PALMDALE

a place to call home

CITY COUNCIL MEETING
SUCCESSOR AGENCY/HOUSING AUTHORITY
CITY COUNCIL CHAMBERS
38300 SIERRA HIGHWAY
SUITE B
PALMDALE, CA 93550
WEDNESDAY, DECEMBER 1, 2021
5:00 PM Closed Session
7:00 PM CC/SA/HA
www.cityofpalmdale.org

WELCOME

In accordance with the current guidance from the California Department of Public Health and the County of Los Angeles Department of Public Health, the Council Chamber is open for in-person public comment and seating. Masks are required to be worn by all persons in attendance. It is recommended that all citizens practice social distancing to the extent possible while in attendance. Councilmembers may choose to participate via conference call.

How to observe the meeting virtually:

1. Spectrum local access Channel 27
2. Online live webcast at www.cityofpalmdale.org.

How to Submit Public Comments:

VERBAL PUBLIC COMMENT DURING THE MEETING – (ZOOM Number: US: +1 669 900 9128 Webinar ID: 882 4051 2681 Passcode: 216705

Webinar attendee link https://us06web.zoom.us/j/88240512681?pwd=V1JnbDlISEpQcDg3MHVjZ3pxYXhLZz09.
Verbal comments must be limited to three minutes. Public comments submitted will become part of the official meeting record.

The safety and well-being of employees and the public remains the City's top priority. The

City of Palmdale appreciates your patience and understanding during these challenging times.

The City Council is making every effort to follow the spirit and intent of the Brown Act and other applicable laws regulating the conduct of public meetings in order to maximize transparency and public access.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (661) 267-5151 at least 72 hours prior to the meeting.

If you require oral Spanish translation, please contact the City Clerk's Office at (661) 267-5151 at least 72 hours prior to the meeting.

"Your courtesy is requested to help our meetings run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of your time and ours:

- Please refrain from public displays or outbursts, such as unsolicited applause, comments, cheering, foul language or obscenities.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be asked to leave the meeting.
- Please turn off/mute your cell phones and mobile devices.

5:00 P.M.

1. **MAYOR TO CALL MEETINGS TO ORDER**

2. **ROLL CALL**
   MAYOR HOFBAUER, MAYOR PRO TEM BETTENCOURT,
   COUNCILMEMBERS CARRILLO, BISHOP, LOA

3. **PUBLIC COMMENTS**
   Now is the time for public participation for any person wishing to speak to the City Council on matters listed or not listed on the agenda, within the jurisdiction of the City Council. If you are attending the meeting by phone, please press *9 to "raise your hand." If attending by personal computer, please click the "raise your hand" button. Press *6 to un-mute yourself, state your name and begin speaking. PLEASE NOTE: A three-minute limit is imposed on each speaker.

4. **PRESENTATION BY CITY ATTORNEY**

4.1 CONFERENCE WITH REAL PROPERTY NEGOTIATORS

The reason for holding a closed session is for the purpose of obtaining authorization and direction from the City Council regarding the possible acquisition of property interests in the following property, generally located near 9th Street East and Palmdale Blvd.:

Property Owner: Joe Acosta
Property: APN 3008-039-022
City Negotiator: JJ Murphy, Mike Miller, Sophia Reyes

This closed session is being held pursuant to the authority of California Government Code Section 54956.8. Closed session is recommended because the City Council will be instructing the negotiator regarding terms and conditions, including price, for the possible purchase of the real property identified above.

4.2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (ANNUAL EVALUATION)

Title: City Manager
Name: J.J. Murphy

This closed session is being held pursuant to the authority of California Government Code Section 54957.

4.3 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 of the California Government Code.
Number of Cases: One.

5. **ANNOUNCEMENT BY CITY ATTORNEY**

6. **ADJOURN CLOSED SESSION MEETING**

7:00 P.M.

7. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS**

8. **ROLL CALL**
MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/VICE CHAIR BETTENCOURT, COUNCILMEMBERS/DIRECTORS/COMMISSIONERS CARRILLO, BISHOP, LOA COMMISSIONER FRAGA-SAENZ

9. **PRESENTATIONS**

9.1 Presentation by City Manager Murphy of the City of Palmdale's Warrior Award to Mica Schuler.

9.2 Presentation of a Proclamation by Mayor and Council declaring December as Human Rights Month in the City of Palmdale.

9.3 Presentation of Certificates of Recognition by Mayor and Council to the graduates of the Palmdale Sheriff Vital Intervention and Directional Alternatives (VIDA) program.

9.4 Presentation of a cute critter available for adoption at the Palmdale Animal Care Center.

10. **WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S)**
Staff Recommendation: Move to waive full reading of the Resolution (s) and/or Ordinance(s) to be considered and voted on at this meeting. (Voice Vote - Requires a majority to waive.)

11. **PUBLIC COMMENTS**
Now is the time for public participation for any person wishing to speak to the City Council/Successor Agency/Housing Authority on matters listed or not listed on the agenda, within the jurisdiction of the City Council/Successor Agency/Housing Authority. If you are attending the meeting by phone, please press *9 to "raise your hand." If attending by personal computer, please click the "raise your hand" button. Press *6 to un-mute yourself, state your name and begin speaking. PLEASE NOTE: A three-minute limit is imposed on each speaker.

12. **HOUSING AUTHORITY CONSENT CALENDAR**
All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by the Authority, in which case the item(s) will be removed from the Calendar and will be considered separately following this portion of the Agenda.

12.1 Approve and accept the Housing Authority of the City of Palmdale's 2020-2021 Annual Report prepared pursuant to California Health & Safety Code §34176.1 and direct staff to post the report on the City's website. (Staff Reference: Director

of Neighborhood Services Miller - Presented by Housing Manager Reyes)

12.2 Approve maximum rent for Housing Authority Boulders Mobile Home Parks and authorize the Authority Executive Director or his designee to review and determine future increases of the maximum space rent for qualifying spaces. (Staff Reference: Director of Neighborhood Services Miller - Presented by Housing Manager Reyes)

13. **ADJOURN THE HOUSING AUTHORITY**

14. **CONSENT CALENDAR**

All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by Council, in which case the item(s) will be removed from the Calendar and will be considered separately following this portion of the Agenda.

14.1 Receive and file the Monthly Investment Activity investment report for October 2021. (Staff Reference: Finance Manager Kang)

14.2 Approve the Third Amendment to the Agreement with Antelope Valley Domestic Violence Council DBA Valley Oasis for Tenant Based Rental Assistance Program (TBRA), exercise the option to extend the agreement for a one-year term, increase the agreement by $105,000 for a new not to exceed total of $597,130, and ratify expenditures for the Tenant Based Rental Program. (Staff Reference: Director of Neighborhood Services Miller - Presented by Housing Manager Reyes)

14.3 Adopt Resolution No. CC 2021-094, a Resolution of the City Council of the City of Palmdale, approving and directing execution of a joint exercise of powers agreement relating to CMFA Special Finance Agency and the form of a public benefit agreement; and approving the issuance of revenue bonds by said agency for the purpose of financing the acquisition, construction or improvement of project listed herein, Rancho Vista Boulevard and 20th Street West Apartments. (Staff Reference: Director of Neighborhood Services Miller - Presented by Housing Manager Reyes)

14.4 Approve On-Call Pavement Management Consultant Services Agreement with Applied Research Associates, in the amount of $500,000, over a period of three (3) years . (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

14.5 Approve Final Tract Map No. 54058-3 located at the southeast corner of 25th Street West/Highland Street and Avenue P-12. (Staff Reference: Director of Public Works Heffernan)

14.6 Adopt Resolution No. CC 2021-092, a Resolution of the City Council of the City of Palmdale ordering the vacation of portions of 5th Street West, Auto Center Drive, and Trade Center Drive and the reservation of utility easements therein. (Staff Reference: Director of Public Works Heffernan)

14.7 Notice of Completion - Accept completed project with Hardy and Harper Inc. that provided additional pavement overlay construction for Barrel Springs Road from 32nd Street East to the intersection of Pearblossom Highway. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

14.8 Notice of Completion - Accept Public Improvements for the Edwards Federal Credit Union located at the southwest corner of 10th Street West and Avenue O-8. (Staff Reference: Director of Public Works Heffernan)

15. APPOINTMENT

15.1 Approve Nomination for Appointment to the Measure AV Oversight Committee. (Staff Reference: City Clerk Smith)

16. PUBLIC HEARING

16.1 Public Hearing and Review of Proposed Ordinance No. 1574 for adoption. (Staff Reference: Finance Manager Kang)

ORDINANCE NO. 1574, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING PALMDALE MUNICIPAL CODE SECTION 8.04.460(A)(4) RELATING TO FIREWORKS APPLICATION PERMIT FEE.

Staff Recommendation: Adopt Ordinance No. 1574.

17. NEW BUSINESS

17.1 ADOPT RESOLUTION NO. CC 2021-108, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, OPPOSING VACCINE MANDATES AND CONDEMNING UNNECESSARY INTRUSION INTO MUNICIPAL AFFAIRS BY FEDERAL, STATE AND LOCAL GOVERNMENT. (Staff Reference: City Attorney Beck)

18. **INFORMATIONAL REPORT FROM MAYOR AND / OR COUNCILMEMBERS ON THEIR VARIOUS COMMITTEE MEMBERSHIPS AND MEETINGS ATTENDED AT PUBLIC EXPENSE**

    18.1 COMMITTEE MEMBERSHIPS.

- ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
- ANTELOPE VALLEY TRANSIT AUTHORITY
- CALIFORNIA CONTRACT CITIES ASSOCIATION
- CITY OF PALMDALE AUDIT COMMITTEE
- CITY OF PALMDALE INVESTMENT OVERSIGHT COMMITTEE
- HIGH DESERT CORRIDOR JOINT POWERS AUTHORITY
- LEAGUE OF CALIFORNIA CITIES
- LOS ANGELES COUNTY SANITATION DISTRICT
- NORTH LOS ANGELES COUNTY TRANSPORTATION COALITION
- PALMDALE RECYCLED WATER AUTHORITY
- SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL
- UNITED STATES/MEXICO SISTER CITIES ASSOCIATION
- CALIFORNIA STATE PRISON – LOS ANGELES COUNTY, CITIZENS ADVISORY COMMITTEE

    18.2 MEETINGS ATTENDED AT PUBLIC EXPENSE

19. **CITY MANAGER'S REPORT**

20. **CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS**

21. **Adjourn** meeting to December 15, 2021 at 7:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

Housing Authority
Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE CHAIR AND COMMISSIONERS**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
HOUSING DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE AND ACCEPT THE HOUSING AUTHORITY OF THE CITY OF PALMDALE'S 2020-2021 ANNUAL REPORT PURSUANT TO CALIFORNIA HEALTH & SAFETY CODE §34176.1 AND DIRECT STAFF TO POST THE INFORMATION ON THE CITY'S WEBSITE**

ISSUE

Approve the Housing Authority of the City of Palmdale's 2020-2021 Annual Report prepared pursuant to California Health & Safety Code §34176.1 and direct staff to post the report on the City's website.

