350	369	835
Thousand Oaks city	Ventura	2615	733	493	531	858
Torrance city	Los Angeles	4928	1617	845	851	1615
Tustin city	Orange	6765	1720	1043	1129	2873
Twentynine Palms city	San Bernardino	1044	230	127	184	503
Unincorporated Imperial Co.	Imperial	4292	1200	595	579	1918
Unincorporated Los Angeles Co.	Los Angeles	89842	25582	13661	14151	36448
Unincorporated Orange Co.	Orange	10381	3131	1862	2035	3353
Unincorporated Riverside Co.	Riverside	40768	10399	6648	7371	16350
Unincorporated San Bernardino Co.	San Bernardino	8813	2174	1357	1520	3762
Unincorporated Ventura Co.	Ventura	1259	318	225	249	467
Upland city	San Bernardino	5673	1580	957	1011	2125
Vernon city	Los Angeles	9	5	4	0	0
Victorville city	San Bernardino	8146	1731	1134	1500	3781
Villa Park city	Orange	296	93	60	61	82
Walnut city	Los Angeles	1292	426	225	231	410
West Covina city	Los Angeles	5334	1649	848	863	1974
West Hollywood city	Los Angeles	3924	1063	687	681	1493
Westlake Village city	Los Angeles	142	58	29	32	23
Westminster city	Orange	9737	1876	1470	1781	4610
Westmorland city	Imperial	33	8	6	4	15
Whittier city	Los Angeles	3431	1022	536	555	1318
Wildomar city	Riverside	2709	796	449	433	1031
Yorba Linda city	Orange	2411	763	450	457	741
Yucaipa city	San Bernardino	2859	706	492	509	1152
Yucca Valley town	San Bernardino	748	155	116	145	332

ATTACHMENT C

SCAG/HCD APPEAL APPLICATION/MATERIALS

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scag.ca.gov.
Late submissions will not be accepted.

Date:

Jurisdiction Subject to This Appeal Filing:

(to file another appeal, please use another form)

Filing Party (Jurisdiction or HCD)

Filing Party Contact Name

Filing Party Email:

APPEAL AUTHORIZED BY:

Name: _____

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region's greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date _____

Hearing Date: _____

Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Brief Description of Appeal Request and Desired Outcome:

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced _____ Added _____

List of Supporting Documentation, by Title and Number of Pages
(Numbers may be continued to accommodate additional supporting documentation):

- 1.
- 2.
- 3.

FOR STAFF USE ONLY:

Date _____

Hearing Date: _____

Planner: _____

ATTACHMENT D
DRAFT SCAG/HCD APPEAL LETTER

October 12, 2020

Ma' Ayn Johnson, Senior Housing and Land Use Planner
Southern California Association of Governments (SCAG)
Attn: RHNA Appeals Board
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

**SUBJECT: REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) METHODOLOGY
APPEAL**

Dear Ms. Johnson:

The City of Lawndale (City) submits the following appeal pursuant to government Code Section 65584.05 for a revision of its share of the regional housing need proposed to be allocated to the City under the Regional Housing Needs Assessment (RHNA) methodology (RHNA Methodology) adopted for the 6th cycle. This appeal is brought on the grounds that SCAG failed to determine the share of the regional housing need in accordance with the information described in Government Code Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed Government Code Section 65584(d). Additionally, the SCAG/HCD Methodology does not comply with state law, and the process by which it was considered for approval by SCAG violates state and due process laws, and that the methodology utilized should be rendered invalid.

OBJECTIVE 1: INCREASE THE HOUSING SUPPLY AND MIX OF HOUSING TYPES, TENURE, AND AFFORDABILITY WITHIN THE REGION IN AN EQUITABLE MANNER, WHICH SHALL RESULT IN EACH JURISDICTION RECEIVING AN ALLOCATION OF UNITS FOR LOW AND VERY-LOW INCOME HOUSEHOLDS:

Basis No. 1 for Appeal: SCAG failed to adequately consider information related to Government Code Section 65584.04(e)(3).

SCAG was required to consider the following factor per Government Code Section 65584.04(e)(3):

“The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.”

Pursuant to Government Code Sections 65584 and 65584.04(e), consistency between RHNA Methodology and the SCAG's 2020 Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) is required. However, RHNA Methodology employed by SCAG/HCD utilized the household growth factor from the existing needs component of the RHNA Methodology while using it as part of the 2020 Connect SoCal RTP/SCS will render the ultimate RHNA allocations inconsistent with the 2020 Connect SoCal RTP/SCS and create confusion for jurisdictions. Additionally, the use of projected household growth between 2030-2045 and other local planning factors in determining RHNA Methodology and allocation is a requirement under Government Code Section 65584.04(e), and failure to do so violates state law.

The City worked with SCAG to provide input on the 2020 RTP/SCS. That input included the number of households that are forecasted to be developed in the City between 2020 and 2045. The number of households identified for 2020 is 9,833 and in 2030 is 9,987; this is a difference of 154 households in a ten-year time frame. The draft allocation of 2,491 units, in an eight-year cycle, is more than 16 times the number of units forecasted for the 2020 RTP/SCS.

Failure to include household growth from the existing needs component ignores relevant jurisdictional concerns and real physical and developmental constraints that cannot be codified or actualized in the job accessibility or High-Quality Transit Area (HQTA) accessibility factors. This will result in RHNA allocations that are unrealistic and wholly unattainable for many jurisdictions which is inconsistent with state requirements.

OBJECTIVE 2: PROMOTE INFILL DEVELOPMENT AND SOCIOECONOMIC EQUITY, THE PROTECTION OF ENVIRONMENTAL AND AGRICULTURAL RESOURCES, THE ENCOURAGEMENT OF EFFICIENT DEVELOPMENT PATTERNS, AND THE ACHIEVEMENT OF THE REGION'S GREENHOUSE GAS REDUCTIONS TARGETS PROVIDED BY THE STATE AIR RESOURCES BOARD:

Basis No. 2 for Appeal: SCAG failed to adequately consider local information per the requirements under Government Code Section 65584(d).

Government Code Section 65584(d) requires SCAG to consider the objectives:

“(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low-income households.”

There is currently a limited ability to develop affordable housing at the allocated number of units due to lack of funding for affordable housing as well as the loss of redevelopment funding and other sources. The requirement for the City to comply with the no-net loss law (SB 166) could result in land not being developed for either low-income housing or housing at higher densities due to the lack of replacement land if market-rate housing is desired on specific parcels of land. This could result in land remaining undeveloped for any type of housing. Furthermore, the areas

with available land could result in the affordable units being concentrated in one area of the City and not disbursed in an equitable manner throughout the City.

“(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region’s greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.”

Adding units in areas where jobs are unavailable will result in increased VMT and an increase in GHG, due to a lack of significant public transit opportunities. Additionally, as noted above, a majority of the City’s residents travel outside of the City for work, further increasing VMT and GHG. Many areas of the City are currently built out. Additional infill development would have negative impacts on efficient development patterns.

“(3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.”

It is unknown how many low wage jobs are available in the City. Many residents of Lawndale travel outside the City for work. This would only be exacerbated by an increase in affordable housing. An increase in low-wage jobs would be required to support the development of affordable housing in the City if the objective is to provide affordable housing for low wage workers.

The adopted RHNA Methodology will not promote infill development or socioeconomic equity, but in fact it will do just the opposite and will increase land and infrastructure costs substantially resulting in socioeconomic inequities. Additionally, the increased housing allocations on a small jurisdiction like Lawndale will discourage efficient development patterns, result in increased traffic, and will insult in substantial greenhouse gas emissions inconsistent with state requirements.

OBJECTIVE 3: PROMOTE AN IMPROVED INTRAREGIONAL RELATIONSHIP BETWEEN JOBS AND HOUSING, INCLUDING AN IMPROVED BALANCE BETWEEN THE NUMBER OF LOW-WAGE JOBS AND THE NUMBER OF HOUSING UNITS AFFORDABLE TO LOW-WAGE WORKERS IN EACH JURISDICTION:

Unfortunately, the adopted RHNA Methodology will render the RHNA allocations inconsistent with the 2020 Connect SoCal RTP/SCS and create confusion for jurisdictions that need to rely on both as a road map for future development of infrastructure, land use, transit, and housing projects.

OBJECTIVE 4: ALLOCATING A LOWER PROPORTION OF HOUSING NEED TO AN INCOME CATEGORY WHEN A JURISDICTION ALREADY HAS A DISPROPORTIONATELY HIGH SHARE OF HOUSEHOLDS IN THAT INCOME CATEGORY, AS COMPARED TO THE COUNTYWIDE DISTRIBUTION OF

HOUSEHOLDS IN THAT CATEGORY FROM THE MOST RECENT AMERICAN COMMUNITY SURVEY:

The SCAG/HCD Methodology clearly violated this objective, the City already shares a large proportion of households which are disproportionately high share of “very low income to “low income” household categories. The Methodology allocation used by SCAG/HCD will result in a higher number of these categories in the City instead of distributed countywide fairly, in direct contraction of Objective 4.

OBJECTIVE 5: AFFIRMATIVELY FURTHER FAIR HOUSING:

The SCAG/HCD Methodology does not further fair housing but in fact results in unfair housing, social inequities, and overcrowded housing conditions, as described above. Additionally, the social equity adjustment and the inclusion of the California Tax Credit Allocation Committee's opportunity indices further this objective by increasing access to housing and reducing patterns of segregation and gentrification and encourages a mix of income categories, household types, and various socioeconomic households within a community and jurisdiction.

METHODOLOGY RHNA APPROVAL PROCESS VIOLATED STATE LAW:

Basis for Appeal No. 3: SCAG filed to determine the share of the regional housing need in accordance with applicable law at Government Code Sections 54953(c)(2) and 65584.04(d).

Government Code Section 54953(c)(2) prohibits any secret action, whether preliminary or final, outside an open meeting. Yet, at the November 7, 2019 SCAG Regional Council meeting, the SCAG/HCD Methodology was being recommended for consideration and approval, despite that methodology not being formally presented at any prior committee or subcommittee meeting, and despite staff's presentation of the original SCAG-recommended Methodology for approval at the November 7, 2019 meeting and all prior committee and subcommittee meetings. Additionally the follow actions occurred in direct violation of state open meeting requirements:

- *At the October 7, 2019 RHNA Subcommittee meeting, staff presented in detail the original SCAG-recommended Methodology for approval. A motion was made to recommend approval of the SCAG-recommended Methodology. However, at the last minute, an exofficio-member introduced the SCAG/HCD Methodology for consideration, which had not previously been considered or presented. A substitute motion was made to recommend approval of the SCAG/HCD Methodology, without any further research, data, or analysis, and the motion was narrowly defeated by a 4-3 vote.*
- *Next, at the October 21, 2019 Community, Economic, and Human Development (CEHD) Committee meeting, the original SCAG-recommended Methodology was again presented in great detail for approval. Again, there was no mention of the SCAG/HCD Methodology, let alone any written research, data, or analysis of the same. The CEHD Committee then voted to recommend approval of the original SCAG-recommended Methodology.*

- *Then, only several days before the November 7, 2019 Regional Council meeting, staff received direction to present the SCAG/HCD Methodology as an alternative to the original SCAG-recommended Methodology, while still recommending approval of the latter. At the same time, the City of Los Angeles circulated a draft City of Los Angeles Resolution supporting the SCAG/HCD Methodology to SCAG Colleagues. Both methodologies were presented at the November 7, 2019 meeting. The Regional Council then voted 43-19 to approve the SCAG/HCD RHNA Methodology, despite being given less than one week to consider that methodology.*
- *Clearly, no committee, subcommittee, or regional council officially gave any order or direction to SCAG staff at an open meeting to present the SCAG/HCD Methodology, and there was certainly no recommendation for approval by any committee or subcommittee for the SCAG/HCD Methodology. This demonstrates the process to include and recommend approval of the SCAG/HCD Methodology was the action of several SCAG members of the decision-making body providing direction to staff behind closed doors. Furthermore, the results of the vote indicate that individual contacts between decision-makers were made prior to the November 7, 2019 meeting such as to constitute a "meeting" in violation of the requirements of Section 54953(a).*
- *In addition, the fact that SCAG members had less than one week to review and consider the ramifications of the SCAG/HCD Methodology prior to the November 7, 2019 meeting is a violation of due process and a deprivation of a fair hearing. The process by which the original SCAG-recommended Methodology was presented included nine months of disseminating information and receipt of public comments, 18 public meetings, and four public hearings. Yet, the abrupt presentation and recommendation of the SCAG/HCD Methodology, which drastically changed the RHNA allocations among jurisdictions by removing the projected household growth factor, allowed affected jurisdictions less than five days to make any assessments or comments.*

Government Code Section 65584.04(d) requires public participation in the development of the methodology that is sent to HCD for review, and in the process of drafting and adoption of the allocation of the RHNA. Section 65584.04(d) also requires any draft methodology to be distributed to all jurisdictions in the region prior to being considered and forwarded to HCD for their 60-day review. These actions were not taken; accordingly, member jurisdictions, particularly the coastal cities, were not given a fair hearing or due process to adequately consider the draft SCAG/HCD Methodology before it was approved by HCD. In essence, SCAG prevented its members from being able to fully vet the SCAG/HCD Methodology.