RECOMMENDATION

Staff recommends that the Housing Authority:

1. Approve the Housing Authority of the City of Palmdale's 2020-2021 Annual Report prepared pursuant to California Health & Safety Code §34176.1; and,

2. Direct staff to post the information on the City's website.

BACKGROUND

The former Redevelopment Agency of the City of Palmdale was dissolved on February 1, 2012. Pursuant to the Dissolution Act, the City Council of the City of Palmdale adopted Resolution No. CC 2012-003 on January 4, 2012, designating the Housing Authority of the City of Palmdale as the entity responsible for performing the housing functions previously performed by the former Redevelopment Agency and the Commissioners of the Housing Authority adopted Resolution No. HA 2012-001, accepting the designation as the entity that will perform those housing functions.

Senate Bill 341, effective January 2014, and Assembly Bill 1793, effective January 2015, amended California Health and Safety Code 34176 and required specified housing

financial and activity information be provided to the Housing Successors legislative body and posted on its internet website for the previous fiscal year.

DISCUSSION

Staff has prepared the 2020-2021 Housing Asset Fund Annual Report and provides it herewith for the Housing Authority Board's review and consideration.

FISCAL IMPACT

There is no fiscal impact to the City for this item.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Sophia Reyes, Housing Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, Executive Director
Approved as to form:	Christopher Beck, Authority Attorney

ATTACHMENTS

1. Housing Authority of the City of Palmdale 2020-2021 Annual Report Pursuant to Health & Safety Code Section §34176.1

Housing Authority of the City of Palmdale

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Annual Report

Pursuant to Health & Safety Code Section 34176.1

For the Fiscal Year Ended June 30, 2021

Introduction

California Health & Safety Code §34176.1* requires that each housing successor present to its legislative body and post on its Internet website an annual report that contains the following items for the previous fiscal year:

- The amount deposited to the Low and Moderate Income Housing Asset Fund distinguishing items listed on the Recognized Obligation Payment Schedule from other accounts.
- A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.
- A description of expenditures from the fund by category, including but not limited to, expenditures for:
    - monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering activities funded with the Low and Moderate Income Housing Asset Fund
    - homeless prevention and rapid rehousing services
    - development of affordable housing.
- The statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.
- A description of any transfers made to a contiguous jurisdiction for the purpose of developing transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update of any project for which transferred funds have been or will be expended if that project has not yet been placed in service.
- A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.
- For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16, as amended by Section 34176.1(e). For interests in real property acquired on or after February 1, 2012, a status update on the project.
- A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successors plans to meet unmet obligations.
- The housing successor shall include in the report posted on its Internet website the implementation plans of the former redevelopment agency.
- If the housing successor fails to comply with the extremely low income requirement in any five year report, demonstrate progress to comply in the annual report.
- The percentage of units of deed restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its

host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.

- The amount of excess surplus, as defined in Section 34176(d), the amount of time that the housing successor has had excess surplus, and the housing successor's plan for eliminating the excess surplus.
- An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following information:
  (A) The number of those units.
  (B) In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.
  (C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund.
  (D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

***** *All references are to the Health & Safety Code unless otherwise stated*

The following information is presented in accordance with the requirements of Section 34176.1(f):

(1) The amount deposited to the Low and Moderate Income Housing Asset Fund.

The amount deposited to the Low and Moderate Income Housing Asset Fund includes deposits for items on the Recognized Obligations Payment Schedule and funds generated from the housing successor's assets, including revenues and loan payments. A summary of funds deposited is below:

Description	Amount
Deposits for items on the ROPS	$2,750,000
All other deposits	$1,979,776
Total	$4,729,776

(2) A statement of the balance in the fund as of the close of the fiscal year.

The balance of the Low and Moderate Income Housing Asset funds is $16,253,434.

(3) A description of expenditures from the fund by category:

Description	Amount
Expenditures for ROPS items	$-0-
Monitoring and preserving the long-term affordability of units & administration of Low and Moderate Income Housing Asset Fund activities	$492,119
Homeless prevention and rapid rehousing services.	33,155
Development* expenditures	3,381,053
Total	$3,906,327

*Section 34176.1(a)(3)(D) defines "Development" as "new construction, acquisition and rehabilitation, substantial rehabilitation as defined in Section 33413, the acquisition of long-term affordability covenants on multifamily units as described in Section 33413, or the preservation of an assisted housing development that is eligible for prepayment or termination or for which within the expiration of rental restrictions is scheduled to occur within five years as those terms are defined in Section 65863.10 of the Government Code."

(4) The statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.

Description	Statutory Value
Real Property	$11,050,911
Loans and Grants Receivable	$22,529,466
Total	$33,580.377

(5) A description of any transfers made to a contiguous jurisdiction for the purpose of developing transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing in the previous fiscal year.

None.

(6) A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.

The housing successor is holding $2,979,525 of property tax revenue in an escrow account at US Bank for the Transit Village Townhome Project for Mortgage Assistance Program loans for eligible participants, impact fees, and construction funds. Additional property tax revenue in the Low and Moderate Income Housing Asset Fund is encumbered to satisfy the obligation under a Standard Agreement with the California Department of Housing and Community Development to develop 46 affordable townhomes. Construction of the infrastructure for 122 units has been completed. A parcel map for the project area has been completed and recorded.

(7) For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16, as amended by Section 34176.1. For interests in real property acquired on or after February 1, 2012, a status update on the project.

Acquired before February 1, 2012

Parcel	Date Acquired	DOF Approved	Status
3006-008-906/907/908 293-191120	07/22/2005	10/5/2012	Agreement A-1977 for development of 122 units of owner occupied townhomes
503 East Avenue Q-3 3008-010-020 (906) (293-191160)	07/19/2007	10/5/2012	Held for resale.
3008-010-015(904) (293-191230)	10/15/2004	10/5/2012	Vacant land held for development

Acquired after February 1, 2012

Parcel	Date Acquired	Status
38553 4th St East (3008-016-902)	10/02/2013	Held for resale.
38627 32nd Street East (3021-005-900)	08/16/2013	Held for resale
1129 East Avenue R4	04/23/2015	Rehabilitated and held for resale
3008-010-021(907) (293-191243)	04/26/2013	Vacant and held for resale/development
38301 11th Street East	09/03/2015	Rehabilitation
38272 11th Street East	09/03/2015	Rehabilitation
38204 11th Street East	09/03/2015	Rehabilitation
38045 & 38055 10th Street East	09/03/2015	Rehabilitation
513 East Avenue Q4	11/05/2018	Held for resale
38107 10th Street East	04/06/2021	Held for resale

(8) A description of any outstanding replacement or production housing obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successors plans to meet unmet obligations.

No outstanding or unmet obligations.

The housing successor shall include in the report posted on its Internet website the implementation plans of the former redevelopment agency.

The most current implementation plan is posted at http://www.cityofpalmdale.org/Your-City-Hall/Federal-and-State-Grants**.**

(9) If the housing successor fails to comply with the extremely low income requirement in any five year report, demonstrate progress to comply in the annual report.

N/A

(10) The percentage of units of deed restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.

Project	**Date completed**	**Units**	**Senior or Family**	
Wright Bros Ct	12/2013	156	Family	
Manzanita Villas	6/1/2012	29	Family	20% of 144 units
Valdez 1012 Q5	7/11/2014	1	Family	
Palmdale Dream Center	02/12/2015	11	Transitional/Family	
La Quinta Apts	09/03/2015	100	Family	
Summerwood Apts	09/03/2015	54	Family	
Park Vista Apts	09/03/2015	28	Family	
Impressions Apts	09/03/2015	109	Senior	
ACT Duplex 513 Q2	07/10/2013	2	Family	
Estes 509 Q6	12/10/2015	4	Family	
Estes 515 Q6	12/10/2015	4	Family	

Project	Date completed	Units	Senior or Family	
Courson Arts Colony East	12/14/2016	81	Family	
Courson Arts Colony West	05/08/2017	80	Family	
38709 Larkin	02/28/2019	4	Family	
507 Q4	05/11/2021	4	Family	
Total		**667**		
Senior		**109**		**16% Senior**

(11) The amount of excess surplus, the amount of time that the successor agency has had excess surplus, and the housing successor's plan for eliminating the excess surplus. Section 34176.1(d) defines excess surplus as an unencumbered amount in the account that exceeds the greater of one million dollars or the aggregate amount deposited into the account during the housing successor's preceding four fiscal years, whichever is greater.

Computation of Low and Moderate Income Housing Asset Funds Excess Surplus

		Low & Moderate Income Housing Asset Funds July 1, 2020
Cash Balance		$15,218,251
Less Encumbrances		($13,440,993)
Unencumbered Amount		$1,777,258
Limitation = greater of $1,000,000 or housing successor's preceding four fiscal years' deposits (§34176.1(d))		
Deposits in housing successor's last four fiscal years:		
Fiscal year 2019-2020	$2,280,022	
Fiscal year 2018-2019	$2,186,951	
Fiscal year 2017-2018	$3,670,019	
Fiscal year 2016-2017	$6,370,141	
Total housing successor's four fiscal years deposits	$14,507,133	
Base Limitation	$ 1,000,000	
Limitation - Greater Amount		$14,507,133
Computed Excess Surplus [Unencumbered Amount exceeding the Limitation]		NONE

(12) An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following information:

(A) The number of those units.

(B) In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.

(C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund.

(D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

Number of homeownership units assisted by the former redevelopment agency or the housing successor and subject to covenants or restrictions at 6/30/2021: 151

Number of units lost to portfolio July 1, 2020 through June 30, 2021: 8

Reasons for Losses:
Loans paid: 5
Loans lost to foreclosure or value of property less than loan: 3

Funds received by the Housing Authority:
July 1, 2020 - June 30, 2021: $127,916

The Housing Authority of the City of Palmdale has not contracted with an outside entity for the management of the units.

Housing Authority
Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE CHAIR AND COMMISSIONERS**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
HOUSING DIVISION

DISTRICT: **2, 3**

SUBJECT: **APPROVE REVISION TO THE HOUSING AUTHORITY'S SELF-IMPOSED MAXIMUM SPACE RENT FOR INCOME QUALIFYING SPACES FOR THE BOULDERS MOBILE HOME PARKS AND AUTHORIZE THE AUTHORITY EXECUTIVE DIRECTOR OR HIS DESIGNEE TO REVIEW AND DETERMINE FUTURE INCREASES TO THE MAXIMUM SPACE RENT FOR QUALIFYING SPACES**

ISSUE

Approve the revision to the Housing Authority's self-imposed maximum space rent for income qualifying spaces for the Boulders Mobile Home Parks; and authorize the Authority Executive Director or his designee to review and determine future increases to the maximum space rent for qualifying spaces.

RECOMMENDATION

Staff recommends that the Housing Authority:

1. Approve the revision to the Authority's self-imposed maximum rent for income qualifying spaces for the Boulders Mobile Home Parks; and,
2. Authorize the City Manager or his designee to determine future adjustments to the maximum space rent for qualifying spaces.

BACKGROUND

In 1997, when the Boulders Mobile Home Parks (Parks) were acquired to transfer to a nonprofit, Staff was encouraged to address the high space rents for the residents, which were over $500 per month. In 2003, the Housing Authority acquired the Parks and approved a maximum space rent of $360 per month. On May 7, 2008, the Housing Authority approved a maximum space rent of $400 per month for income qualifying spaces. Annual rent increases at 2% per year brought many of the eligible residents to the maximum space rent by 2013, a five-year period. The 1997 Bond Regulatory

Agreement and Declaration of Restrictive Covenants (Regulatory Agreement) does not require rents for non-qualifying spaces and non-compliant spaces and allows establishing space rent at an unrestricted "market" level. The current space rent for non-qualifying units is $500 per month with an annual increase. Storage agreements are not restricted under the Regulatory Agreement.

DISCUSSION

In the 13 years since the approved increase of the maximum space rent the cost of operating the three Boulders Mobile Home Parks has increased annually, and in the current year at the rate of 5% to 7%. By 2019, over 95% of the 786 units reached and continue to be charged the maximum space rent of $400. To continue to meet the Parks obligations and maintain the current level of service and amenities, staff recommends increasing the maximum space rent to $500 for qualifying spaces. An annual space rent increase of 3% per year will allow 8 years for an eligible resident to reach the maximum space rent. In addition, the Regulatory Agreement requires all households meet its definition of Affordable Housing Cost.

The August 2020, JLT Market Report for Los Angeles County surveyed 95 mobile home park properties and report average rents of $1,048, average rent controlled rents $860. As referenced in the Staff Report of February 18, 2021, Mobile Home Park Rental Review Board, the space rents under rent control for the mobile home parks in Palmdale range from $400 to $797.50.

Staff will annually monitor market rate rents and the financial progress of the parks to determine if the maximum space rent for qualified spaces requires adjustment.

FISCAL IMPACT

Increased revenue, beginning in Fiscal Year 2022-2023, which may only be used to support the obligations and operating expenses of the three Boulders Mobile Home Parks

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fund for everyone.

Prepared by:	Sophia Reyes, Housing Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, Executive Director
Approved as to form:	Christopher Beck, Authority Attorney

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE MONTHLY INVESTMENT ACTIVITY REPORTS FOR OCTOBER 2021**

ISSUE

Receive and file the monthly investment activity reports for October 2021.

RECOMMENDATION

Staff recommends that the City Council accept the monthly investment activity reports for City of Palmdale and Successor Agency for October 2021.

BACKGROUND

Pursuant to Section 16 of the City of Palmdale and Successor Agency Investment Policy, the City Treasurer shall prepare and present monthly and quarterly reports on investments to the City Manager/Executive Director and the City Council/Directors. The reports shall detail the type of investment, name of the issuer, purchase date, date of maturity, amount of deposit, and rate of interest. This information shall be provided for all City and Successor Agency pooled investments, as well as for Certificates of Participation, Revenue Bonds, Tax Allocation Bonds, Assessment Districts and Community Facilities District accounts which are managed by outside Fiscal Agents.

The monthly and quarterly reports provide a synopsis of the investment activity for the City of Palmdale and Successor Agency. The reports provide information on assets, allocations, average maturities, yields, and book valuations.

The interest rates presented are the most current rates available as of the date of this report.

The market values presented for pooled City and Successor Agency investments are based on closing prices for the related investment as of the date of this report. This information was obtained from the Wall Street Journal, Bloomberg Financial Markets, Capital Market Finances, or other reliable source of market prices.

DISCUSSION

Compliance with Investment Policy

For October, the invested portfolio amount for the City of Palmdale totaled $232,890,102, an increase of $90,688 from the previous month and an increase of $48,172,671 in comparison to last year. The increase in overall portfolio balance from the previous month is a result of interest received during the month. The City did not purchase any new securities during the month.

The par value of Successor Agency's portfolio as of October was $6,279,079. The balance increased by $50,784 from last month due to quarterly interest received during the month.

All investments meet criteria appropriate to Section 8 of the Investment Policy. The portfolios are based on a combination of various investments, including CDs, Corporate Notes, U.S. Treasury Securities and Government Agency Paper, each adhering to portfolio percentage limitations.

The Finance Division is the custodian for the City and Successor Agency's investment portfolio and follows the three main principles of both entity's investment policy to 1) Investment in financial instruments that mitigate the risk of monetary losses stemming from market fluctuations; 2) Establish and maintain a portfolio that has sufficient liquidity to allow the City and Successor Agency to meet all anticipated cash requirements; and 3) Seek out investment instruments that provide a competitive market rate of return.

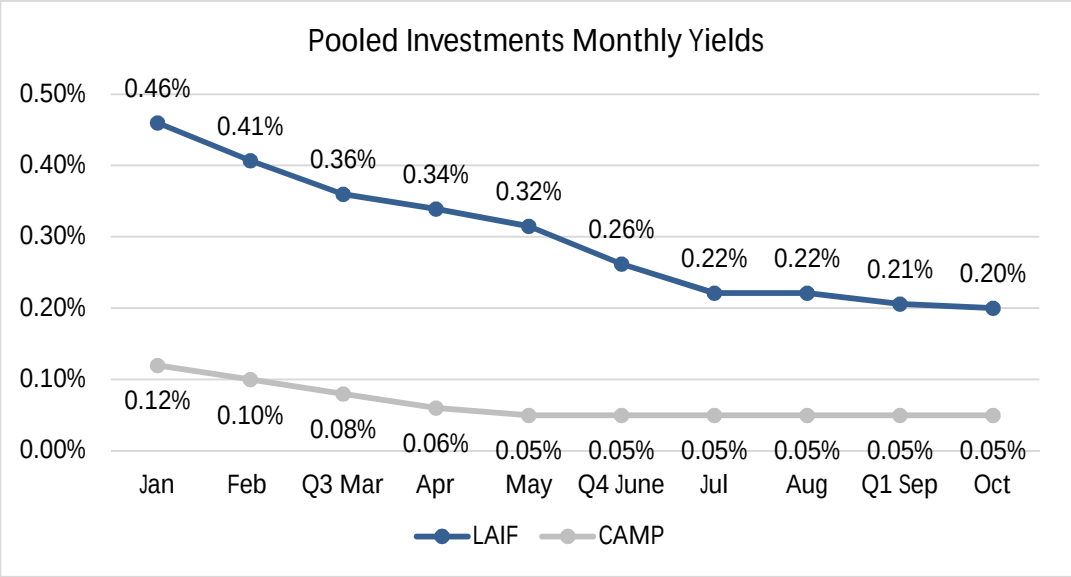
Liquidity

One core approach the Finance Division focuses on, is providing liquidity to measure up to the City and Successor Agency's operational requirements. Thus, the Finance Department is currently investing in two pooled funds, LAIF and CAMP. These are intended for the daily operational activities, used for economic uncertainties and maintenance needs. The pooled funds provide a higher liquidity ratio to ensure the City and Successor Agency meet cash flow requirements.

Total LAIF balance for the City of Palmdale is $136,967,143 compared to September's balance of $136,886,958. The increase in balance is due to interest received during the month.

Successor Agency LAIF balance at the end of October was $5,195,074, a 0.1 percent increase from June, and a 0.1 percent increase from the prior month due to quarterly interest received.

CAMP's balance for City of Palmdale is $248,715 compared to September's balance of $248,704. The slight increase is due to interest received during the month.
The interest rates presented are the most current rates available as of the date of this report. As of October 31, 2021, the interest rates for LAIF and CAMP investments were at .21 percent and .05 percent, respectively. By comparison, the LAIF and CAMP interest rates at the end of September were at .21 percent and .05 percent. Both rates have been steadily declining. This time last year, LAIF and CAMP rates were at 0.62 percent and .19, respectively.



The chart above shows both the Local Agency Investment Fund and California Management Program's average monthly yields beginning January 2020 through October 2021, the graph depicts the prolonged period of declining rates.

We anticipate the rates to remain fairly consistent in the upcoming months, considering the economic impacts of COVID. Overall, LAIF shows better performance than CAMP in interest rates. The difference between the performance of the two funds is partly due to the varying pool characteristics. CAMP's portfolio composition is much more subject to market volatility, resulting in performance variation.

Diversity

The Finance Division aims to diversify the investment portfolios to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

City of Palmdale and Successor Agency's investment portfolios remain strongly diversified. The monthly and quarterly reports include all investments held by both entities and current book values as of October 31, 2021.

In October, there were no purchases of securities, and no securities were called or matured.

It is anticipated that both the City of Palmdale and Successor Agency will have sufficient moneys to meet its expenditure requirements for the next 6 months as we continue to monitor any financial impact due to the Coronavirus pandemic.

Attached are summaries of the investments on the City of Palmdale and Successor Agency's books as of October 31, 2021.

FISCAL IMPACT

There is no fiscal impact associated with the recommended actions for this report.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

B. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Janelle Samson, Assistant Finance Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Monthly Report on City of Palmdale Investments
2. Monthly Report on Successor Agency Investments