SCAG Regional Council's violation of the Brown Act per Government Code Section 54953(c)(2) denied the City the right to engage in public participation and have its local data considered in its RHNA allocation, as required under Section 65584.04(d). The members of the Lawndale City Council would like to make it clear that the City has significant concerns regarding the RHNA Methodology employed by SCAG/HCD. We encourage SCAG/HCD to

consider our concerns for appeal and to work to arrive at an equitable and suitable solution for the City and region.

For the reasons outlined in this letter, the City respectfully requests that the RHNA Appeals Board reduce the number of units allocated to the City from 2,491 units to be in line with the estimated households projected in the RTP/SCS from 2020-2030.

Respectfully,

Robert Pullen-Miles
Mayor

Cc: Members of the Lawndale City Council
South Bay Cities Council of Governments
Metro Board of Directors



CITY OF LAWDALE

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020

TO: Honorable Mayor and City Council

FROM: Kevin M. Chun, City Manager *KM Chun*

PREPARED BY: Kahono Oei, P.E, Director of Public Works Department *or*
Marla L. Pendleton, CPA, Director of Finance Department *Marla L. Pendleton, CPA*

SUBJECT: **Award construction contract to Sequel Contractors Inc., Santa Fe Springs, CA for the FY 2019-20 Annual Street Improvements Project No 2020-5 and 2020-6**

BACKGROUND

Raised sidewalks and street improvements need attention on various local streets. In response, staff has prepared a project specifications for the City's annual street improvements project which was submitted to the City Council for approval at its regular meeting on April 20, 2020.

Two sources of funding will be utilized for the street improvements projects. The first source of funding will utilize the Community Development Block Grant (CDBG) funds. The project identified for this funding is in the City's Capital Improvement Program for FY 2019-20 for street repairs on 147th Street from Hawthorne Boulevard to Prairie Avenue.

The second source of funding will utilize Senate Bill 1 (SB1) Road Maintenance and Rehabilitation Account (RMRA) funds. The list of streets identified for this funding was approved by the City Council when it adopted Resolution No. CC-1904-023 on April 5, 2019.

STAFF REVIEW

As part of the City's annual street improvement effort, and based on the current Pavement Management System (PMS) and list of complaints from the residents, staff selected streets with: deteriorated pavement conditions; damaged and lifted sidewalks; and driveway approaches, curbs and gutters that need to be repaired, removed or replaced. The scope of work includes cold milling and placement of an asphalt pavement overlay; reconstruction of various sidewalks, driveways, curb ramps to meet the requirements of the Americans with Disabilities Act (ADA); street striping; and other appurtenant work. The project locations are shown on the attached Project Location Map.

The project was advertised in the local circulated newspaper Daily Breeze and the national circulation of FW Dodge. The bids were opened on September 16, 2020 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>
1. Sequel Contractors Inc.	\$1,267,820.00
2. Hardy & Harper Inc.	\$1,279,000.00
3. Palp Inc.	\$1,294,695.00
4. All American Asphalt	\$1,297,362.00
5. Kalban Inc.	\$1,299,723.00

The engineer's cost estimate for the project is \$1,496,595.00

LEGAL REVIEW

The City's standard construction contract, which is included in the project specifications template, has been reviewed and approved as to form by the City Attorney.

FUNDING

The project is included in the City's Capital Improvement Program and will be funded through Measure R, SB1-Gas Tax, CDBG funds, TDA, and General Fund which total \$1,457,993.00. The breakdown of the funding availability/allocation is shown in the attached Street Improvement Funding Schedule.

RECOMMENDATION

Staff recommends that the City Council:

1. Award the construction contract to Sequel Contractors Inc. in the amount of \$1,267,820.00
2. Approve a fifteen percent (15%) contingency in the amount of \$190,173.00 to cover any unforeseen field condition and to avoid project delays and facilitate timely project completion.

Attachment:

- Bid Opening Log Sheet
- Project location map

Street Improvement Funding Schedule

Project	Budget account Number	Measure R 244-310	SB1 Gas Tax 274-310	CDBG (FY18/19) 214-438	CDBG (FY19/20) 214-439	TDA 203-310	Gen Fund 100-310	Total Budget
CDBG-FY 19/20-147 th Street	700.272	210,363						\$ 210,363
	700.146			\$40,316	\$309,968			\$ 350,284
	700.125					\$49,558		\$ 49,558
	700.270						\$60,000	\$ 60,000
	Total amount for CDBG FY 2019-20							
SB1-FY19/20 Grevillea Ave., 159 th Street., and Freeman Avenue	700.270	\$133,308						\$ 133,309
	700.273		\$165,000					\$ 165,000
	700.274		\$100,000					\$ 100,000
	700.275		\$274,061					\$ 274,061
	700.276		\$15,000					\$ 15,000
	700.271						100,418	\$ 100,418
	Total amount for SB1 FY 2019-20							
Total amount for CDBG& SB1 FY 2019-20 Street Improvement Project								\$ 1,457,993



**CITY OF LAWDALE
CITY CLERK DEPARTMENT
BID OPENING LOG SHEET**

Project Name: STREET IMPROVEMENT PROJECT Bid No. BN-2009-06
147TH ST. (from HAWTHORNE BLVD. to PRAIRIE AVE. -CDBG NO. 602074-19- FEDERALLY FUNDED)
FREEMAN AVE. (from MARINE AVE. to 154TH ST.)
153rd ST. (from FREEMAN AVE. to CUL DE SAC)
159TH ST. (from FIRMONA Ave. to GREVILLEA Ave)
GREVILLEA AVE. (from 159TH ST. to 170TH ST.)

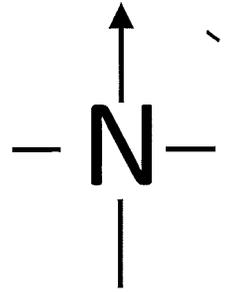
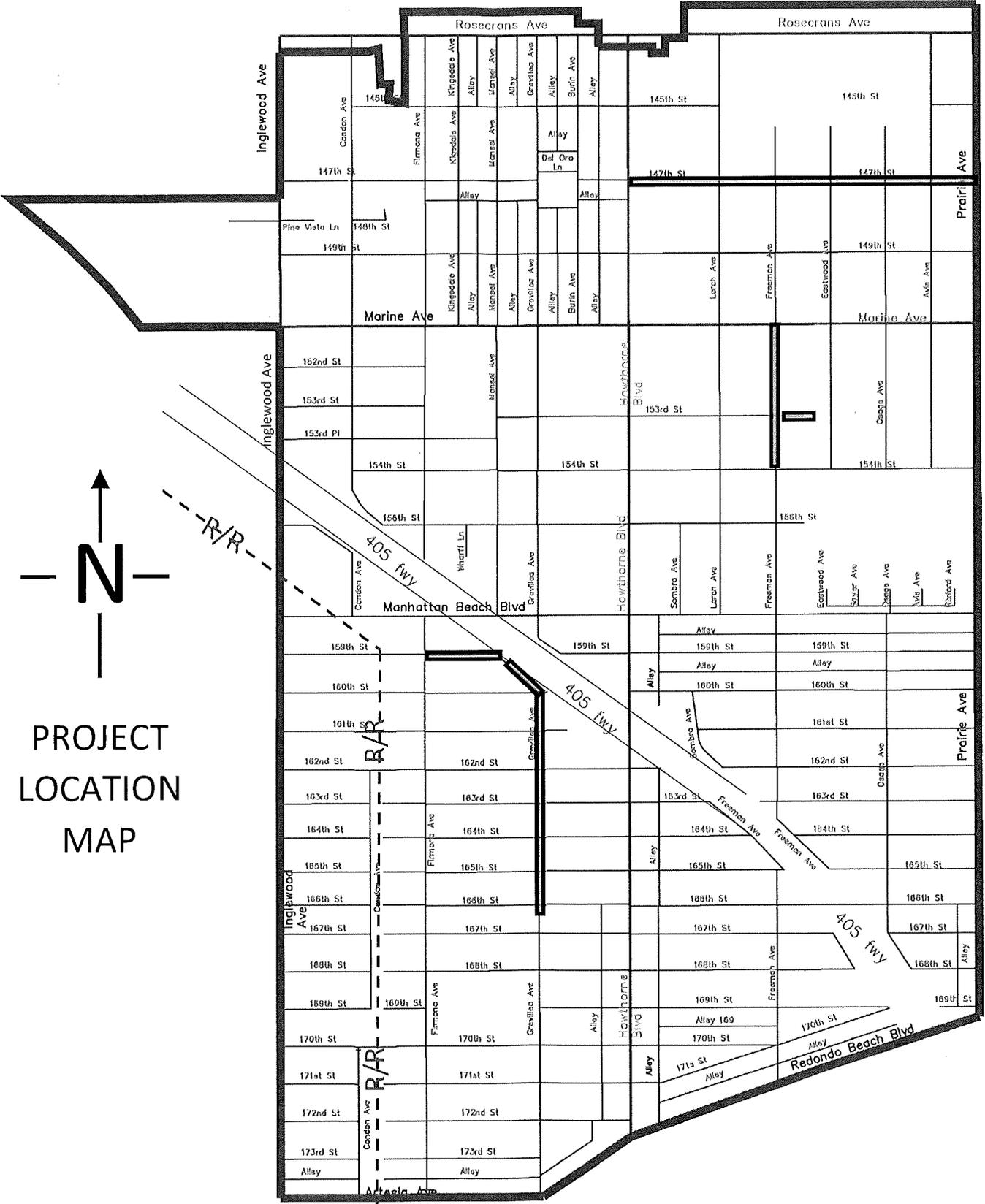
BIDDER (listed in the order received)	SUFFICIENT BID BOND? (Y/N)	ADDENDUM (Y/N)	TOTAL BID AMOUNT
1. Kalban Inc.	Y	Y	\$1,299,723.00
2. Hardy & Harper, Inc.	Y	Y	\$1,279,000.00
* 3. Sequel Contractors, Inc.	Y	Y	\$1,267,820.00 *
4. Palp, Inc. DBA Excel Paving Company	Y	Y	\$1,294,695.00
5. All American Asphalt	Y	Y	\$1,297,362.00

I, Matthew Ceballos, Assistant City Clerk of the City of Lawndale, hereby certify that bids for the above referenced project/services were received no later than the deadline specified in the project specifications, were opened by me, and that the above summary of the bid opening is a true and correct representation of that action.