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021
CITY OF PALMDALE INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	FDIC Number	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
U.S. TREASURY SECURITIES					Yield			
05-31-19	04-30-24	CITY	9128286R6 U.S. Treasury Note		2.03	5,000,000.00	5,051,650.00	5,256,640.00
01-19-21	05-31-23	CITY	9128284S6 U.S. Treasury Note		2.75	2,815,000.00	2,985,994.41	2,950,035.55
03-19-21	12-31-25	CITY	9128285T3 U.S. Treasury Note		2.63	3,000,000.00	3,260,634.36	3,244,110.00
05-11-21	02-28-26	CITY	9128286F2 U.S. Treasury Note		0.66	3,000,000.00	3,261,331.50	3,231,330.00
05-11-21	12-31-24	CITY	9128283P3 U.S. Treasury Note		0.40	3,000,000.00	3,200,040.56	3,175,080.00
06-04-21	12-31-22	CITY	912828N30 U.S. Treasury Note		0.05	3,000,000.00	3,097,665.56	3,087,420.00
06-04-21	12-31-23	CITY	912828V23 U.S. Treasury Note		0.20	4,000,000.00	4,210,026.50	4,188,600.00
07-12-21	12-31-23	CITY	9128285U0 U.S. Treasury Note		2.63	5,000,000.00	5,294,239.83	5,294,239.83
07-12-21	12-31-25	CITY	9128285T3 U.S. Treasury Note		2.63	5,000,000.00	5,456,238.24	5,456,238.24
07-12-21	12-31-23	CITY	912828V23 U.S. Treasury Note		2.25	5,000,000.00	5,247,829.98	5,247,829.98
			TOTAL U.S. TREASURY SECURITIES			$ 38,815,000.00	$ 41,065,650.94	$ 41,131,523.60
GOVERNMENT AGENCY PAPER								
06-05-19	06-05-23	CITY	3133EKPT7 Fed Farm Credit Bk		2.13	5,000,000.00	5,008,600.00	5,178,913.05
06-10-20	06-16-25	CITY	3133ELK37 Federal Farm Credit		0.78	5,000,000.00	5,000,000.00	5,000,332.40
08-07-20	05-06-24	CITY	3133EL2X1 Federal Farm Credit		0.42	2,000,000.00	2,000,000.00	1,985,613.10
08-27-20	11-27-24	CITY	3134GWNG7 Freddie Mac Domestic		0.50	2,000,000.00	2,000,000.00	1,998,606.02
04-01-21	04-01-25	CITY	3133EMUP5 Fed Farm Credit		0.71	5,000,000.00	5,000,000.00	5,001,585.95
05-11-21	09-04-25	CITY	3133EJYM5 FFCB Bond		0.59	1,000,000.00	1,103,275.25	1,094,660.00
05-11-21	09-04-25	CITY	3133EJYM5 FFCB Bond 0.57		0.57	2,000,000.00	2,208,460.00	2,189,320.00
06-04-21	11-07-25	CITY	3135G06G3 Fannie Mae		0.55	3,000,000.00	2,993,675.25	2,967,390.00
06-04-21	08-01-24	CITY	3130AMHH8 FHLB NOTE		0.41	4,000,000.00	4,000,000.00	3,979,555.16
06-07-21	06-07-24	CITY	3130AMQR6 FHLB NOTE		0.35	3,000,000.00	3,000,000.00	2,986,755.36
06-30-21	12-30-25	CITY	3130AMRQ7 FHLB NOTE		0.88	3,000,000.00	3,000,000.00	2,981,324.28
07-29-21	04-29-26	CITY	3130AN5C0 FHLB NOTE		1.05	4,000,000.00	4,010,455.13	4,010,455.13
	c = callable							
			TOTAL GOVERNMENT AGENCY PAPER			$ 39,000,000.00	$ 39,324,465.63	$ 39,374,510.45
CERTIFICATES OF DEPOSIT								
05-11-18	05-11-22	CITY	05580AMR2 Bmw Bank North America	35141	2.95	245,000.00	245,000.00	251,143.62
05-15-18	05-16-22	CITY	86063QAN5 Stifel Bank & Trust	57311	2.85	245,000.00	245,000.00	250,964.53
05-18-18	05-18-22	CITY	29278TBF6 Enerbank Usa	57293	2.95	245,000.00	245,000.00	251,216.88
05-31-17	05-31-22	CITY	02587CFM7 American Express Bk	35328	2.40	245,000.00	245,000.00	250,250.84
06-01-17	05-31-22	CITY	51210SMT1 Lakeside Bank	19573	2.00	245,000.00	245,026.85	249,319.60
05-10-18	05-10-23	CITY	61747MX30 Morgan Stanley Bank Na	32992	3.15	245,000.00	245,000.00	258,447.32
05-11-18	05-11-23	CITY	87164WWF1 Synchrony Bank	27314	3.15	245,000.00	245,000.00	258,465.69
05-11-18	05-11-23	CITY	17312QL23 Citibank Na	7213	3.15	245,000.00	245,000.00	258,465.69
05-15-18	05-15-23	CITY	20033AYE0 Comenity Capital Bank	57570	3.10	245,000.00	245,000.00	258,255.73
			TOTAL CERTIFICATES OF DEPOSIT			$ 2,205,000.00	$ 2,205,026.85	$ 2,286,529.90

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021

CORPORATE NOTES

03-10-20	03-01-23	CITY	30231GAR3 Exxon Mobil	2.73	1,000,000.00	1,045,330.00	1,035,276.25
03-10-20	05-13-22	CITY	037833BF6 Apple Inc	2.70	1,000,000.00	1,039,820.00	1,021,372.65
03-10-20	11-03-22	CITY	594918BH6 Microsoft Corp	2.65	1,000,000.00	1,047,870.00	1,028,648.84
03-10-20	01-13-23	CITY	037833DE7 Apple Inc	2.40	1,000,000.00	1,041,800.00	1,032,294.50
03-10-20	12-14-22	CITY	92826CAC6 VISA Inc	2.80	1,500,000.00	1,572,135.00	1,549,706.22
06-10-20	04-15-23	CITY	30231GBL5 Exxon Mobil Corp	1.75	5,000,000.00	5,000,000.00	5,110,650.00
06-10-20	05-11-23	CITY	166764BV1 Chevron Corp	1.14	2,075,000.00	2,075,000.00	2,105,595.85
			TOTAL CORPORATE BONDS		$ 12,575,000.00	$ 12,821,955.00	$ 12,883,544.31

STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND

09-01-84	n/a	CITY ACCOUNT	98-19-620	0.78	67,060,052.63	67,060,052.63	67,060,052.63
06/23/08	n/a	PCA ACCOUNT	40-19-060	0.78	52,194,291.68	52,194,291.68	52,194,291.68
	n/a	ARPA ACCOUNT	19-19-004	0.78	17,700,351.50	17,700,351.50	17,700,351.50
			TOTAL LAIF ACCOUNTS		$ 136,954,695.81	$ 136,954,695.81	$ 136,954,695.81

CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM

6080-01	n/a	CITY ACCOUNT	6080-01	0.30	248,715.13	248,715.13	248,715.13
			TOTAL CAMP ACCOUNTS		$ 248,715.13	$ 248,715.13	$ 248,715.13

UBS FINANCIAL SERVICES

n/a	n/a	CITY ACCOUNT		0.00	10,583.51	10,583.51	10,583.51
			TOTAL UBS FINANCIAL SERVICES ACCOUNTS		$ 10,583.51	$ 10,583.51	$ 10,583.51

			TOTAL CITY INVESTMENTS		$ 229,808,994.45	$ 232,631,092.87	$ 232,890,102.71

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021

LIBRARY INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT NUMBER	INTEREST RATE	INVESTED AMOUNT
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND					
11-20-84	n/a	LIBRARY	16-19-012	0.78	12,446.83
		TOTAL LIBRARY INVESTMENTS			$ 12,446.83

FISCAL AGENT CASH

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT NUMBER	INTEREST RATE	INVESTED AMOUNT
BOND PROCEEDS					
SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
05-10-95	n/a	BOND	95421220	0.01	106.62
05-10-95	n/a	IMPROVEMENT	95421222	0.01	154,935.72
City Held Cash	(Fund 736-114000)	($255,912.67)			
		TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1			$ 155,042.34
BOND PROCEEDS					
RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
04-06-95	n/a	RESERVE-SEN	95420880	n/a	0.00
04-06-95	n/a	IMPV-ACQUI	95420884	0.01	2,585,322.82
04-06-95	n/a	BOND	95420887	0.00	0.15
City Held Cash	(Fund 738-114000)	($1,000,675.82)			
		TOTAL RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1			$ 2,585,322.97
BOND PROCEEDS					
ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
08-01-19	n/a	RESERVE	242969003	0.00	722,953.95
08-01-19	n/a	SP TAX - REFUNDING BC	242969004	0.01	15,148.97
08-01-19	n/a	SP TAX - REFUNDING BC	242969005	0.01	300.42
City Held Cash	(Fund 734-114000)	$900,917.97			
		TOTAL ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1			$ 738,403.34

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021

BOND PROCEEDS
2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER)
Fiscal Agent: U.S. Bank National Association (fka First Trust)

08-02-05	n/a	SPEC TRB SER A/B	790330000	0.01	0.00
08-02-05	n/a	RESERVE FUND	790330002	0.01	0.00

City Held Cash (Fund 735-114000) $744,688.56

TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) $ -

BOND PROCEEDS
2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021
Fiscal Agent: U.S. Bank National Association (fka First Trust)

	n/a	SPEC TRB SER A/B	251009000	0.01	14.82
	n/a	RESERVE FUND	251009001	0.01	639,063.56

City Held Cash

TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021 $ 639,078.38

BOND PROCEEDS
2006-1 Godde Hill Estate Sewer Improvements LOIB
Fiscal Agent: U.S. Bank National Association (fka First Trust)

11-08-06	n/a	REDEMPTION FUND	106844000	0.01	64,452.51
11-08-06	n/a	ADM EXP	106844002	0.01	1,594.35
11-08-06	n/a	RESERVE FUND	106844003	0.01	105,751.82

City Held Cash (Fund 739-114000) $127,799.09

TOTAL 2006-1 Godde Hill Estate Sewer Improvements LOIB $ 171,798.68

BOND PROCEEDS
2007 $19.9M COP Power Plant Land Acquisition
Fiscal Agent: U.S. Bank National Association (fka First Trust)

04-12-07	n/a	LEASE PAYMENT	112055000	0.01	0.00
04-12-07	n/a	RESERVE FUND	112055001	0.00	0.00

TOTAL 2007 $19.9M COP Power Plant Land Acquisition $ -

BOND PROCEEDS
2007 $6.5M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER)
Fiscal Agent: U.S. Bank National Association (fka First Trust)

08-23-07	n/a	BOND FUND	117856000	0.01	0.00
08-23-07	n/a	RESERVE FUND	117856002	0.01	0.00

TOTAL 2007 $6.5M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) $ -

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021
FISCAL AGENT CASH

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT NUMBER	INTEREST RATE	INVESTED AMOUNT
BOND PROCEEDS					
2012 PFA $8.7M LEASE REVENUE BONDS					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
12-19-12	n/a	REVENUE FD	201546000	0.00	2.59
12-19-12	n/a	INTEREST ACCOUNT	201546001	n/a	0.00
12-19-12	n/a	PRINCIPAL ACCOUNT	201546002	n/a	0.00
		TOTAL 2012 PFA $8.7M LEASE REVENUE BONDS			$ 2.59
2013 HA PALMDALE TRANSIT VILLAGE HOMES LLC ESCROW					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
10-11-13	n/a	ESCROW FUND	206455000	0.00	2,979,500.00
		TOTAL 2013 HA TRANSIT VILLAGE HOMES ESCROW			$ 2,979,500.00
2015 HA DEBT SERVICE RESERVE					
Fiscal Agent: Bank of America					
11-19-15	n/a	DEBT SVC RESERVE	1257964992	0.08	39,106.01
		TOTAL 2015 HA DEBT SERVICE RESERVE			$ 39,106.01
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND					
05-23-18	n/a	CITY	104790895775 Public Agency Retirement Services	2.60	7,097,561.38
		TOTAL PARS PENSION TRUST FUND			$ 7,097,561.38
BOND PROCEEDS					
2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
09-03-15	n/a	BOND FUND	277067000	0.00	121,619.78
09-03-15	n/a	INTEREST ACCT	277067001	0.01	6.95
09-03-15	n/a	BOND RESERVE	277067003	0.00	281,020.87
09-03-15	n/a	REPAIR & REPLACE FUN	277067004	0.00	1,071,065.48
		TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS			$ 1,473,713.08

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021

BOND PROCEEDS

2017 PFA $17.4M LEASE REVENUE BONDS

Fiscal Agent: U.S. Bank National Association (fka First Trust)

04-05-17	n/a	REVENUE FUND	271128000	0.00	1,488,643.76
04-05-17	n/a	PRINCIPAL ACCT	271128002	n/a	0.00

TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS $ 1,488,643.76

Total City Held Cash (XXX-114000) $516,817.13

GRAND TOTAL - FISCAL AGENT CASH $ 16,729,094.15

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021
SUMMARY OF CASH AND INVESTMENTS

Cash on Hand			$	6,034,501
				($1,323,799)
Pooled Cash Investments				($8,393,263)
				$8,553,021
City:	$	222,307,300		$0
Insur Fund:		$10,582,802	$	232,890,102
Library Investments				$12,447
Subtotal			$	237,773,009
City/AD/CFD/PCA/PFA/HA Fiscal Agent Cash			$	16,729,094 *
Grand total			$	254,502,103

The interest rate quoted on LAIF, AIM, and Fiscal Agent/Trustee accounts is the most current rate available.
LAIF & AIM interest rates are as of October 31, 2021.

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF), CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP), & UBS FINANCIAL SERVICES
October 31, 2021

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
CITY ACCOUNT 98-19-620				
Beginning Balance				$ 67,018,501.90
10/15/21			$ 41,550.73	
Subtotal	$ -	$ -	$ 41,550.73	$ 67,060,052.63
PCA ACCOUNT 40-19-060				
Beginning Balance				$ 52,156,016.34
10/15/21			$ 38,275.34	
Subtotal	$ -	$ -	$ 38,275.34	$ 52,194,291.68
LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 12,439.26
10/15/21			$ 7.57	
Subtotal	$ -	$ -	$ 7.57	$ 12,446.83
ARPA ACCOUNT 19-19-004				
Beginning Balance				$ 17,700,000.00
10/15/21			$ 351.50	
Subtotal	$ -	$ -	$ 351.50	$ 17,700,351.50
CAMP - CALIFORNIA ASSET MANAGEMENT PROGRAM				
Beginning Balance				$ 248,704.32
10/31/21			$ 10.81	
Subtotal	$ -	$ -	$ 10.81	$ 248,715.13
UBS Financial Services				
Beginning Balance				$ 83.07
10/07/21			$ 0.44	
10/29/21			$ 10,500.00	
Subtotal	$ -	$ -	$ 10,500.44	$ 10,583.51
Total	$ -	$ -	$ 90,696.39	$ 137,226,441.28

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - INVESTMENTS MATURED OR CALLED

October 31, 2021

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
C = Call
M = Maturity
CB = Corporate Bond

ISSUER	PURCHASE DATE	MATURITY DATE	REDEMPTION DATE	FACE VALUE REDEEMED	INTEREST RECEIVED	NET FUNDS	INVESTED AMOUNT	GAIN/ (LOSS)
						$ -		$0.00
						$ -		$0.00
				$ -	$ -	$ -	$ -	$ -

Total Number of Transactions: 0

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - INVESTMENTS PURCHASED
October 31, 2021

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
CN = Corporate Notes

ISSUER	PURCHASE DATE	MATURITY DATE	FACE VALUE	PREMIUM / (DISCOUNT)	PURCHASE PRICE	ACCRUED INTEREST PURCHASED	NET PURCHASE	Yield
				$ -	$ -			
				$ -	$ -			
				$ -	$ -			
				$ -	$ -			
			$ -	$ -	$ -	$ -	$ -	

Total Number of Transactions: 0

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
October 31, 2021

SUCCESSOR AGENCY POOLED CASH INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	INVESTED AMOUNT	TOTAL
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND						
09-01-84	n/a	SA ACCOUNT	65-19-035	0.78	5,195,074.29	
TOTAL LAIF ACCOUNTS						$ 5,195,074.29

FISCAL AGENT CASH

BOND PROCEEDS						
CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						
Fiscal Agent: U.S. Bank National Association						
08-20-02	n/a	RESERVE FUND	94460700	0.01	527,749.05	
08-20-02	n/a	INTEREST ACCT	94460701	0.01	191,329.65	
08-20-02	n/a	PRINCIPAL ACCT	94460702	0.01	7,047.98	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 726,126.68
BOND PROCEEDS						
2016 SA $31.5M Tax Allocation Refunding Bonds Series A						
Fiscal Agent: U.S. Bank National Association (fka First Trust)						
04-26-16	n/a	DEBT SERVICE	245113000	0.00	4.95	
04-26-16	n/a	INTEREST ACCT	245113001	N/A	0.00	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 4.95
GRAND TOTAL - FISCAL AGENT CASH						$726,132

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$	357,873
Pooled Cash Investments	$	5,195,074
Successor Agency Fiscal Agent Cash		$726,132
Grand total	$	6,279,079

* The interest rate quoted on LAIF and Fiscal Agent/Trustee accounts is the most current rate available.
LAIF interest rates are as of October 31, 2021.

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF)
October 31, 2021

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
SA ACCOUNT 65-19-035				
Beginning Balance				$ 5,191,912.80
10/15/21			$ 3,161.49	
Subtotal	$ -	$ -	$ 3,161.49	$ 5,195,074.29

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
HOUSING DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE THIRD AMENDMENT TO THE AGREEMENT WITH ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL DBA VALLEY OASIS FOR TENANT BASED RENTAL ASSISTANCE PROGRAM (TBRA), EXERCISE THE OPTION TO EXTEND THE AGREEMENT FOR A ONE-YEAR TERM, INCREASE THE AGREEMENT BY $105,000 FOR A NEW NOT TO EXCEED TOTAL OF $597,130, AND RATIFY EXPENDITURES FOR THE TENANT BASED RENTAL PROGRAM**

ISSUE

Approve Third Amendment to Agreement with Antelope Valley Domestic Violence Council DBA Valley Oasis for Tenant Based Rental Assistance Program (TBRA), exercise the option to extend the agreement for a one-year term, increase the agreement by $105,000, for a new not to exceed total of $597,130, and ratify expenditures for the Tenant Based Rental Program.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Third Amendment to Agreement No. A-6439 with Antelope Valley Domestic Violence Council DBA Valley Oasis;
2. Ratify the expenditures for the TBRA Program from September 20 through the date of approval of the Third Amendment; and,
3. Authorize the City Manager or his designee to execute the Third Amendment to Agreement No. A-6439.

BACKGROUND

The City of Palmdale receives an annual allocation of HOME Investment Partnership (HOME) Program funds from the U. S. Department of Housing and Urban Development (HUD). Projects or activities for which these funds are to be expended must be identified in the City's Annual Action Plan to its Consolidated Plan and submitted to HUD for

approval before the beginning of the grant year. The 2021-2022 Action Plan was approved by City Council on June 1, 2021, and allocated $150,000 to the TBRA program.

The TBRA program assists extremely low-income senior households (age 62+) with a severe housing cost burden of paying more than 50% of their income on rent. With the understanding that elderly people have fixed incomes and are often unable to pursue meaningful employment, it is this group of extremely low-income elderly households that is most in need of rental assistance. By providing assistance, these households are better able to afford basic needs such as food and prescription drugs. The City's Consolidated Plan analysis has identified assistance to this group a high priority.

DISCUSSION

On October 2, 2018, the City Council approved Agreement No. A-6439 for Antelope Valley Domestic Violence Council, DBA Valley Oasis to provide a HOME TBRA program. The agreement is for a term of one (1) year with an option to extend the agreement for four (4) additional terms of one (1) year each, subject to the availability of HOME funds. The program is currently serving 28 senior households and with the additional funds may assist 3 additional senior households. The proposed Third Amendment will exercise the option for the third additional term of one year, extending the agreement to September 19, 2022, and increase the agreement total by $105,000 to $597,130. In addition, staff is requesting ratifying of TBRA program expenditures for the period September 20, 2021, through the date of approval of the Third Amendment.

FISCAL IMPACT

Transfer funds of $150,000 from account 24364008-792927 to account 24364008-792927-6072. TBRA project specific account.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

C. Pursue alternative financing opportunities for continued infrastructure improvements and quality community programs.

Prepared by:	Sophia Reyes, Housing Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Third Amendment to Agreement No. A-6439

THIRD AMENDMENT TO AGREEMENT A-6439
BETWEEN THE CITY OF PALMDALE AND ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL DBA VALLEY OASIS

This Third Amendment to Agreement No. A-6439 (“Agreement”) between the City of Palmdale and ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL DBA VALLEY OASIS is made and entered into this 1st day of December, 2021 by and between the City of Palmdale (hereinafter called “CITY”) and ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL DBA VALLEY OASIS (hereinafter called "Sub-Recipient").

WHEREAS, the CITY and Sub-Recipient entered into an agreement to provide: Tenant Based Rental Assistance; and

WHEREAS, Sub-Recipient represents that Sub-Recipient has the expertise and is qualified to perform the services described in the Contract, and if required, is duly registered under the laws of the State of California.

NOW THEREFORE, the parties agree as follows:

1. Section 2 Time of Performance provides the option to extend the agreement for four (4) additional terms of one year each, subject to the availability of HOME funds. The City and Sub-Recipient are exercising the option for the third additional term of one year, extending the agreement to September 19, 2022.

2. Section 3 Compensation is increased by $105,000 for a new amount not to exceed of Five Hundred Ninety-seven Thousand One Hundred Thirty ($597,130).

3. Exhibit B of the Agreement's Program Budget Section is replaced with:

Client Assistance	$488,860
Income Determination & 10% De Minimis	108,270
Indirect Cost	
Total Budget	$597,130

4. All other terms and conditions remain in full force and effect.

REST OF PAGE INTENTIONALLY LEFT BLANK

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE:

J. J. Murphy, ICMA-CM Date
City Manager

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Highway
Palmdale, CA 93550

APPROVE AS TO FORM:

Christopher L. Beck
City Attorney

ATTEST:

Shanae S. Smith
City Clerk

ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL DBA VALLEY OASIS:

Carol Crabson Date
Chief Executive Officer

ADDRESS FOR NOTICE:
ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL DBA VALLEY OASIS
310 East Palmdale Blvd.
Palmdale, CA 93550

ATTEST: If Corporation

Secretary

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
HOUSING DIVISION

DISTRICT: **4**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-094, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING AND DIRECTING EXECUTION OF A JOINT EXERCISE OF POWERS AGREEMENT RELATING TO CMFA SPECIAL FINANCE AGENCY AND THE FORM OF A PUBLIC BENEFIT AGREEMENT; AND APPROVING THE ISSUANCE OF REVENUE BONDS BY SAID AGENCY FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION OR IMPROVEMENT OF PROJECT LISTED HEREIN, RANCHO VISTA BOULEVARD AND 20TH STREET WEST APARTMENTS**

ISSUE

Adopt Resolution No. CC 2021-094, a resolution of the City Council of the City of Palmdale, approving and directing execution of a joint exercise of powers agreement relating to CMFA Special Finance Agency and the form of a public benefit agreement; and approving the issuance of revenue bonds by said agency for the purpose of financing the acquisition, construction or improvement of project listed herein, Rancho Vista Boulevard and 20th Street West Apartments.

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt Resolution No. CC 2021-094, a resolution of the City Council of the City of Palmdale, approving and direct execution of Joint Exercise of Powers Agreement Relating to CMFA Special Finance Agency Agreement No. 7713 and the form of a Public Benefit Agreement; and approving the issuance of revenue bonds by said agency for the purpose of financing the acquisition, construction or improvement of project listed herein, Rancho Vista Boulevard and 20th Street West Apartments;
2. Authorize the City Manager to execute Public Benefit Agreement, substantially in the form attached, with the Agency, which may result in the City receiving surplus revenue from the future sale of the Project;
3. Authorize the City Manager or his designee to execute Regulatory Agreement and documents related to the issuance of bonds for the production, preservation, and

protection of essential middle-income rental housing ("Middle Income Housing Program"); and,

4. Authorize the City Manager to execute related documents and take any additional actions that may be required to implement the Middle-Income Housing Program.