Signed: _____
Matthew Ceballos, Assistant City Clerk

Dated: September 16, 2020

cc: Kahono O, Director of Public Works



PROJECT
LOCATION
MAP

PROPOSED STREET IMPROVEMENT

AGREEMENT

THIS AGREEMENT is made and entered into this 5TH day of October, 2020 by and between the **CITY OF LAWDALE, CALIFORNIA**, hereinafter referred to as the "City," and **SEQUEL CONTRACTORS, INC.** hereinafter referred to as the "**Contractor.**"

WITNESSETH: That the parties hereto do mutually agree as follows:

ARTICLE I: For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by said City, said Contractor agrees with said City to construct the work under the City's specification entitled "**147TH STREET FROM HAWTHORNE BLVD. TO PRARIE AVE. FREEMAN AVE. FROM MARINE AVE. TO 154TH STREET, 153RD STREET FROM FREEMAN AVE. TO CU DE SAC GREVILLEA AVE FROM 159TH STREET TO 170TH STREET, ANNUAL STREET IMPROVEMENT PROJECT, CDBG PROJECT NO. 602074-19, PROJECT NO. 2020-5 AND PROJECT NO. 2020-6**" and to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the drawings and described in the specifications herein, to furnish at his own proper cost and expense all tools, equipment, labor, and materials necessary therefor, except such material and equipment as in said specifications as expressly stipulated to be furnished by said City, and to do everything required by this Agreement and the said specifications and plans.

ARTICLE II: For furnishing all said materials and labor, furnishing and removing all plant, temporary works or structures, tools and equipment and doing all the work contemplated and embraced in this Agreement, also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise from or be encountered in the prosecution of the work until its acceptance by said City, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work, except such as in the said specifications are expressly stipulated to be borne by said City, and for well and faithfully completing the work the whole thereof, in the manner shown and described in said drawings and specifications and in accordance with the requirements of the Engineer, said City will pay and said Contractor shall receive in full compensation therefor the prices named in the Bidding Schedule of the Bid hereto attached.

ARTICLE III: City agrees to pay and Contractor agrees to accept in full payment for this Work or Improvement the stipulated sum of ONE MILLION TWO HUNDRED SIXTY SEVEN THOUSAND AND EIGHT HUNDRED TWENTY Dollars (\$1,267,820.00).

City agrees to make monthly payments and final payment in accordance with the method set forth in the Specifications.

ARTICLE IV: All work to be done under this contract shall be completed within **SIXTY (60) calendar days**, exclusive of maintenance periods, beginning on the date stipulated in the written Notice to Proceed issued by the Engineer. Any changes in time and/or price are to be submitted to the City Engineer, in writing, within 2 days of the occurrence giving rise to the request and shall request a formal decision from the City within 5 days and shall include data supporting the request.

ARTICLE V: Time is of the essence with respect to the performance by Contractor of its duties. Failure of the Contractor to complete the work within the time allowed will result in damages being sustained by the City. Such damages are, and will continue to be, impracticable and extremely

difficult to determine. For each consecutive calendar day, or portion thereof, in excess of the time specified for completion of the work (as adjusted), the Contractor shall pay to the City, or the City may deduct from any payments due or to become due to Contractor, the sum of \$1000.00 per day.

Execution of this Agreement shall constitute agreement by the City and the Contractor that the specified liquidated damages per day is the minimum value of the costs and actual damage caused by the failure of the Contractor to complete the work within the allotted time, that such sum is liquidated damages and shall not be construed as a penalty, and that such sum may be deducted from payments due the Contractor if such delay occurs.

ARTICLE VI: The City hereby promises and agrees with said Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to for the price aforesaid, and hereby contracts to pay for the same, at the time, in the manner, and upon the conditions set forth in said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE VII: The Notice Inviting Sealed Bids, the Instructions to Bidders, the Bid, the Specifications, and the Drawings mentioned therein, all addenda issued prior to the opening of the bid by the City, all contract change orders issued after execution of the Contract Agreement, the Special Provisions, Non-Collusion Declaration, Faithful Performance Bond, Payment Bond, all of which are essential parts of this contract, are hereby incorporated in and made part of this Agreement.

ARTICLE VIII: Contractor acknowledges and agrees that he and any subcontractor under him must comply with the provisions of the State Labor Code requiring every employer to pay at least the minimum prevailing rate of per diem wages for each craft, classification, or type of workman needed to execute this contract. State general prevailing wage determination as established by the California Department of Industrial Relations (available at <http://www.dir.ca.gov/DLSR/PWD/index.htm>). The statutory provisions for penalties for failure to pay prevailing wages and/or failure to otherwise comply with state's wage and hour laws will be enforced.

The applicable prevailing rate of per diem wages are on file at the City of Lawndale Department of Public Works, 4722 Manhattan Beach Boulevard, Lawndale, California 90266, and are available to any interested party on request. The Contractor is required to post at the job site the prevailing rate of per diem wages and other notices prescribed by regulation.

ARTICLE IX: The Contractor shall supply the City with certificates of insurance for the types and amounts of insurance required for this project as described in the Instructions to Bidders for this project. Said certificates must comply with all requirements for sufficient insurance as described in the Instructions to Bidders.

ARTICLE X: The Contractor hereby agrees that the Contractor and any subcontractor under him submit weekly to the DIR directly and provide copy to City, certified copies of the payroll records for all said workers and shall comply with all statutory requirements relating to certified copies of payroll records, including the maintenance of the records, their certification, and their availability for inspection as required by Labor Code Section 1776 and as required under Subsection 7-2.6 of said Standard Specifications for Public Works Construction. In addition, the Contractor and any subcontractors must furnish electronic certified payroll records directly to the Labor Commissioner (aka

Division of Labor Standards Enforcement) in a format prescribed by the Labor Commissioner no less than monthly as follows:

These new requirements will apply to all public works projects that are subject to the prevailing wage requirements of the Labor Code without regard to funding source.

ARTICLE XI: Pursuant to Labor Code Section 1725.5, Contractor and any subcontractor must be registered with the California Department of Industrial Relations prior to performing any work under this Agreement. Further, this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

ARTICLE XII: Contractor shall indemnify, defend with legal counsel approved by City, and hold harmless City, its officers, officials, employees, agents, and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable legal counsel fees, expert witness fees and all other costs and fees of litigation) of every nature arising out of or in connection with Contractor's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole or active negligence or willful misconduct of the City. Should conflict of interest principles preclude a single legal counsel from representing both City and Contractor, or should City otherwise find Contractor's legal counsel unacceptable, then Contractor shall reimburse the City its costs of defense, including without limitation reasonable legal counsels fees, expert fees and all other costs and fees of litigation. The Contractor shall promptly pay any final judgment rendered against the City (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of the Contractor's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

Contractor obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of City under any provision of this Agreement, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of City.

ARTICLE XIII: Contractor's services are being provided to the City as that of an independent contractor. Contractor represents and warrants that the personnel used to provide services to the City pursuant to this Agreement are classified by Contractor as employees. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a federal or state agency, a court of competent jurisdiction, or the California Public Employees' Retirement System (CalPERS) to be classified as other than an independent contractor for the City, then Contractor shall indemnify, defend, and hold harmless the City for the payment of any and all assessed fines, penalties, judgments, employee and/or employer contributions, and any other damages and costs assessed to the City as a consequence of, or in any way attributable to, the assertion that Contractor or any persons Contractor used to provide services under this Agreement are employees of the City.

ARTICLE XIV: The City, in accordance with Public Contract Code Section 22300, shall permit the substitution of securities for any moneys withheld by the City to secure performance under a contract. The City hereby incorporates herein all of the provisions set forth in Public Contract Code Section 22300.

ARTICLE XV: In the performance of this agreement, the Contractor shall not engage in, nor permit others he may hire to engage in, discrimination in the employment of persons because of their race, religious creed, color, or national origin, except as provided in Government Code Section 12940. Violation of this provision may result in the imposition of penalties as provided in Labor Code Section 1735.

ARTICLE XVI: The improvements contemplated in the performance of this contract are a federal-aid improvement over which the State of California shall exercise general supervision; the State of California, therefore, shall have the right to assume full and direct control over this contract whenever the State of California, at its sole discretion, shall determine that its responsibility to the United States so requires.

ARTICLE XVII: The Contractor shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the contract and such other records as may be deemed necessary by the City to assure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit purposes to the City or any authorized representative and will be retained for 3 years after the expiration of this contract, unless permission to destroy them is granted by the City.

ARTICLE XVIII: No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation. Similarly, Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

ARTICLE XIX: The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

ARTICLE XX: Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor agrees to submit to the personal jurisdiction of such court in the event of such action.

[Signatures on Following Page]

**CITY: CITY OF LAWNSDALE,
CALIFORNIA**

Dated _____, 20__

By: _____
MAYOR

ATTEST:

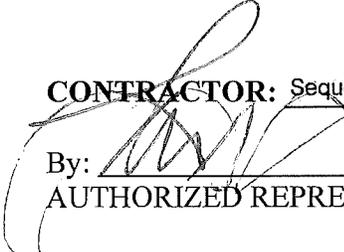
CITY CLERK

Approved as to form:

CITY ATTORNEY

Dated 9/28, 2020

CONTRACTOR: Sequel Contractors, Inc.

By: 

AUTHORIZED REPRESENTATIVE
Thomas S. Pack, President

TITLE
By: 

AUTHORIZED REPRESENTATIVE
Michael A. Mahler, Secretary

TITLE

(Attach acknowledgment for each Authorized Representative of Contractor.)

Address: 13546 Imperial Highway, Santa Fe Springs
CA 90670

Phone: (562) 802-7227

Fax: (562) 802-7499

Email: Mike@sequelcontractors.com

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On 9/28/20 before me, Daniel Bustamante, Notary Public
Date Here Insert Name and Title of the Officer

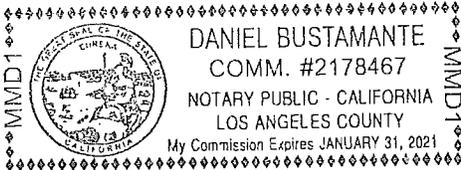
personally appeared Thomas S. Peck, President
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature Daniel Bustamante
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

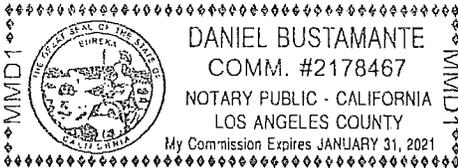
State of California)
County of Los Angeles)

On 9/28/20 before me, Daniel Bustamante, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Michael A. Mahler, Secretary
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Daniel Bustamante
Signature of Notary Public

Place Notary Seal Above

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 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

SEQUEL CONTRACTORS, INC.

ST. LIC #610600A

13546 IMPERIAL HWY
SANTA FE SPRINGS, CA 90670

Fax (562) 802-7499

(562) 802-7227 Office

ACTION BY UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS OF SEQUEL CONTRACTORS, INC.

The undersigned being all of the Directors of SEQUEL CONTRACTORS, INC. a California Corporation, do hereby take the following action by this written consent at a meeting of the Board of Directors held on April 4, 2019 in accordance with the Bylaws of the Corporation and the California Corporation Code.

WHEREAS, the Board of Directors deems it advisable to authorize the officers of the Corporation, Abel Magallanes, Thomas S. Pack and Michael A. Mahler, respectively, to execute bid bonds on behalf of the Corporation with any agency, person, company or municipality;

RESOLVED FURTHER, that Abel Magallanes, Thomas S. Pack and Michael A. Mahler are authorized to execute labor, material, and faithful performance bonds in connection with contracts to be entered into with any agency, person, company or municipality;

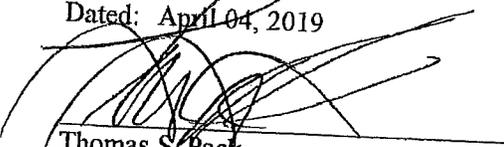
RESOLVED FURTHER, that Abel Magallanes, Thomas S. Pack and Michael A. Mahler are authorized and directed to execute and deliver street improvement contracts and related agreements with any agency, person, company or municipality on such terms conditions as they deem advisable in their sole discretion;

RESOLVED FURTHER, that Abel Magallanes, Thomas S. Pack and Michael A. Mahler be, and they hereby are authorized by their sole signatures on any document to bind this corporation to contract, bids, bonds, etc.;

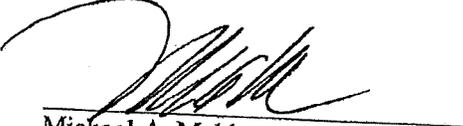
RESOLVED FURTHER, that Abel Magallanes, Thomas S. Pack and Michael A. Mahler be, and they hereby are authorized and directed to take any and all such other actions and execute such other documents as may be necessary or appropriate to carry out the purposes of the foregoing authorizations.