BACKGROUND

The CMFA Special Finance Agency ("Agency") is working with AMCAL Equities, LLC to acquire, construct and improve the to be built Rancho Vista Boulevard and 20th Street West Apartments ("Apartments") to create middle-income housing. The Apartments are to be located at the intersection of Rancho Vista Boulevard and 20th Street West in the City of Palmdale and is comprised of 380 units.

The Agency is an affiliate joint powers authority of the California Municipal Finance Authority, created to enable the CMFA to help alleviate California's housing crisis. Through the Middle-Income Housing Program, the Agency issues government bonds to acquire market-rate apartment buildings and build essential middle-income rental housing. Three hundred twenty (320 of the units will be operated as income and rent-restricted units for middle income households, which are generally households earning 61% to 120% of Area Median Income ("AMI"). Additionally, annual rent increases would be capped at no more than 4%, which is less than the rent limits under AB1482, the recently adopted State tenant protection legislation. Sixty (60) of the 380 units would be at market rate. No existing tenants would be displaced in connection with the acquisition of these properties because the project is new construction.

When a property is acquired by the Agency, the City would execute a Public Benefit Agreement. Under the Public Benefit Agreement, the City, at its sole discretion, may force a sale of the property between Year 15 and Year 30 of the bonds, and the City, along with certain other taxing agencies (including the County and School District) would receive a portion of the net sale proceeds.

The CMFA was created on January 1, 2004, pursuant to a joint exercise of powers agreement to promote economic, cultural and community development, through the financing of economic development and charitable activities throughout California. To date, over 300 municipalities, including the City of Palmdale have become members of CMFA. The CMFA is the only financing authority which has granted over $25M dollars directly to local governments and 501c3 nonprofit organizations during the past sixteen years.

DISCUSSION

In order for the Agency to have the authority to serve as the issuer of the bonds for the project, it is necessary for the City of Palmdale to become a member of the CMFA Special Finance Agency. The Joint Exercise of Powers Agreement provides that the Agency is a

public entity, separate and apart from each member executing such agreement. The debts, liabilities and obligations of the Agency do not constitute debts, liabilities or obligations of the members executing such agreement.

The bonds to be issued by the Agency for the project will be the sole responsibility of the borrower, and the City will have no financial, legal, moral obligation, liability or responsibility for project or the repayment of the bonds for the financing of the project. All financing documents with respect to the issuance of bonds will contain clear disclaimers that the bonds are not obligations of the City or the State of California, but are to be paid for solely from funds provided by the borrower.

There are no costs associated with membership in the Agency and the City will in no way become exposed to any financial liability by reason of its membership in the Agencies. In addition, participation by the City in the Agencies will not impact the City's appropriations limits and will not constitute any type of indebtedness by the City.

FISCAL IMPACT

Bonds are paid from operations of the property. It is expected that twenty-five percent (25%) of the issuance fee will be granted by the Agency to the City general fund. Such grant may be used for any lawful purpose of the City. A similar amount will be donated by the Agency to one or more non-profit organizations in the City. If a property is purchased by the Agency, the property may be exempt from paying property taxes, resulting in an initial loss of revenue to the City. Under the terms of the Public Benefit Agreement, if a property generates surplus cash flow through the proceeds of the sale of a property, the City will receive a portion of the surplus revenue.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Transform housing inventory to meet the changing lifestyle and market demands.

Prepared by:	Sophia Reyes, Housing Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-094
2. Joint Exercise of Powers Agreement Relating to CMFA Special Finance Agency Agreement No. A-7713
3. Form of Public Benefit Agreement
4. Form of Regulatory Agreement

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021 - 094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING, AUTHORIZING AND DIRECTING EXECUTION OF A JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE CMFA SPECIAL FINANCE AGENCY AND THE FORM OF A PUBLIC BENEFIT AGREEMENT; AND APPROVING THE ISSUANCE OF REVENUE BONDS BY SAID AGENCY FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION OR IMPROVEMENT OF PROJECT LISTED HEREIN, RANCHO VISTA BOULEVARD AND 20TH STREET EAST APARTMENTS

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), the City of Palmdale (the "City") and the California Municipal Finance Authority (the "CMFA" and together with the City, the "Members") propose to enter into a Joint Exercise of Powers Agreement Relating to the CMFA Special Finance Agency (the "Agreement") in order to form the CMFA Special Finance Agency (the "Agency") for the purpose of promoting economic, cultural and community development and in order to exercise any powers common to the Members or granted by the Act, including by the issuance of bonds, notes or other evidences of indebtedness*; and*

WHEREAS*,* the City has determined that it is in the public interest and for the public benefit that the City become a Member of the Agency in order to facilitate the promotion of economic, cultural and community development activities in the City, including the financing of projects therefor by the Agency; and

WHEREAS*,* the Agreement has been filed with the City, and the members of the City Council of the City (the "City Council"), with the assistance of its staff, have reviewed said document; and

WHEREAS, the Agency is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the construction, acquisition and rehabilitation of capital projects; and

WHEREAS, among projects that may be financed by the Agency, the Agency proposes to issue from time to time its governmental purpose revenue bonds (the "Bonds") to finance the acquisition, construction, development and certain related costs of a middle-income multifamily rental housing development within the City located at Rancho Vista Boulevard and 20th Street West, currently known as "Rancho Vista Boulevard and 20th Street West Apartments" (the "Project"); and

WHEREAS, the Agency proposes to grant to the City in connection with the financing of the Project the right to cause the Agency to sell the Project to the City or its designee, starting upon the date fifteen (15) years from the issuance of the Bonds pursuant to a Public Benefit Agreement (the "Public Benefit Agreement"), by and between the Agency and the City, substantially in the form that has been filed with the City Council, subject to such immaterial modifications as have been approved by the City Manager and approved as to form by the City Attorney; and

WHEREAS, it is in the public interest and for the public benefit that the City Council approve the issuance of the Bonds by the Agency for the aforesaid purposes; and

WHEREAS, Section 3(A) of the Agreement, in accordance with Section 6508.1 of the California Government Code, expressly provides that the Bonds, and other debts, liabilities and obligations of the Agency do not constitute debts, liabilities or obligations of any Members;

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City hereby requests to become a Member of the Agency. The Agreement is hereby approved and the Mayor, the City Manager or the designee thereof is hereby authorized and directed to execute said document, and the City Clerk or such Clerk's designee is hereby authorized and directed to attest thereto.

SECTION 3. The proposed form of Public Benefit Agreement on file with the City Council is hereby approved. In connection with the Project, the Mayor, the City Manager or the designee thereof is hereby authorized and directed to execute an agreement in substantially said form, with such immaterial changes therein as such officer executing the same may require consistent with this Resolution and its basic purpose, and subject to the approval as to form of the City Attorney, such approval to be conclusively evidenced by the execution and delivery thereof. Any material changes to the form of Public Benefit Agreement must be approved by the City Council. The City Council hereby approves the issuance of Bonds by the Agency from time to time prior to the date that is the two year-anniversary of the date hereof.

SECTION 4. The issuance of Bonds shall be subject to the approval of the Agency of all financing documents relating thereto to which the Agency is a party. Pursuant to Section 3(A) of the Agreement and Section 13(C) of the Public Benefit Agreement, the City shall have no responsibility or liability whatsoever with respect to the Bonds or any other debts, liabilities and obligations issued by the Agency, and such Bonds and any other debts, liabilities and obligations of the Agency do not constitute debts, liabilities or obligations of any Members including the City.

SECTION 5. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Agency; or (iv) except as provided in this Resolution, take any further action with respect to the Agency or its membership therein.

SECTION 6. The actions of this Resolution are exempt from the requirements of the California Environmental Quality Act (CEQA) and the City's CEQA Guidelines. The project qualifies under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment the activity is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3) because it will not result in a direct or reasonably foreseeable indirect physical change in the environment and it is not a "project" pursuant to Section 15378(b)(5) of the State CEQA Guidelines.

SECTION 7. The executing officers(s), the City Clerk and all other proper officers and officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

SECTION 8. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of December, 2021.

Approved as to form:

_____
Christopher L. Beck
City Attorney

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 1st day of December, 2021 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____

Shanae S. Smith, City Clerk

JOINT EXERCISE OF POWERS AGREEMENT
RELATING TO THE CMFA SPECIAL FINANCE AGENCY
(A-7713)

THIS AGREEMENT, dated as of October 1, 2021, among the parties executing this Agreement (all such parties, except those which have withdrawn as provided herein, are referred to as the "*Members*" and those parties initially executing this Agreement are referred to as the "*Charter Members*"):

WITNESSETH

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the California Government Code (in effect as of the date hereof and as the same may from time to time be amended or supplemented, the "*Joint Exercise of Powers Act*"), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Members is a "public agency" as that term is defined in Section 6500 of the Joint Exercise of Powers Act; and

WHEREAS, each of the Members is empowered by law to promote economic, cultural and community development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, the increase of the tax base, and the promotion of opportunities for education, cultural improvement and public health, safety and general welfare; and

WHEREAS, each of the Members may accomplish the purposes and objectives described in the preceding preamble by various means; and

WHEREAS, each Member is also empowered by law to acquire, construct, improve, operate and dispose of real property for a public purpose; and

WHEREAS, the Joint Exercise of Powers Act authorizes the Members to create a joint exercise of powers entity with the authority to exercise any powers common to the Members, as specified in this Agreement, and to exercise the additional powers granted to it in the Joint Exercise of Powers Act and any other applicable provisions of the laws of the State of California; and

WHEREAS, a public entity established pursuant to the Joint Exercise of Powers Act is empowered to issue or execute bonds, notes, commercial paper or any other evidences of indebtedness, leases, installment sale or other financing agreements, obligations or certificates of participation therein (each and all herein referred to as "*Bonds*"), and to otherwise undertake financing programs under the Joint Exercise of Powers Act or other applicable provisions of the laws of the State of California to accomplish its public purposes; and

WHEREAS, the Members have determined to specifically authorize a public entity authorized pursuant to the Joint Exercise of Powers Act to issue Bonds pursuant to the Joint Exercise of Powers Act or other applicable provisions of the laws of the State of California; and

WHEREAS, it is the desire of the Members to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake the financing and/or refinancing of projects of any nature, including, but not limited to, middle income housing projects and other capital or working capital projects, purchase or acquisition of property, improvements, leases, contracts, receivables, commodities, bonds, other revenue streams or assets of any kind, liability or other insurance, or retirement programs, or facilitating Members use of existing or new financial instruments and mechanisms; and

WHEREAS, by this Agreement, each Member desires to create and establish the "CMFA Special Finance Agency" for the purposes set forth herein and to exercise the powers provided herein;

NOW, THEREFORE, the Members, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

Section 1. Purpose.

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act. The purpose of this Agreement is to establish a public entity for the joint exercise of powers common to the Members and for the exercise of additional powers given to a joint powers entity under the Joint Exercise of Powers Act or any other applicable law, including, but not limited to, the issuance of Bonds for any purpose or activity permitted under the Joint Exercise of Powers Act or any other law. Such purpose will be accomplished and said power exercised in the manner hereinafter set forth.

Section 2. Term.

This Agreement shall become effective in accordance with Section 17 as of the date hereof and shall continue in full force and effect until such time as it is terminated in writing by all the Members; provided, however, that this Agreement shall not terminate or be terminated until all Bonds issued or caused to be issued by the Agency (defined below) shall no longer be outstanding under the terms of the indenture, trust agreement, resolution or other instrument pursuant to which such Bonds are issued.

Section 3. Authority.

A. CREATION AND POWERS OF AUTHORITY.

There is hereby created pursuant to the Joint Exercise of Powers Act a joint exercise of powers authority and public entity to be known as the "CMFA Special Finance Agency." As provided in the Joint Exercise of Powers Act, the Agency shall be a public entity separate and apart from the Members. The Bonds or any

other debts, liabilities and obligations of the Agency shall not constitute debts, liabilities or obligations of any Member, and Bonds issued by the Agency shall be non-recourse to the Agency except only as and to the extent moneys or other assets are pledged by the Agency to the Bonds by the indenture, trust agreement, resolution or other instrument pursuant to which such Bonds are issued. Notwithstanding any other provision of this Agreement, the Agency shall not have the power to incur any debt, liability or obligation that is not subject to the preceding sentence and shall not have the power to and shall not enter into any retirement contract with any public retirement system (as defined in Section 6508.2 of the Joint Exercise of Powers Act) for any reason. The provision in this paragraph is intended to benefit Members and to be a confirming irrevocable obligation of the Agency which may be enforced by Members individually or collectively.

Within 30 days after the effective date of this Agreement or any amendment hereto, the Agency will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State in the manner set forth in Section 6503.5 of the Joint Exercise of Powers Act. Such notice shall also be filed with the office of the Finance Director of the State.

The Board shall be the administering agency of this Agreement and, as such, shall be vested with the powers set forth herein, and shall administer this Agreement in accordance with the purposes and functions provided herein.

B. BOARD.

The Agency shall be administered by the Board of Directors (the "***Board***," or the "***Directors***" and each a "***Director***") consisting of, ex officio, the board of directors of the California Municipal Finance Authority (the "***CMFA***"). Any alternate members of the board of directors of the CMFA shall be, ex officio, alternate members of the Board, and may act as a member of the Board on the same terms as such alternate member may act as a voting member of the board of directors of the CMFA. The term of office as a member of the Board shall terminate when such member of the Board shall cease to hold his or her respective office as a regular or alternate member of the board of directors of the CMFA, and the successor to such member of the board of directors of CMFA shall become a member of the Board, upon assuming such office.

Members of the Board shall not receive any compensation for serving as such but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

Notwithstanding the preceding two paragraphs, the Board may by resolution or bylaws provide for changes in the qualifications, composition and number of directors on the Board, the appointment of successors, their respective

terms of office and any other provisions relating to the qualification and office of the Board.

C. OFFICERS; DUTIES; OFFICIAL BONDS.

The officers of the Agency shall be the Chair, Vice Chair, Executive Director, Secretary and Treasurer, and one or more Assistant Secretaries and Assistant Treasurers. The Chair, Vice Chair, Executive Director, Secretary, Treasurer, Assistant Secretaries and Assistant Treasurers of the CMFA, respectively, shall be such officers of the Agency, ex officio.

The Chair of the Agency shall be the chair of the board of directors of the CMFA, ex officio. The term of office of the Chair shall be the same as the term of the chair of the board of directors of the CMFA. The Chair shall preside at all meetings of the Agency and shall submit such information and recommendations to the Board as he or she may consider proper concerning the business, policies and affairs of the Agency.

The Vice Chair shall be the vice chair of the board of directors of the CMFA, ex officio. The term of office of the Vice Chair shall be the same as the term of the vice chair of the board of directors of the CMFA. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the absence, unavailability, resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair, until such time as a new Chair is selected or appointed.

The executive director of the CMFA is hereby designated as the Executive Director of the Agency, ex officio, and shall be responsible for execution and supervision of the affairs of the Agency. Except as otherwise authorized by resolution of the Board, any member of the Board, the Executive Director or any designee thereof shall sign all contracts, deeds and other instruments executed by the Agency.

The secretary of the CMFA is hereby designated as the Secretary of the Agency, ex officio. The Secretary shall keep the records of the Agency, shall act as Secretary at the meetings of the Agency and record all votes, and shall keep a record of the proceedings of the Agency in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office.

The treasurer of the CMFA is hereby designated, ex officio, as the Treasurer of the Agency.

Subject to the applicable provisions of any resolution, indenture, trust agreement or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, trust agreement, instrument and proceeding being herein referred to as an "***Indenture***") providing for a trustee or other fiscal agent,

and except as may otherwise be specified by resolution of the Board, the Treasurer is designated as the depositary of the Agency to have custody of all money of the Agency, from whatever source derived and shall have the powers, duties and responsibilities specified in Sections 6505, 6505.5 and 6509.5 of the Joint Exercise of Powers Act.

The Treasurer of the Agency is designated as the public officer or person who has charge of, handles, or has access to any property of the Agency, and such officer shall file an official bond with the Secretary of the Agency in the amount specified by resolution of the Board but in no event less than $1,000.

The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

The Board shall have the power, by resolution, to the extent permitted by the Joint Exercise of Power Act or any other applicable law, to delegate any of its functions to one or more of the Directors or officers, employees or agents of the Agency and to cause any of said Directors, officers, employees or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Agency.

D. MEETINGS OF THE BOARD.

(1) Ralph M. Brown Act.

All meetings of the Board, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "*Brown Act*").

(2) Regular Meetings.

The Board shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Board. To the extent permitted by the Brown Act, such meetings may be held by telephone conference.

(3) Special Meetings.

Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California. To the extent permitted by the Brown Act, such

meetings may be held by telephone conference.

(4) Minutes.

The Secretary of the Agency shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(5) Quorum.

A majority of the Board shall constitute a quorum for the transaction of business. No action may be taken by the Board except upon the affirmative vote of a majority of the Directors present at the meeting, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Agency may adopt, from time to time, by resolution of the Board such bylaws, policies or rules and regulations for the conduct of its meetings and affairs as may be required. In the absence of such a resolution, the conflict of interest code, investment policy, and debt management policy of CMFA shall be the conflict of interest code, investment policy and debt management policy of the Agency, to the extent required or permitted by law to be adopted by the Agency.

Section 4. Powers.

The Agency shall have the power, in its own name, to exercise the common powers of the Members and to exercise all additional powers given to a joint powers entity under any of the laws of the State of California, including, but not limited to, the Joint Exercise of Powers Act, for any purpose authorized under this Agreement. Such powers shall include the common powers specified in this Agreement and may be exercised in the manner and according to the method provided in this Agreement. The Agency is hereby authorized to do all acts necessary for the exercise of such power, including, but not limited to, any or all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, improve, own, maintain and operate, or provide for maintenance and operation, and sell, lease, pledge, assign, mortgage or otherwise dispose, of any property, improvements, commodities, leases, contracts, receivables, bonds or other revenue streams or assets of any kind; to exercise the power of condemnation; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services, and other forms of assistance from person, firms, corporations and any governmental entity; to sue and be sued in its own name; to establish and collect fees; to form public benefit nonprofit corporations or other affiliate entities to accomplish any of its purposes; to make grants, loans or provide other financial

assistance to governmental, nonprofit and for profit organizations to accomplish any of its purposes; and generally to do any and all things necessary or convenient to accomplish its purposes. The boundaries of the Agency shall encompass the boundaries of all the Members and the powers of the Agency may be exercised anywhere within those boundaries or to the extent permitted by the laws of the State of California, including, but not limited to the Joint Exercise of Powers Act, outside of those boundaries, which may be outside of the State of California, provided that the power of condemnation may only be exercised within the jurisdictional boundaries of the Charter Members.

Without limiting the generality of the foregoing, the Agency may issue or cause to be issued Bonds, and pledge any property or revenues as security to the extent permitted under the Joint Exercise of Powers Act, or any other applicable provision of law; provided, however, the Agency shall not issue Bonds with respect to any project located in the jurisdiction of one or more Members unless the governing body of any such Member, or its duly authorized representative, shall approve, conditionally or unconditionally, the project, including the issuance of Bonds therefor. Such approval may be evidenced by resolution, certificate, order, report or such other means of written approval of such project as may be selected by the Member (or its authorized representative) whose approval is required. No such approval shall be required in connection with Bonds that refund Bonds previously issued by the Agency and approved by the governing board of a Member.

The manner in which the Agency shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California city could exercise such powers and perform such duties. The manner in which the Agency shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

Section 5. Fiscal Year.

For the purposes of this Agreement, the term "*Fiscal Year*" shall mean the fiscal year as established from time to time by resolution of the Board, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 2022.

Section 6. Disposition of Assets.

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2, after payment of all expenses and liabilities of the Agency, all property of the Agency both real and personal shall automatically vest in the Members in the manner and amount determined by the Board in its sole discretion and shall thereafter remain the sole property of the Members; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Members.

Section 7. Bonds.

From time to time the Agency shall issue Bonds, in one or more series, for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing or refinancing or on post-issuance compliance or administration may be used by the Agency. The expenses of the Board shall be paid from the proceeds of the Bonds, payments made by Bond obligors or other third parties, project revenues, or any other unencumbered funds of the Agency available for such purpose.

Section 8. Bonds Only Limited and Special Obligations of Agency.

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Member or pledge of the faith and credit of the Members or the Agency. The Bonds shall be only special obligations of the Agency, and the Agency shall under no circumstances be obligated to pay the Bonds except from revenues and other funds pledged therefor. Neither the Members nor the Agency shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto or related to any project or program financed or refinanced with Bonds, except the Agency from the assets, revenues and funds pledged and available therefor, and neither the faith and credit nor the taxing power of the Members nor the faith and credit of the Agency shall be pledged to the payment of the principal of, premium, if any, or interest on the Bonds, or any costs related thereto or to any project or program financed or refinanced thereby, nor shall the Members or the Agency in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or related document shall be deemed to be a covenant or agreement of any Director, or any officer, employee or agent of the Agency in his or her individual capacity, and neither the Board of the Agency nor any Director or officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds or by reason of any project or program financed or refinanced with Bonds.

Section 9. Accounts and Reports.

All funds of the Agency shall be strictly accounted for. The Agency shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Agency shall be open to inspection at all reasonable times by each Member.

The Treasurer of the Agency shall cause an independent audit to be made of the books of accounts and financial records of the Agency by a certified public accountant or

public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member and also with the county auditor of each county in which a Member is located; provided, however, that to the extent permitted by law, the Agency may, instead of filing such report with each Member and such county auditor, elect to post such report as a public record electronically on a website designated by the Agency. Such report if made shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

The Treasurer is hereby directed to report in writing on the first day of July, October, January, and April of each year to the Board and the Charter Members which report shall describe the amount of money held by the Treasurer for the Agency, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude amounts held by a trustee or other fiduciary in connection with any Bonds to the extent that such trustee or other fiduciary provided regular reports covering such amounts.)

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for that purpose.