In witness thereof, the undersigned Directors have executed this unanimous written consent to indicate this adoption of the consent of the foregoing resolution and the action set forth therein.

Dated: April 04, 2019


Thomas S. Pack
Director & President


Abel Magallanes
Director, Vice President & Assistant Secretary


Michael A. Mahler
Director & Secretary



CITY OF LAWDALE

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020
TO: Honorable Mayor and City Council
FROM: Kevin M. Chun, City Manager *KM Chun*
PREPARED BY: Marla L. Pendleton, CPA, Director of Finance/ City Treasurer *Marla L. Pendleton, CPA*
SUBJECT: **Budget Update for the Fiscal Year Ending June 30, 2020**

BACKGROUND

In order to provide an update on the City of Lawndale's financial position for the fiscal year through June 30, 2020, a Quarterly Budget Update has been prepared. Since the update is at fiscal year-end, all funds are included in the review with attention focusing on General Fund revenue and expenditures, funds with negative balances at year-end, significant fluctuations between budgeted appropriations and actual expenditures, year-end appropriation balances to be continued into Fiscal Year 2020-21, and budget adjustments proposed to clean-up transactions occurring during the fiscal year.

STAFF REVIEW

At fiscal year end, the General Fund revenue exceeded expenditures by \$608,910 and the fund had a positive budget variance of \$889,599; \$271,172 related to actual revenues exceeding anticipated revenue for the year and \$618,427 related to actual expenditures being less than the amended budget. Of the unexpended appropriations, some amounts were already included in the Fiscal Year 2020-21 budget; however, an additional \$132,622 is being requested for continuation of ongoing contracts and City Council discretionary funds and \$201,284 for capital projects requiring City matching funds.

Three funds had negative fund balances at fiscal year-end due to pending grant reimbursements.

Unexpended capital project appropriations of \$686,612 are being requested to continue into Fiscal Year 2020-21. This is a net continuation amount since some capital projects were prematurely included in the budget in advance of carrying forward the known year-end unexpended amount.

SB1 Gas Tax Rehabilitation, Measure R Grant Traffic Signal, Coronavirus Relief Fund, Department of Conservation Grant and the 2009 Tax Allocation Bond fund require budget adjustments for fiscal year-end to ensure expenditures charged to these funds have appropriation authority.

LEGAL REVIEW

Not applicable.

FISCAL IMPACT

Unexpended appropriations from Fiscal Year 2019-20 capital projects, ongoing contracts and City Council discretionary funds are recommend to be continued into Fiscal Year 2020-21.

RECOMMENDATION

Staff recommends that the City Council approve budget adjustments as contained in Budget Update Fiscal Year Ended June 30, 2020.

Attachments: Budget Update Fiscal year Ended June 30, 2020.



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

OVERVIEW

This quarterly report represents the City’s unaudited year-end revenues and expenditures results through June 30, 2020. It highlights the financial results of the General Fund and includes the results of all funds maintained by the City.

GENERAL FUND

The General Fund supports the day-to-day activities of the City, which includes General Government, Public Safety, Municipal Services, and Public Works. Effective July 1, 2019, Community Development, and Community Services Recreation and Senior Programs were moved into separate Enterprise Funds to better account for their external service provided outside of the General Fund. Activities remaining in the General, Fund are primarily supported from sales and use, district transaction, motor vehicle in-lieu, utility users and property taxes.

General Fund Financial Condition: Fiscal Year 2019-20 closed with accruals being booked for the year and appropriations being continued for multiple year projects. Adjustments can still be made as the result of the year-end audit scheduled to be completed by December 31, 2020. Overall, the General Fund had a positive budget variance of \$889,599; \$271,172 related to actual revenues exceeding anticipated revenue for the year and \$618,427 related to actual expenditures being less than the amended budget. Actual revenue exceeded expenditures by \$608,910 for the fiscal year.

GENERAL FUND FYE (Unaudited) SUMMARY			
	Amended Budget	Actual FYE	Variance
Total Revenue	\$ 15,454,040	\$ 15,725,212	\$ 271,172
Total Expenditures	\$ 15,734,729	\$ 15,116,302	\$ 618,427

Revenue. The General Fund, which was 55.9% of the City’s total actual revenue, was \$557,264, 3.7%, higher than fiscal year-end June 30, 2019 revenue. The most significant year-to-year increase was attributed to Measure L ¾ cent district transaction tax, which attributed to \$1,849,401 increase since the tax was imposed on April 1, 2019, generating three months verses twelve months in Fiscal Year 2018-19 compared to 2019-20. The most significant year-to-year variance was **<\$1,413,189>** attributed to one-time money received from the sale of City property in fiscal year 2018-19. In addition, Fiscal Year 2019-20 ended with actual revenue being \$271,172 higher than the amended budget, as summarized below.



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

GENERAL FUND REVENUE BY SOURCE			
Revenue Source	Amended Budget	Actual FYE	Variance
Motor Vehicle In-Lieu Tax	3,795,000	3,787,758	(7,242)
Sales & Use Tax	3,156,000	3,205,785	49,785
Sales Trans Tax	2,100,000	2,382,891	282,891
Utility Users Tax	1,800,000	1,675,391	(124,609)
Property Tax	1,382,000	1,457,695	75,695
Other Taxes	1,849,700	1,678,415	(171,285)
Licenses & Permits	40,600	19,417	(21,183)
Court & Traffic Fines	666,700	772,134	105,434
Use of Money & Property	200,000	282,042	82,042
Charges for Services	196,140	265,371	69,231
Other Revenue	217,900	172,413	(45,487)
Operating Transfers In	50,000	25,900	(24,100)
	15,454,040	15,725,212	271,172

- Sales Transaction Tax- Measure L:** The ¾ cent district transaction tax became effective on April 1, 2019, with \$533,490 collected for the three month period in Fiscal Year 2018-19. With twelve months of collections in Fiscal Year 2019-20, \$2,382,891 of revenue was received, an increase of \$1,849,401 from the prior fiscal year. Actual Fiscal Year 2019-20 revenue exceeded the \$2.1 million budget by \$282,891.
- Utility Users Tax (UUT):** UUT is imposed on amounts paid for telephone communication services, energy usage, gas transported, production of electricity or gas for self-use, and water delivered through mains or pipes (Lawndale Municipal Code Chapter 3.14). Revenue has been declining since Fiscal Year 2011-12. Compared to Fiscal Year 2018-19, revenue decreased 2.5%, \$43,551, from \$1,718,941 to \$1,675,391. Compared to the \$1,800,000 budget, a shortfall of \$124,609 was realized in Fiscal Year 2019-20.
- Other Taxes:** The predominant source of revenue in this category include Transient Occupancy Tax (TOT or hotel bed tax), business license, and franchise fees. Realized revenue decreased \$133,192, 7.4%, from \$1,811,607 in Fiscal Year 2018-19 to \$1,678,415 in Fiscal Year 2019-20. The overall decrease is attributed to COVID19 restrictions impacting travel and hotel lodging, decreasing TOT by \$137,528 between the fiscal years. The two largest hotels in the City contracted as shelters for the at-risk homeless population through the state Project Roomkey program. One of the hotels paid TOT for the 4th quarter of the fiscal year, while payment from the second hotel was not received within the 60-day revenue accrual period to be included in the year-end revenue. Compared to the \$1,849,700 revenue budget, a \$171,285 budget shortfall was realized in this revenue category, of which \$168,659 was attributed to TOT.
- Court & Traffic Fines:** Revenue includes parking fines and forfeitures received from cited drivers, Courts, and the Department of Motor Vehicles. Revenue increased \$11,092, 1.5%, from \$761,042 in Fiscal Year 2018-19 to \$772,134 in Fiscal Year 2019-20. Compared to the \$666,700 revenue budget, an additional \$105,434 was realized during the fiscal year despite of Code Enforcement not enforcing parking violations during stay-at-home orders.
- Charges for Services:** Revenue includes encroachment and industrial waste permits, small cell wireless facility fees, and vehicle impound fees, which decreased \$39,985, 13.1%, from \$305,356 in Fiscal Year 2018-19 to \$265,371 in Fiscal Year 2019-20. Compared to the \$196,140 revenue budget, an additional \$69,231 was realized during the fiscal year. The most significant increase was in encroachment permits which yielded \$103,166 over budget.



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

To align the budget more closely with the actual General Fund revenue received during Fiscal Year 2019-20, the following budget adjustment for variances with the absolute value of \$100,000 or more is recommended:

Increase estimated revenue:

100-000-400.210	Sales Transaction Tax- Measure L	\$280,000
100-000-435.200	Interest – LRA Loan	150,000
100-000-410.130	Encroachment Permits	<u>100,000</u>
		\$530,000

Decrease estimated revenue:

100-000-400.600	Utility Users Tax	\$160,000
100-000-465.500	Reimbursement of State Mandate	<u>120,000</u>
		\$280,000

Net Change in General Fund Revenue **\$250,000**

Expenditures. At the end of the fiscal year, \$618,427 of General Fund appropriation budget was unexpended, as shown in the following summary by department.

GENERAL FUND EXPENDITURES BY DEPARTMENT			
Department	Amended Budget	Actual FYE	Variance
General Fund Support	\$ 2,003,503	\$ 2,126,996	\$ (123,493)
City Council	175,236	148,736	26,500
City Attorney	451,000	436,618	14,382
City Clerk	296,061	224,285	71,776
City Manager	591,487	484,937	106,550
Administrative Svcs	205,613	120,489	85,124
General Operations	1,500,473	1,570,754	(70,281)
Cable Television	202,668	196,735	5,933
Information Systems	285,050	243,062	41,988
Finance	565,884	533,668	32,216
Police Services	6,172,802	6,023,598	149,204
Municipal Services	1,270,245	1,140,801	129,444
Public Works Admin.	310,860	230,374	80,486
Grounds Maintenance	1,116,671	1,000,892	115,779
Street Maintenance	367,120	450,747	(83,627)
Engineering	93,956	102,178	(8,222)
Community Services Programs	126,100	81,433	44,667
Total General Fund	\$ 15,734,729	\$ 15,116,302	\$ 618,427

To better understand the details of the above budgets, the below tables are presented displaying General Fund expenditures by appropriation category; the total variance includes personnel, operations, and capital appropriations, which made up <\$184,245>, \$601,387, and \$201,284 of the respective variance.



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

GENERAL FUND PERSONNEL COSTS BY DEPARTMENT			
Department	Amended Budget	Actual FYE	Variance
City Council	\$ 95,869	\$ 91,903	\$ 3,966
City Clerk	271,711	212,389	59,322
City Manager	572,487	474,508	97,979
Administrative Svcs	85,263	91,847	(6,584)
General Operations	604,467	753,931	(149,464)
Cable Television	175,188	182,241	(7,053)
Finance	375,596	366,920	8,675
Municipal Services	1,061,915	1,013,875	48,040
Public Works Admin.	50,593	194,019	(143,426)
Grounds Maintenance	321,316	315,374	5,942
Street Maintenance	124,520	182,163	(57,643)
Engineering	48,414	92,414	(44,000)
Total GF Personnel Costs	\$ 3,787,339	\$ 3,971,583	\$ (184,245)

GENERAL FUND OPERATIONAL COSTS BY DEPARTMENT			
Department	Amended Budget	Actual FYE	Variance
General Fund Support	\$ 2,003,503	\$ 2,126,996	\$ (123,493)
City Council	79,367	56,833	22,534
City Attorney	451,000	436,618	14,382
City Clerk	24,350	11,896	12,454
City Manager	19,000	10,429	8,571
Administrative Svcs	120,350	28,642	91,708
General Operations	896,006	816,823	79,183
Cable Television	27,480	14,493	12,987
Information Systems	285,050	243,062	41,988
Finance	190,288	166,748	23,540
Police Services	6,172,802	6,023,598	149,204
Municipal Services	208,330	126,926	81,404
Public Works Admin.	58,983	36,355	22,628
Grounds Maintenance	795,355	685,518	109,837
Street Maintenance	242,600	268,583	(25,983)
Engineering	45,542	9,764	35,778
Community Services Programs	126,100	81,433	44,667
Total GF Operational Costs	\$ 11,746,106	\$ 11,144,719	\$ 601,387

GENERAL FUND CAPITAL COSTS BY DEPARTMENT			
Department	Amended Budget	Actual FYE	Variance
Public Works Admin.	\$ 201,284	\$ -	\$ 201,284
Total GF Capital Costs	\$ 201,284	\$ -	\$ 201,284



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

Based on our review of the above three tables, there are several factors significantly attributing to the unexpended appropriations as of June 30, 2020. These differences make up \$486,689, 79%, of the \$618,427 net difference in the General Fund.

Overview of Budget to Actual GF Expenditure Comparison FYE 6/30/20			
Unexpended Capital Projects			
Public Works Admin.			\$ 201,284
Savings			
City Manager	Personnel	\$ 97,979	
City Clerk	Personnel	59,322	
Municipal Services	Personnel	48,040	
Administrative Services	Operations	91,708	
General Operations	Operations	79,183	
Information Systems	Operations	41,988	
Sheriff Contract Services	Operations	149,204	
Municipal Services	Operations	81,404	
PW Grounds Maintenance	Operations	109,837	
Community Services- Crossing Guards	Operations	44,667	803,330
Overruns			
General Operations- Retiree Hlth Benefits	Personnel	\$ (149,463)	
Public Works Administration	Personnel	(143,426)	
PW Street Maintenance	Personnel	(57,643)	
PW Engineering	Personnel	(44,000)	
General Fund Support	Operations	(123,493)	(518,025)
Total of Significant Factors Attributing to Unexpended General Fund Appropriations			\$ 486,589

Public Works Unexpended Capital Project Funding- Savings relate to unexpended Fiscal Year 2018-19 annual street improvement project funding of \$201,284, which was carried forward from Fiscal Year 2018-19 to 2019-20. Street improvement projects completed during the fiscal year did not require General Fund support. Public Works would like to continue the unexpended appropriations into Fiscal Year 2020-2021 to utilize as matching funds for the 2019-20 street improvement projects to be completed in Fiscal Year 2020-21.

City Manager Salary Savings- The City Manager’s retirement, part-time contract labor, and vacancy for six months attributed to the \$97,979 salary savings at fiscal year-end.

City Clerk Salary Savings- The Deputy City Clerk retirement, vacancy and reclassification into an Administrative Assistant II, resulted in \$59,322 salary savings at fiscal year-end.

Municipal Services Salary Savings- Of the \$48,040 salary savings to the General Fund, \$37,078 of department personnel costs were transferred to the Coronavirus Relief Fund, Fund 284, which is supported by CARES Act funding. These costs included staff quarantine time off and homeless outreach related to the coronavirus.



City of Lawndale

Budget Update

Fiscal Year Ended June 30, 2020

Administrative Services Operations Savings- At fiscal year-end, Administrative Services had an unexpended operations budget of \$91,708 (\$28,642 expended from the \$120,350 operations budget). Of the unexpended balance, \$87,121 is related to outstanding obligations to be continued in Fiscal Year 2020-21. Specifically, \$60,000, \$12,767, and \$14,354 are being continued into fiscal year 2020-21 for a citywide class and compensation study (responses to a Request for Proposal were obtained and the award is pending), the ongoing Public Works Director recruitment (budget approved by the City Council on February 18, 2020) and ongoing contract personnel services, respectively.

General Operations Savings- At fiscal year-end, General Operations had an unexpended operations budget of \$79,183 (\$816,823 expended from the \$896,006 operations budget). Two factors primarily attributed to the savings: contingency budget set-aside for labor union negotiations and Community Center upgrades. Of the \$226,600 set aside for union negotiations in the Fiscal Year 2019-20 budget, actual labor increases of \$191,245 were negotiated and transferred to the respective department budgets to cover cost increases leaving \$33,355 unexpended at fiscal year-end. The \$50,000 budgeted for Community Center upgrades did not occur during the year and these costs will not be carried forward into Fiscal Year 2020-21 as other funding sources are available to fund improvement projects.

Information Systems Operational Savings- Of the \$285,050 amended operations budget for Information Systems in Fiscal Year 2019-20, \$243,062 was expended, leaving an available balance of \$41,828. Web design costs for the City website were the significant factor affecting the remaining balance; \$50,000 was budgeted and the contract was awarded for \$25,900, leaving an unexpended balance of \$24,100. Since the project was funded through an operating transfer from Fund 215, Restricted Urban Development Fund, the unexpended balance was not transferred and remains restricted in Fund 215. At fiscal year-end, \$6,205 of the website design contract was outstanding and appropriations require continuation into Fiscal Year 2020-21 for contract completion and payment.

Sheriff's Department Contract Services Savings- The \$149,204 unexpended operations budget was attributed to \$62,701 being budgeted over the contract services agreement amount; \$26,808 savings for the Youth Day Parade, which the event was cancelled due to stay-at-home orders related to the coronavirus; and \$59,500 of cost being transferred to the Coronavirus Relief Fund, Fund 284, to be offset against CARES Act funding. Actual COVID19 related costs eligible for reimbursement was \$192,109, but was reduced to make funding available for small business grants.

Municipal Services Operational Savings- Of the \$208,330 budgeted for the department, \$81,404 was unexpended at fiscal year-end. In addition to office supplies and other routine expenses being lower due to stay-at-home orders, the most significant operational cost savings included unexpended funds set aside for abatement repairs, contract services, vehicle maintenance, vehicle fuel, and special events costs, which attributed to \$32,300, \$17,913, \$8,194, \$6,391 and \$4,777, respective savings.

√ Abatement costs were established for outstanding code enforcement cases of which only one case required funding to resolve during the year. The Department Director established a new budget of \$25,000 for Fiscal Year 2020-21; therefore, the unexpended amount does not require continuation into Fiscal Year 2020-21.

√ The contract services budget increased \$12,000 in Fiscal Year 2019-20 from 2018-19; however, the additional appropriation was not required since this account ended with a \$17,913 saving. Significant savings in this area included animal control services, veterinarian services, and miscellaneous costs (including hearing officer fees), which attributed to a savings of \$7,200, \$5,000 and \$4,000, respectively, for the fiscal year. In addition, there was savings associated with the cancelation of City sponsored vaccination clinics during the year.



City of Lawndale Budget Update Fiscal Year Ended June 30, 2020

- √ Vehicle maintenance and fuel cost savings related to the replacement of a fuel vehicle with an Air Quality Management District funded hybrid vehicle. The vehicle purchase avoided extensive maintenance costs during the year, and in addition to less vehicle usage due to stay-at-home orders, the vehicle mileage per gallon saved on fuel costs.
- √ The special events savings relate to the year-end pet fair being cancelled due to COVID19 concerns.

Grounds Maintenance Operational Savings- Of the \$795,355 budgeted for the department, \$109,837 was unexpended at fiscal year-end. Areas of significant savings included contract services, water, maintenance supplies, and building equipment maintenance, which were attributed to \$32,441, \$19,644, \$8,587, and \$7,165 of the respective cost savings.

- √ The majority of the \$32,441 budget savings in Contract Services was for \$18,500 budgeted for "other services as needed," which was unexpended during the fiscal year, \$10,002 remaining from the tree trimming contract and one-quarter of the HVAC maintenance contract not paid during the fiscal year. The HVAC contract expense of \$5,419 needs to be continued into Fiscal Year 2020-21 for payment.
- √ The savings in the water account is primarily attributed to the department monitoring the bills and ensuring water usage variances are investigated and if appropriate, corrected quickly.
- √ Both the Maintenance Supply and Building Equipment budgeted accounts included routine expenditures required for operations and additional amounts for other items as needed; \$10,500 and \$7,500 in the accounts, respectively. The majority of these additional amounts were unexpended at fiscal year-end.

Community Services Crossing Guard Savings- With statewide 'shelter-in-place' orders and school closures, contract services for crossing guards were suspended, attributing to \$44,667 of savings for the fiscal year.

General Operations Overrun- Two accounts primarily attributed to the \$149,464 budget overage in the General Operations department; retiree health benefits and the Public Agency Retirement Services (PARS) Excess Fund which were ~~-\$171,592~~ over budget and \$22,440 unexpended at fiscal year-end. The retiree health benefits overrun included premium increases of \$18,507 for the fiscal year and a prior period adjustment of \$153,085. Over the years, retiree health benefits were paid from the Employee Benefits trust fund without any funding source to pay these premiums. In addition, payroll deduction differences rolled into this fund without being charged back to departments. Over the last year, internal controls have been put into place to ensure expenditures are charged to appropriate department budgets, and these amounts are included in the budget process. In order to resolve the cumulative negative balance in the Employee Benefits trust fund, \$153,085 was charged to the General Fund in fiscal year 2019-20. With the new processes in place, the fund can now be reconciled, and transactions properly accounted for on an ongoing basis. A budget adjustment is requested to increase the operations budget to absorb the negative trust fund balance and cost increase. As for the unexpended PARS, the budget requires continuation for payment in Fiscal Year 2020-21.

Public Works General Fund Personnel Overrun- During the budget process, Public Works allocates staff time between numerous funding sources and funds. Some of these funding sources have caps on the amount of staff time (administrative time) that can be reimbursed. Specifically, the Los Angeles Metropolitan Transportation Authority (LA Metro) Local Return Programs (Proposition A, Proposition C, Measure R, and Measure M) has a cap on the amount of administrative costs allowed on each program or project. Administrative costs, which include salaries and benefits, office supplies and equipment, and other overhead costs, are limited to 20% of annual expenditures. Because of this cap, salaries and benefit costs exceeding the 20% cap was charged to other funding sources, specifically these costs were reallocated to



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

the General Fund at fiscal year-end. In addition to the 20% cap, for Fiscal Year 2019-20, some of the revenue received from external sources, such as gas tax, were less than anticipated. Therefore, the excess costs over the revenue had to be reallocated to the General Fund. Since public works is the only department recovering from many funding sources for time expended on projects, personnel costs commonly get reallocated to the general fund once final revenue and cost numbers are known. Below is a summary of the personnel costs reallocated from LA Metro funding since the charges exceeded the allowable cap at fiscal year-end:

Reclassification of Personnel Costs Exceeding LA Metro's 20% Limit								
Fund No.	Funding Source	Direct Expense	Max Admin	PW Street			Community Services 277-510	Total Expense Reclassification
				PW Admin 100-310	Maintenance 100-330	PW Engineering 100-340		
206	Proposition A	454,659	113,665				64,751	64,751
207	Proposition C	229,106	57,276	47,314	88,280	36,082		171,676
244	Measure R	39,540	9,885	74,174		23,936		98,110
272	Measure M	0	0	12,877				12,877
	Total S&B Reclassified			134,365	88,280	60,018	64,751	347,414

General Fund Support Overrun- Actual Operating Transfers from the General Fund were \$2,126,996, which was \$123,493 over the \$2,003,503 amended budget for Fiscal Year 2019-20. The increase was attributed to an additional \$129,108 to support the Community Services Recreation program operational deficit (\$1,094,883 General Fund support was required for the program to breakeven for the fiscal year), which was offset by \$5,616 less support required for the Community Services Senior Activities program since additional grant resources were obtained during the fiscal year. Below are citywide operational transfers between funds at fiscal year-end compared to the amended budget for comparison.

Transfer Description	Operating Transfer-In 488.100				Operating Transfer-Out 560.100			
	Fund No.	Amended Budget	Actual	Budget Variance	Fund No.	Amended Budget	Actual	Budget Variance
General Fund support for operational deficit to Community Services Recreation	277	965,775	1,094,883	129,108	100	(965,775)	(1,094,883)	(129,108)
General Fund support for operational deficit to Community Services Senior Activities	278	164,961	159,345	(5,616)	100	(164,961)	(159,345)	5,616
Housing Authority 20% Set-Aside from Successor Agency Loan Repayment (\$962,437) to General Fund	300	192,487	192,487	0	100	(192,487)	(192,487)	(0)
Undesignate Funds for Community Development General Plan & Dev Impact Fee Study	279	680,280	680,280	0	100	(680,280)	(680,280)	0
Housing Authority 20% Set-Aside from Successor Agency Loan Repayment (\$360,270) to Restricted Urban Development Fund	300	72,054	72,054	0	215	(72,054)	(72,054)	0
Restricted Urban Development Fund support for contract services to redesign City website	100	50,000	25,900	(24,100)	215	(50,000)	(25,900)	24,100
Reimburse General Fund for cable broadcasting van purchase	100	0	0	0	217	0	0	0
City Fund Transfers		2,125,557	2,224,950	99,393		(2,125,557)	(2,224,950)	(99,393)
Successor Agency Fund Transfers								
Successor Agency transfer for loan and debt service payments according to approved Recognized Obligation Payment Schedule 19-20	305	2,739,859	2,739,859	0	306	(2,739,859)	(2,739,859)	0
Successor Agency transfer to reimburse City for administration costs including professional audit and bond disclosure services	304	256,839	256,839	0	306	(256,839)	(256,839)	0
Fiduciary Fund Transfers		2,996,698	2,996,698	0		(2,996,698)	(2,996,698)	0
Total Fund Transfers Fiscal Year 2019-20		5,122,255	5,221,648	99,393		(5,122,255)	(5,221,648)	(99,393)

In summarizing the significant General Fund expenditure budget variances, \$337,393 of appropriations require continuation into Fiscal Year 2020-21 (\$201,284 for capital project matching funds, which is addressed on Page 16 of this report and \$136,108.73 for City Council discretionary funds and contract services extending beyond June 30). Below is the recommended budget adjustment for unexpended appropriations at June 30, 2020 to be continued into Fiscal Year 2020-21 for non-capital project General Fund expenditures:



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Increased appropriations:

100-110-540.311	Mayor Discretionary	\$1,728.55
100-110-540.312	D Reid Discretionary	3,716.02
100-110-540.313	J Osborne Discretionary	1,747.97
100-110-540.314	B Suarez Discretionary	3,084.92
100-110-540.315	P Kearney Discretionary	1,200.02
100-140-530.100	GF City Mgr Contract Svcs (Communication Public Outreach)	3,486.25
100-150-510.800	GF Admin Svcs Recruitment (PW Director)	12,767.00
100-150-530.100	GF Admin Svcs Contract Services (Comp & Class Study, Investigative Svcs)	74,354.00
100-150-510.800	GF IT Spec Expense (Website Redesign)	6,205.00
100-160-505.600	GF Operations PARS Excess Funds	22,400.00
100-320-530.100	GF Grounds Maint Contract Services (HVAC)	<u>5,419.00</u>

General Fund Subtotal **\$136,108.73**

The following budget adjustment is recommended for the actual to budget variance related to retiree health benefits:

Increase appropriations:		
100-160-505.600	GF General Operations Retiree Health Benefits	\$171,592

CITYWIDE OVERVIEW – NEGATIVE FUND BALANCES

Below is a summary of all funds, excluding the General Fund which we analyzed above, showing the unaudited revenue and expenditures during Fiscal Year 2019-20 and the related fund balance. For those funds with negative fund balances that could be resolved during the year, accounting adjustments were posted to the General Ledger. As of June 30, 2020, three funds had negative balances, as shown below:

Fund Description	Fund No	CAFR Beginning Fund Balance 7/1/19	Revenue	Expenditures	Ending Fund Balance 6/30/20 (Unaudited)
Gas Tax Fund	201	\$ 70,717	\$ 761,868	\$ 832,554	\$ 30
Air Quality Management Dist.	202	135,878	42,460	24,504	153,834
TDA Article 3 (Metro)	203	0	31,612	33,276	(1,664)
Prop A - Local Transit Program	206	1,306,625	712,029	568,324	1,450,330
Prop C - Local Transit Assist	207	2,018,877	600,615	286,382	2,333,110
Narcotics Forfeiture Fund	210	54,451	507	0	54,958
State COPS Grant	211	65,512	157,186	119,880	102,818
Community Development Block Gr	214	244,451	273,560	275,400	242,611
Restricted Urban Development	215	6,406,498	7,142	190,918	6,222,722
Used Oil Recycling Grant	216	15,713	0	8,430	7,283
Lawndale Cable Usage Corp.	217	61,757	32,972	34	94,695
Dept of Conservation Grant (Beverage Container Grant)	227	25,880	8,939	8,546	26,273
Justice Assisted Grant	234	0	0	0	0
Park Development Fund	236	33,174	7,915	33,647	7,441
Prop C25 Grant	240	(303,819)	624,506	745,026	(424,339)
Measure R Fund	244	755,272	413,935	49,424	1,119,783
LA County Pks Maint Grant	257	0	0	0	0
STPL Metro Exchange	271	551,308	5,044	18,085	538,267
Measure M Local Return	272	777,490	465,896	0	1,243,385
SB1 Gas Tax Street Rehabilitat	274	740,313	590,718	664,199	666,831
Measure R Grant Traffic Signal	275	(55,585)	51,449	16,175	(20,311)
Ground Water Sustainability (AB939)	276	300,798	190,115	101,934	388,979
Com Svcs Recreation	277	0	1,207,701	1,207,701	0
Com Svcs Senior Activities	278	0	163,129	163,129	0
Community Development	279	0	1,422,983	733,600	689,383
Disability Access (AB1379)	280	34,023	8,591	0	42,613
Measure A Parks Projects	281	0	0	0	0
Solid Waste Diversion (LMC 8.28.360)	283	0	96	0	96
Coronavirus Relief Fund	284	0	146,009	146,009	0
Lawndale Housing Authority	300	1,782,322	275,412	172,834	1,884,900
Succ Agency Projects Fund	304		309,996	249,835	
SuccAgency Debt Service	305		2,739,859	1,120,795	
Successor Agency Disbursement	306		2,880,710	2,996,698	
2009 TABS	307		59,627	777,902	



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Fund 203 – TDA Article 3

The LA Metro Transportation Development Act (TDA) Article 3 funds may be used for design and construction of pedestrian and bicycle facilities, including sidewalk wheelchair ramps. During the fiscal year, the \$33,276 available funding was expended, but due to an error in the reimbursement claim, only \$31,612 was received. An amended claim will be prepared to collect the \$1,664 difference, which made up the negative balance at fiscal year-end.

Fund 240 – Proposition C25 Grant

Proposition C25 grant funding has been dedicated to the Inglewood Avenue Corridor Widening Project. Phase III of the project was completed by November 30, 2019. The negative fund balance of <\$424,339>, represents the outstanding balance due through grant reimbursement, which was submitted in September 2020, and retention on Phase I of the project, which will be reimbursed upon project completion in Fiscal Year 2020-21.

Fund 275 – Measure R Grant Traffic Signal

The one-half cent Measure R sales tax was approved in 2008 by Los Angeles County voters, and administered by LA Metro for developing and/or improving local public transit, paratransit, and related transportation infrastructure. Funding has been used for street capital projects. The <\$20,311> negative fund balance at fiscal year-end represents the outstanding retention withheld and due to the City.

APPROPRIATION BUDGET TO ACTUAL – NON-GENERAL FUND

Total expenditures (including cash transfers and non-operating expenses) for all budgetary funds, excluding the General Fund, were \$11,545,243 for Fiscal Year 2019-20. In order to compare actual expenditures to budgeted appropriations, three tables were prepared by expenditure classification (personnel, operational, and capital expenditures, which actual expenditures were \$2,497,579, \$6,483,568, and \$2,564,096, for the respective classifications) comparing the amended budget to actual year-end expenditures by fund. Below is a summary of all funds, excluding the General Fund which we analyzed at the beginning of this report.

Personnel Costs

Personnel Costs - Non General Fund					
Fund Description	Fund Number	Amended Budget	FY2019-20 YTD Actual (Unaudited)	Budget Variance (Pos/ (Neg))	
Gas Tax Fund	201	391,783	423,459	(31,676)	
Prop A - Local Transit Program	206	233,876	113,665	120,211	
Prop C - Local Transit Assist	207	340,830	57,276	283,554	
Community Development Block Gr	214	85,241	70,471	14,770	
Lawndale Cable Usage Corp.	217	0	34	(34)	
Measure R Fund	244	134,996	9,885	125,111	
STPL Metro Exchange	271	14,193	16,767	(2,574)	
Measure M Local Return	272	78,831	0	78,831	
SB1 Gas Tax Street Rehabilitat	274	0	56,116	(56,116)	
Measure R Grant Traffic Signal	275	0	15,815	(15,815)	
Com Srvs Recreation	277	897,529	980,347	(82,818)	
Com Srvs Senior Activities	278	104,619	124,011	(19,392)	
Community Development	279	171,676	166,920	4,756	
Coronavirus Relief Fund	284	0	34,018	(34,018)	
Lawndale Housing Authority	300	201,290	169,734	31,556	
Succ Agency Projects Fund	304	240,999	240,171	828	
2009 TABS	307	194,878	18,891	175,987	
Personnel Costs- Non GF		\$ 3,090,741	\$ 2,497,579	\$ 593,162	



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For funds outside of the General Fund, the amended budget for Fiscal Year 2019-20 salaries and benefit (personnel costs) were \$3,090,741, of which actual expenditures were \$2,497,579. The most significant factor attributing to the \$593,162 unexpended budget was the 20% of annual expenditure limit placed on LA Metro funding for administrative costs. Below are explanations for each fund with personnel budget variances with the absolute value of \$50,000 or more.

Proposition A – Local Transit Program, Fund 206

The Amended Personnel Budget for LA Metro Proposition A included 2.04 full-time equivalents from the Community Services and Finance Department for a total of \$233,876. Actual expenditures for the fiscal year were \$113,665, which was \$120,211 less than budgeted. As noted on page 7 of this report, \$64,751 of personnel costs were reclassified to the Community Services Enterprise Fund 277 because administrative costs exceeded the 20% administrative limit. Since services for the Lawndale Beat (Proposition A direct costs) were reduced during the fiscal year, this led to lower indirect costs recovery from the funding source. In addition, less hours than anticipated in the budget were charged to Proposition A since staff were reallocated to meal delivery service, partly recovered through new one-time CDBG funding, and paid-time off related to stay-at-home orders.

Proposition C – Local Transit Assist, Fund 207

As noted under Proposition A, the \$283,554 remaining salary and benefit budget at fiscal year-end was primarily the result of reclassifying \$171,676 of indirect cost (Public Works Admin., Street Maintenance and Engineering salaries and benefits) to the General Fund. Proposition C – Local Transit Assistance allows a maximum of 20% administrative costs to be charged against the funding source. Total direct costs for the fiscal year were \$229,106 of which \$57,276 (20%) was allowed for administrative costs. Actual administrative costs were \$228,952; therefore, \$171,676 could not be recovered from Proposition C, and was charged back to the General Fund for cost recovery. In addition, administrative time off related to stay-at-home orders was not determined to be an allowable cost to recover from external funding sources and was directly charged against the General Fund during the last three and a half months of the fiscal year.

Measure R – Local Transit, Fund 244

The \$125,111 remaining salary and benefit budget at fiscal year-end was primarily the result of reclassifying \$98,110 of indirect cost to the General Fund. LA Metro Measure R allows a maximum of 20% administrative costs to be charged against the funding source. Total direct costs were \$39,540 of which \$9,885 (20%) was allowed for administrative costs. Actual administrative costs were \$107,995, therefore, \$98,110 could not be recovered from Measure R, and was charged back to the General Fund for cost recovery.

Measure M – Local Return, Fund 272

Since no direct costs were charged to Measure M during the year, no indirect administrative costs (salaries and benefits) could be recovered. Therefore, \$12,877 of salary and benefit costs had to be reclassified to the General Fund.



City of Lawndale
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SBI Gas Tax Street Rehabilitation, Fund 274

During the fiscal year, 50% of the Assistant Engineer’s salary and benefit costs were charged to Senate Bill 1 Gas Tax funding; however, no costs were budgeted for the expense. Funding was available for such costs; therefore, it is recommended to establish a budget for the fiscal year.

Community Services Department, Fund 277

The \$82,818 salaries and benefits budget shortfall (\$897,529 budget - \$980,347 actual expenditure) in Community Services was significantly attributed to the 20% administrative cost limit for Proposition C, which resulted in \$64,751 being charged back to the department. The remaining shortfall was the result of Council directions to pay part-time staff unable to work due to stay-at-home orders. Specifically, part-time Park staff were paid their average hours worked (based on the month prior to stay-at-home orders imposed by the State) rather than hours being reduced during the fourth quarter of the fiscal year based on total budgeted time/ cost.

2009 TABS, Fund 307

The salaries and benefits budget was based on allocated costs from Public Works Administration (Director of Public Works and Administrative Analyst, 80% and 25% of respectively personnel costs) and Engineering (Associate Engineer 35% of personnel costs). However, actual costs reflect only time charged by the Administrative Analyst. The Director position was vacant for the entire year and the Interim Director charged contract time (operations cost) directly to projects. The Associate Engineer did not charge time to this funding source during the year. Therefore, actual charges were significantly less (\$175,987) than budgeted.

Operational Costs

Operational Costs - Non General Fund					
Fund Description	Fund Number	Amended Budget	FY2019-20 YTD Actual (Unaudited)	Budget Variance (Pos/ (Neg))	
Gas Tax Fund	201	490,904	409,095	81,809	
Air Quality Management Dist.	202	143,000	24,504	118,496	
Prop A - Local Transit Program	206	527,180	420,115	107,065	
Prop C - Local Transit Assist	207	135,000	90,870	44,130	
State COPS Grant	211	121,000	119,880	1,120	
Community Development Block Gr	214	64,275	33,875	30,400	
Restricted Urban Development	215	241,016	190,918	50,098	
Used Oil Recycling Grant	216	9,300	8,430	870	
Dept of Conservation Grant (Beverage Container Grant)	227	0	8,546	(8,546)	
Justice Assisted Grant	234	10,696	0	10,696	
Ground Water Sustainability (AB939)	276	107,662	101,934	5,728	
Com Srvs Recreation	277	314,779	227,355	87,424	
Com Srvs Senior Activities	278	67,780	39,118	28,662	
Community Development	279	1,188,680	566,681	621,999	
Coronavirus Relief Fund	284	0	111,991	(111,991)	
Lawndale Housing Authority	300	11,800	3,100	8,700	
Succ Agency Projects Fund	304	15,839	9,664	6,175	
SuccAgency Debt Service	305	2,739,859	1,120,795	1,619,064	
Successor Agency Disbursement	306	2,996,698	2,996,698	0	
Operational Costs- Non GF		\$ 9,185,468	\$ 6,483,568	\$ 2,701,900	



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For funds outside of the General Fund, the Fiscal Year 2019-20 amended budget for operational costs was \$9,185,468 compared to \$6,483,568 actual expense. The Gas Tax, Air Quality Management District, Proposition A- Local Transit Program, Community Services Enterprise, Community Development Enterprise, Coronavirus Relief and the Successor Agency Debt Service funds significantly attributed to the \$2,701,900 difference as described below.

Gas Tax Fund, Fund 201

The operational cost of \$490,904 was budgeted in the Gas Tax Fund for street sweeping, traffic signal repairs, maintenance, striping and legend work, engineering studies, and curb gutter and side walk repairs. Actual cost was \$409,095, leaving a budget surplus of \$81,809. The significant budget variances were in contract services, professional services and special expense with a surplus budget of \$55,872, \$10,205, and \$9,058, respectively.

- √ Contract Services for the combined Public Works and Street Maintenance department budget was \$386,904, of which \$331,032 was expended for the fiscal year leaving \$55,872 unexpended. The unexpended balance included \$21,886 from the administrative budget for traffic signal maintenance, street striping and street legend work, \$20,000 from the street maintenance budget for curb, gutter, and sidewalk repairs, \$6,600 for bridge soffit lighting and \$11,611 for concrete and pavement repair. With Public Works concentrating on the Inglewood Avenue Corridor-Widening project, primarily funded through Proposition C25 funding, Gas Tax funding was not utilized for the listed services during the year.
- √ Professional Services of \$20,000 was budgeted for traffic engineering services and studies, of which \$9,795 was expended, leaving \$10,205 unexpended budget at fiscal year-end.
- √ Special Expenses of \$10,000 was budgeted for miscellaneous permits, licenses, and traffic control costs, of which no costs were charged to the Gas Tax fund during the year.

Air Quality Management District, Fund 202

The Amended Budget included \$143,000 to acquire four clean energy vehicles, of which one was purchased for \$24,504, leaving \$118,496 unexpended at fiscal year-end. The budget included the following:

- √ Municipal Services- Replaced a 2007 Ford Escape requiring major repairs with a 2020 Toyota Prius Hybrid. The budgeted of \$28,000 was established, and \$24,504, including LED emergency vehicle light package was expended on the vehicle.
- √ Street Maintenance budgeted two replacement vehicles for a total of \$75,000; however, the vehicles were not acquired by fiscal year-end. One of the two vehicles has already been sent to auction (2007 Chevy Silverado). Both vehicles still need replacement and are recommended for appropriation continuation into Fiscal Year 2020-21.
- √ Community Services budgeted \$40,000 to replace their Saturn Vue with a Toyota Rav Hybrid. With the majority of the department off of work due to park closures and stay-at-home orders, the vehicle purchase did not occur. At this time, it is not recommended to replace the vehicle due to department down-sizing related to the current economic environment.



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Proposition A – Local Transit Program, Fund 206

Of the \$527,180 Amended Budget for Proposition A funding, \$107,065 was unexpended at fiscal year-end, primarily due to reduced/suspended contract services to operate the Lawndale Beat fixed-route transportation during state stay-at-home orders and reduce demand for services.

Community Services Department, Fund 277

Community Services Programs were dramatically impacted by COVID19. Of the \$314,779 Amended Budget for Operating costs, \$87,424 was unexpended at fiscal year-end, primarily attributed to cancelled contract classes, community events, and summer day camp. The related savings were seen in the expense accounts for contract services, community events, and recreation activities in the amounts of \$30,970, \$31,792, and \$12,218, respectively. All fees collected in advance for classes and facility rentals were refunded during the year leaving more of a structural deficit in the Community Services budget. The operating transfer required from the General Fund to balance the Community Services budget increased \$128,991, 13.4%, from the \$965,775 budget to \$1,094,766 for the fiscal year.

Community Development, Fund 279

Of the \$1,188,680 Amended Budget for Community Development, \$621,999 was unexpended at fiscal year-end, primarily due to the multi-year contract services approved for the General Plan, which requires \$694,000 to be continued into Fiscal Year 2020-21 for contract payment upon completion. In addition to the continued appropriations, building safety services and legal services exceeded the respective budget by \$86,571 and \$26,070. The County of Los Angeles provides contract Building and Safety services to the City, which are recovered directly by user fees. Revenue for building permit and plan check fees increased 28%, \$137,686 over-budgeted revenue, which approximates the 32% increase in contract services for the fiscal year. Legal fees were budgeted in the General Fund, but since this is the first year Community Development was accounted for outside the General Fund, the budget did not get relocated to the department during the year. Therefore, the \$26,070 actual legal expense had no corresponding budget in the Community Development Enterprise Fund. Below is a summary of citywide legal expenses incurred for the fiscal year, demonstrating there is no additional budget to transfer to Community Development at fiscal year-end:

Citywide Legal Expense				
Fund	Budgeted Account	Amended Budget	FY 2019-20 YTD	
			Actual (Unaudited)	Budget Variance
General Fund	100-120-530.300	451,000	436,618	
Community Development	279-410-530.300	0	26,070	
Successor Agency Projects	304-120-530.320	9,000	3,547	
Coronavirus Relief Fund	284-120-530.300	0	47,540	
Total Legal Expense Citywide		460,000	513,774	(53,774)



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Coronavirus Relief Fund, Fund 284

The Coronavirus Relief Fund, Fund 284, was established in September 2020 to account for the City’s \$405,000 Coronavirus Aid, Relief, and Economic Security (CARES) Act funding to ensure expenses are restricted to the program. Since some of the eligible costs related to Fiscal Year 2019-20, these expenses were reclassified into the newly established fund. A budget needs to be established to ensure legal authority exists for the charges. A total of \$146,009 was expensed and revenue recognized for Fiscal Year 2019-20 (\$34,018 personnel costs and \$111,991 operational costs). The remaining \$258,991 will be included in the first quarter 2020-21 budget update.

Successor Agency Debt Service, Fund 305

Although there appears to be a \$1,619,064 debt service payment savings at the end of the fiscal year, this is not the case. \$1,632,707 of debt service payments were either posted directly against the outstanding debt liability (City Advances) or the expense was reclassified to reduce the outstanding debt (principal payment on the TABS 2009) as required by general accepted government accounting standards. Since the Successor Agency is a Fiduciary fund type, which does not require a budget, the budgeted amounts are used to demonstrate all revenue is expended during the year and not available for other uses. For comparative purposes, the expense and offsetting debt reduction amounts are compared to the budget below for Fiscal Year 2019-20:

Account	Account Description	Amended Budget	Recorded In Expense Accounts	Recorded Against Debt	Total Paid FY2019-20	Budget Variance
545.100	Debt Service Payments	382,305	144,610	310,000	454,610	(72,305)
545.210	LRA City Advance Pmt	1,322,707	0	1,322,707	1,322,707	0
545.400	Interest Expense	1,034,847	971,952		971,952	62,895
590.101	Bond Discount	0.00	4,234.00		4,234	(4,234)
Successor Agency Debt Service, Fund 305		2,739,859	1,120,795	1,632,707	2,753,502	(13,643)

The budget variance includes one payment of \$72,305, which was incorrectly budgeted as interest, and the bond discount is an annual amortization of bond costs paid over the life of the bond (it does not represent cash disbursed during the fiscal year).

Capital Costs

Capital Costs - Non General Fund					
Fund Description	Fund Number	Amended Budget	FY2019-20 YTD Actual (Unaudited)	Budget Variance (Pos/ (Neg))	
TDA Article 3 (Metro)	203	82,834	33,276	49,558	
Prop A - Local Transit Program	206	200,000	34,545	165,456	
Prop C - Local Transit Assist	207	1,787,906	138,236	1,649,670	
Community Development Block Gr	214	521,339	171,055	350,284	
Park Development Fund	236	35,174	33,647	1,526	
Prop C25 Grant	240	1,852,424	745,026	1,107,398	
Measure R Fund	244	571,586	39,540	532,047	
LA County Pks Maint Grant	257	3,951	0	3,951	
STPL Metro Exchange	271	548,989	1,318	547,671	
SB1 Gas Tax Street Rehabilitat	274	1,296,271	608,083	688,188	
Measure R Grant Traffic Signal	275	453,215	360	452,855	
Measure A Parks Projects	281	365,638	0	365,638	
2009 TABS	307	1,260,659	759,011	501,648	
Capital Costs- Non GF		\$ 8,979,986	\$ 2,564,096	\$ 6,415,890	



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Capital projects are generally multiple years and any unexpended amounts are carried forward as continued appropriations into the next fiscal year. However, some amounts were included in the Fiscal Year 2020-21 budget without consideration of the balance outstanding at the end of the year. Therefore, the unexpended balance at fiscal year-end is compared below to the amount included in Fiscal Year 2020-21 budget and the status of the project reviewed to determine a recommended appropriation amount for continuation into Fiscal Year 2020-21. Since the Inglewood Avenue Corridor Widening Project Phase III was completed during Fiscal Year 2019-20, no balances will be carried into Fiscal Year 2020-21. In addition, the LA Metro Proposition C25 Grant was amended 11/13/19 to reprogram \$596,000 Inglewood Avenue Corridor Widening Project Phase I to be completed by March 2021, therefore, the budget was adjusted to reflect the amendment.

Budget Adjustment for Capital Project Continued Appropriations										
Fund Number	Fund Description	Dept Number	Account- Number & Description	Amended Bud. FY 2019-20	YTD Actual FY 2019-20	Unexpended Balance to Continue Into FY 2020-21	Original Bud. FY 2020-21	Variance from Amount to Continue and Original Budget	Reallocated of Project Funding	Budget Adjustment
100	General Fund	310	700.270 RM&R Various Streets	60,000	0	60,000	60,000	0		0
100	General Fund	310	700.271 RM&R - Alleys	141,284	0	141,284	141,284	0		0
203	TDA Article 3 (Metro)	310	700.125 Sidewalk Reconstruction	82,834	33,276	49,558	49,558	0		0
206	Prop A - Local Transit Program	310	700.229 Bus Shelters	200,000	34,545	165,456	200,000	0		0
207	Prop C - Local Transit Assist	310	700.146 Street Improvements	93,518	0	93,518	93,518	0		0
207	Prop C - Local Transit Assist	310	700.150 Inglewood Ave Corr Wide Phase II	46,410	0	46,410	13,910	32,500		32,500
207	Prop C - Local Transit Assist	310	700.151 Inglewood Ave Corr Wide Phase I	283,316	85,286	208,030	81,364	126,666	(25,058)	101,608
207	Prop C - Local Transit Assist	310	700.230 Prairie Ave North				75,000	(75,000)	75,000	0
207	Prop C - Local Transit Assist	310	700.263 Inglewood Ave Corr Wide Phase III	54,862	52,950	1,712	0	1,712	(1,712)	0
207	Prop C - Local Transit Assist	310	700.277 RB Blvd/Prairie - Artesia	1,300,000	0	1,300,000	1,251,770	48,230	(48,230)	0
214	Community Development Block Gr	438	700.146 Street Improvements	211,371	171,056	40,316	0	40,316		40,316
214	Community Development Block Gr	439	700.146 Street Improvements	309,968	0	309,968	238,683	71,285		71,285
240	Prop C25 Grant	310	700.151 Inglewood Ave Corr Wide Phase I	654,380	95,148	559,232	654,380	(153,528)		(153,528)
240	Prop C25 Grant	310	700.263 Inglewood Ave Corr Wide Phase III	1,198,044	649,877	548,167	1,198,044	(1,198,044)		(1,198,044)
244	Measure R Fund	310	700.146 Street Improvements	188,450	75	188,375	188,375	0		0
244	Measure R Fund	310	700.270 RM&R Various Streets	172,773	39,465	133,308	133,308	0		0
244	Measure R Fund	310	700.272 Grevillea Ave (MBB/Marine)	210,363	0	210,363	210,363	0		0
271	STPL Metro Exchange	310	700.264 Traffic Signal Marine/Osage	548,889	1,319	547,671	531,871	15,800		15,800
274	SB1 Gas Tax Street Rehabilitat	310	700.270 RM&R Various Streets	553,012	418,885	134,127	0	134,127		134,127
274	SB1 Gas Tax Street Rehabilitat	310	700.271 RM&R - Alleys	189,198	189,198	0	0	0		0
274	SB1 Gas Tax Street Rehabilitat	310	700.273 Freeman/154th to Marine	165,000	0	165,000	165,000	0		0
274	SB1 Gas Tax Street Rehabilitat	310	700.274 159th/Grevillea to Firmona	100,000	0	100,000	100,000	0		0
274	SB1 Gas Tax Street Rehabilitat	310	700.275 Grevillea/167th to 159th	274,081	0	274,081	274,081	0		0
274	SB1 Gas Tax Street Rehabilitat	310	700.276 160th/Freeman to Cul de Sac	15,000	0	15,000	15,000	0		0
275	Measure R Grant Traffic Signal	310	700.127 Traffic Signal Improvements	453,215	360	452,855	452,876	(21)		(21)
307	2009 TABS	610	700.146 Street Improvements	2,999	0	2,999	0	2,999		2,999
307	2009 TABS	610	700.151 Inglewood Ave Corr Wide Phase I	368,943	132,568	236,346	0	236,346		236,346
307	2009 TABS	610	700.221 Closure of Mobile Home Park	1,640	38,078	(36,438)	0	0		0
307	2009 TABS	610	700.263 Inglewood Ave Corr Wide Phase III	857,077	588,336	268,741	0	0		0
				\$ 8,776,507	\$ 2,530,448	\$ 6,246,059	\$ 6,128,365	\$ (686,612)	\$ -	\$ (686,612)

* Grant amended to \$596,000 on 11/13/19 less \$95,148 expended = \$500,852 to continue

Based on the unexpended capital project budget at June 30, the amount previously included in Fiscal Year 2020-21 budget, the completion of Inglewood Avenue Corridor Widening Project Phase III, and the amendment to the Prop C25 Grant, below is the recommended budget adjustment for Fiscal Year 2020-21 capital project expenditures:

Increase appropriations:

207-310-700.150	Prop C – Local Transit Inglewood Ave CW Phase II	\$32,500
207-310-700.151	Prop C – Local Transit Inglewood Ave CW Phase I	101,608
214-438-700.146	CDBG Grevillea Ave Resurfacing Street Improvements	40,316
214-439-700.146	CDBG Street Improvements	71,285
271-310-700.264	STPL Metro Exchange Traffic Signal Marine/Osage	15,800
274-310-700.264	SB1 Gas Tax RM&R Various Streets	134,127
307-610-700.146	2009 TABS Street Improvements	2,999
307-610-700.151	2009 TABS Inglewood Ave CW Phase I	<u>266,346</u>
		\$664,981



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Decrease appropriations:

240-310-700.151	Prop C25 Grant Inglewood Ave CW Phase I	\$153,528
240-310-700.263	Prop C25 Grant Inglewood Ave CW Phase III	1,198,044
275-310-700.127	Measure R Traffic Signal Improvements	<u>21</u>
		\$1,351,593

Net Decrease in Capital Project Appropriations **\$686,612**

Below is the recommended budget adjustment for Community Development and Measure A Park Projects unexpended appropriations at June 30, 2020 to be continued into Fiscal Year 2020-21 for non-capital project expenditures and related Measure A revenue:

Increased appropriations:

202-330-550.300	AQMD Street Maint Vehicles	<u>\$75,000.00</u>
	Air Quality Management District Subtotal	<u>\$75,000.00</u>
279-410-530.100	Community Dev Contract Srvs (General Plan)	<u>\$649,000.20</u>
	Community Development Subtotal	<u>\$649,000.20</u>
281-510-580.200	Meas A Community-Based Cat 1	\$184,309.44
281-510-580.210	Meas A Neighborhood Parks Cat 2	136,768.01
281-510-580.220	Meas A Maintenance & Servicing	<u>44,560.93</u>
	Measure A Subtotal	<u>\$365,638.38</u>

Increased estimated revenue:

281-000-465.443	Measure A Revenue	<u>\$365,638.38</u>
	Measure A Subtotal	<u>\$365,638.38</u>

BUDGET CLEAN-UP

In the fiscal year-end close-out, accounting adjustments are required to properly account for revenue and expenditure. Below are budget adjustments being recommend to City Council for approval to ensure proper expenditure authority is granted for transactions occurring after or near fiscal year-end.

Establish Budget for SB1 Gas Tax Street Rehabilitation Salary and Benefit Costs Incurred

Increased appropriations:

274-310-501.100	SB1 PW Admin Salaries FT	\$45,259
274-310-501.400	SB1 PW Admin Salaries - OT	202
274-310-505.100	SB1 PW Admin Flexible Benefit	6,632
274-310-505.200	SB1 PW Admin Retirement	3,137
274-310-505.300	SB1 PW Admin Medicare	705
274-310-505.700	SB1 PW Admin City Paid Insurance	<u>181</u>
	SB1 Gas Tax Street Rehabilitation Total	<u>\$56,116</u>



City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

Establish Budget for Measure R Grant Traffic Signal Salary and Benefit Costs Incurred

Increased appropriations:

275-310-501.100	Meas R Grant PW Admin Salaries FT	\$12,791
275-310-505.100	Meas R Grant PW Admin Flexible Benefit	1,507
275-310-505.200	Meas R Grant PW Admin Retirement	1,293
275-310-505.300	Meas R Grant PW Admin Medicare	181
275-310-505.700	Meas R Grant PW Admin City Paid Insurance	<u>43</u>
	Measure R Grant Traffic Signal Total	<u>\$15,816</u>

Establish Budget for Coronavirus Relief Fund CARES Act Funding and Costs Subject to Reimbursement

Increased appropriations:

284-120-530.300	CVRF City Attorney Legal Services	\$47,539
284-140-501.100	CVRF City Manager Salaries FT	72
284-140-501.900	CVRF City Manager Mandatory Leave	2,679
284-140-580.150	CVRF City Manager COVID19 Expense	32
284-150-580.150	CVRF Admin Srvs COVID19 Expense	894
284-210-530.700	CVRF County Sheriff Services	59,500
284-300-501.100	CVRF MSD Salaries FT	2,560
284-300-501.900	CVRF MSD Mandatory Leave	26,237
284-300-580.150	CVRF MSD COVID19 Expense	66
284-320-580.150	CVRF Grounds Maint COVID19 Expense	3,960
284-510-501.900	CVRF Community Srvs Mandatory Leave	<u>2,470</u>
	Coronavirus Relief Fund Total	<u>\$146,009</u>

Increase estimated revenue:

284-000-465.850	CVRF Coronavirus Relief Allocation	\$146,009
	Coronavirus Relief Fund Total	<u>\$146,009</u>

Transfer Budget from General Fund to Dept of Conservation Grant for Recycling Program

Increased appropriations:

227-310-540.500	Dept of Cons Grant PW Recycling Program	<u>\$8,600</u>
	Department of Conservation Grant Total	<u>\$8,600</u>

Decreased appropriations:

100-310-540.500	GF PW Admin Recycling Program	<u>\$8,600</u>
	General Fund Total	<u>\$8,600</u>

Increase Budget for Final Relocation Fee Payments Incurred from 2009 TABS Fund

Increased appropriations:

307-610-700.221	2009 TABS Closure of Mobile Home Park	\$36,438
	2009 Tax Allocation Bonds Total	<u>\$36,438</u>

Increase operating transfer in:

277-000-480.100	Community Srvs Operating Transfer In	\$129,109
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City of Lawndale
Budget Update
Fiscal Year Ended June 30, 2020

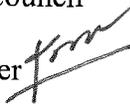
Increase operating transfer out:

100-100-560.100	GF Operating Transfer Out	\$129,108
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CITY OF LAWNDALE

14717 BURIN AVENUE, LAWNDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020
TO: Honorable Mayor and City Council
FROM: Kevin M. Chun, City Manager 
SUBJECT: **Potential Cancellation of the Upcoming City Council Meetings**

BACKGROUND

The Thanksgiving, Christmas Eve, Christmas Day, and New Year's Day holidays are soon approaching. As such, the City Council may wish to cancel the following meetings that are near these holidays as has been done in previous years:

- Monday, November 16, 2020
- Monday, December 21, 2020
- Monday, January 4, 2021

STAFF REVIEW

A review of upcoming agenda items by the department directors found no pressing agenda items for the meetings listed above. At this time, cancelling the meetings will not present any impacts to operations or City business. If cancelled, staff would ensure that necessary business items are addressed at meetings prior to the proposed cancelled meetings and plan accordingly.

If unforeseen urgent business needs to be addressed, special City Council meetings could always be called, if the scheduled meetings above are cancelled.

LEGAL REVIEW

None.

FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends that the City Council cancel the following City Council meetings: Monday, November 16, 2020; Monday, December 21, 202; and Monday, January 4, 2021.



CITY OF LAWDALE
14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200 ♦ www.lawndalecity.org

DATE: October 19, 2020
TO: Honorable Mayor and City Council
FROM: Matthew R. Ceballos, Assistant City Clerk *ml*
SUBJECT: Mayor/Councilmember Report of Attendance at Meetings and/or Events

No supporting documentation was forwarded to the City Clerk Department for this item.