In any Fiscal Year the Board may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

Section 10. Funds.

Subject to the applicable provisions of any Indenture, which may provide for a trustee or other fiduciary to receive, have custody of and disburse Agency funds, the Treasurer of the Agency shall receive, have the custody of and disburse Agency funds pursuant to the accounting procedures developed under Sections 3C and 9, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions of purposes of this Agreement.

Section 11. Notices.

Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk of the governing body of each Member; provided that, to the extent permitted by law, the Agency may provide notices and other communications and postings electronically (including, without limitation, through email or by posting to a website).

Section 12. Additional Members/Withdrawal of Members.

Qualifying public agencies may be added as parties to this Agreement and become Charter Members upon: (1) the filing by such public agency with the Agency of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (2) adoption of a resolution of the Board approving the addition of such public agency as a Charter Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

Qualifying public agencies may also be added as non-Charter Members ("*Additional Members*") of the Agency upon: (1) the filing by such public agency with the Agency of a resolution of the governing body of such public agency requesting to be added as an Additional Member of the Agency, and (2) adoption of a resolution of the Board approving the addition of such public agency as an Additional Member. An Additional Member may limit in the aforementioned resolution the scope of its Additional Membership to what is necessary or appropriate to facilitate the financing or refinancing of one or more specified projects or programs.

A Member may withdraw from this Agreement upon written notice to the Board; provided, however, that (i) at least one Member shall be a Charter Member, (ii) no such withdrawal shall result in the dissolution of the Agency so long as any Bonds remain outstanding and (iii) no such withdrawal shall cause the loss of the property tax exemption of any project owned by the Agency. Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Board, which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to this Agreement effective upon such filing.

Section 13. Indemnification.

To the full extent permitted by law, the Board may authorize indemnification by the Agency of any person who is or was a Director or an officer, employee or other agent of the Agency, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Director or an officer, employee or other agent of the Agency, against expenses, including attorneys' fees, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Agency and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Agency, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The Board may purchase a policy or policies of insurance in furtherance of any indemnification obligation created or otherwise in protection of Directors, officers, employees or other agents.

Section 14. Contributions and Advances.

Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Agency by the Members for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution or advance. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Agency and the Member making such advance at the time of such advance. It is mutually understood and agreed to that no Member has any obligation to make advances or contributions to the Agency to provide for the costs and expenses of administration of the Agency, even though any Member may do so. The Members understand and agree that a portion of the funds of the Agency that otherwise may be allocated or distributed to the Members and the funds of the Agency constituting fee or other revenues with respect to Bonds or Projects may instead be used to make grants, loans or provide other financial assistance to governmental units and to nonprofit organizations to accomplish any of the governmental unit's or nonprofit organization's purposes.

Section 15. Immunities.

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, and other benefits which apply to the activity of officers, agents or employees of Members when performing their respective functions within the territorial limits of their respective public agencies, shall apply to the same degree and extent to the Directors, officers, employees, agents or other representatives of the Agency while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

None of the officers, agents or employees, if any, directly employed or engaged by the Agency shall be deemed, by reason of their employment or engagement by the Agency, to be employed or engaged by any Member or, by reason of their employment or engagement by the Agency, to be subject to any of the requirements of any Member.

Section 16. Amendments.

Except as provided in Sections 3B and 12 above, this Agreement shall not be amended, modified, or altered, unless the written consent of each of the Charter Members is obtained; provided that no amendment shall materially adversely affect the interests of any Additional Member unless the negative consent of that Additional Member is also obtained. To obtain the negative consent of each such Additional Member, the following negative consent procedure shall be followed: (a) the Agency shall provide each such Additional Member with a notice at least sixty (60) days prior to the date such proposed amendment is to become effective explaining the nature of such proposed amendment and this negative consent procedure; (b) the Agency shall provide each such Additional Member who did not respond a reminder notice with a notice at least thirty (30) days prior to the date such proposed amendment is to become effective; and (c) if no such Additional Member objects to the proposed amendment in writing within sixty (60) days after the

initial notice, the proposed amendment shall become effective with respect to all Members.

Section 17. Effectiveness.

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Members on the date that the Board shall have received from two of the Charter Members an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Charter Member approving this Agreement and the execution and delivery hereof.

Section 18. Partial Invalidity.

If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

Section 19. Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the other Members.

Section 20. Miscellaneous.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement shall be governed under the laws of the State of California.

This Agreement, including its recitals which are incorporated herein, is the complete and exclusive statement of the agreement among the Members, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the Members relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their duly authorized representatives as of the day and year first above written.

Member:

City of Palmdale

By _____
Name: Steven D. Hofbauer
Title: Mayor

APPROVE AS TO FORM:

_____
Christopher L. Beck
City Attorney

ATTEST:

_____
Shanae S. Smith
City Clerk

RECORDING REQUESTED
AND WHEN RECORDED MAIL TO:

475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Josh D. Anzel

THIS SPACE IS FOR RECORDERS USE ONLY

PUBLIC BENEFIT AGREEMENT

(Title of Document)

Per Government Code 27388.1 (a)(1) "A fee of $75 dollars shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. The fee shall not exceed two hundred twenty-five dollars ($225)"

Reason for Exemption:

☐ Exempt from fee per GC 27388.1 (a) (2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax (DTT).

☐ Exempt from fee per GC 27388.1 (a) (2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier.

☐ Exempt from fee per GC 27388.1 (a) (1); fee cap of $225.00 reached.

☐ Exempt from the fee per GC 27388.1 (a) (1); not related to real property.

Failure to include an exemption reason will result in the imposition of the $75.00 Building Homes and Job Act Fee.

RECORDING REQUESTED BY
CMFA Special Finance Agency

WHEN RECORDED RETURN TO:
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Josh D. Anzel

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE

PUBLIC BENEFIT AGREEMENT

By and Between

CMFA SPECIAL FINANCE AGENCY

and

CITY OF PALMDALE

_____

Dated as of _____ 1, 2022

_____

Relating to

CMFA SPECIAL FINANCE AGENCY
ESSENTIAL HOUSING REVENUE BONDS, SERIES 2022A-1
(RANCHO VISTA BOULEVARD AND 20TH STREET WEST APARTMENTS)

CMFA SPECIAL FINANCE AGENCY
ESSENTIAL HOUSING REVENUE BONDS, SERIES 2022A-2
(RANCHO VISTA BOULEVARD AND 20TH STREET WEST APARTMENTS)

and
CMFA SPECIAL FINANCE AGENCY
SUBORDINATE ESSENTIAL HOUSING REVENUE BONDS, SERIES 2022B
(RANCHO VISTA BOULEVARD AND 20TH STREET WEST APARTMENTS)

PUBLIC BENEFIT AGREEMENT

This PUBLIC BENEFIT AGREEMENT ("*Agreement*") is dated as of _____ 1, 2022, by and between the CMFA SPECIAL FINANCE AGENCY, a joint exercise of powers agency organized and existing under the laws of the State of California (including its successors and assigns, "*Owner*"), and the CITY OF PALMDALE, a California municipal corporation ("*Host*").

BACKGROUND

WHEREAS, the Owner proposes to issue Bonds (as hereinafter defined) to finance Owner's acquisition of the multifamily rental housing project (the "*Project*") located at the intersection of Rancho Vista Boulevard and 20th Street West in the City of Palmdale, California, located on the real property site described in Exhibit A hereto; and

WHEREAS, the Owner has executed a Regulatory Agreement and Declaration of Restrictive Covenants between Owner and Wilmington Trust, National Association, dated concurrently and recorded in the official records of the County of Los Angeles, California (the "*County*"), which imposes requirements upon the Project with respect to maximum income levels of tenants, maximum rents payable by tenants, maintenance of the Project in accordance with industry standards, and certain other matters, and Host is entering into this Agreement in reliance on Owner's compliance with such requirements; and

WHEREAS, the Owner intends to sell the Project at the instigation of the Host or upon the retirement of all Project Debt (as defined herein) pursuant to this Agreement.

AGREEMENT

In consideration of the mutual covenants herein contained, and such other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Owner and Host mutually agree as follows:

Section 1. Right to Cause Sale. Host shall have the right to cause ("*Sale Right*") the Owner to sell the Property (as herein defined) to Host or Host's designee upon payment by the Purchaser (as herein defined) of the Sale Price (as herein provided) within the Sale Right Term (as herein defined) and in compliance with and observance of all of the terms and conditions of this Agreement.

Section 2. Definitions. Capitalized terms used in this Agreement shall have the meanings assigned to them in this Section 2; capitalized terms used in this Agreement and not defined in this Section 2 or elsewhere herein shall have the meanings assigned to them in the Indenture (herein defined).

(a) "*Bonds*" – collectively, (i) the CMFA Special Finance Agency Essential Housing Revenue Bonds, Series 2022A-1 (Rancho Vista Boulevard and 20th Street West), (ii) the CMFA Special Finance Agency Essential Housing Revenue Bonds, Series 2022A-2 (Rancho Vista Boulevard and 20th Street West), and (iii) the CMFA Special Finance Agency Subordinate Essential Housing Revenue Bonds, Series 2022B (Rancho Vista Boulevard and 20th Street West) (the "*Series B Bonds*"), with such other series and sub-series designations as may be set forth in the Indenture, originally issued to finance Owner's acquisition of the Project and related transaction costs. The original principal amount of the Series B Bonds shall not exceed $2,000,000.

(b) "*Bond Trustee*" – Wilmington Trust, National Association, or any successor trustee under the Indenture.

(c) "*Closing*" – shall have the meaning set forth in Section 8 hereof.

(d) "*Conveyance*" – that transaction or series of transactions by which Owner shall transfer, bargain, sell and convey any and all right, title or interest in and to the Property.

(e) "*Exercise Notice*" – shall have the meaning set forth in Section 4(a) hereof.

(f) "*Extraordinary Costs and Expenses*" – shall have the meaning set forth in the Indenture.

(g) "*Host Indemnified Person*" – the Host and each of its officers, governing members, directors, officials, employees, attorneys, agents and members.

(h) "*Indenture*" – the Trust Indenture between Owner, as issuer, and the Bond Trustee, as trustee, pursuant to which the Bonds were issued.

(i) "*Minimum Sale Price*" – means the lowest price at which the Property may be sold, as described in Section 4(c) hereof.

(j) "*Outstanding*" – with respect to Bonds, as of any given date, all Bonds which have been authenticated and delivered by the Trustee under the Indenture, except: (i) Bonds cancelled at or prior to such date or delivered to or acquired by the Trustee at or prior to such date for cancellation; (ii) Bonds deemed to be paid in accordance with Article IX of the Indenture; and (iii) Bonds in lieu of which other Bonds have been authenticated under the Indenture.

(k) "*Owner Indemnified Person*" – the Owner and each of its officers, governing members, directors, officials, employees, attorneys, agents and members.

(l) "*Project Administrator*" – AMCAL Equities LLC and its successors and assigns.

(m) "*Project Debt*" – any debt secured by the Project and incurred to finance or refinance Owner's acquisition of the Project and related transaction costs, including any portion of the Bonds and any bonds, notes or other indebtedness issued by Owner to improve the Project or to refund the Bonds in whole or in part.

(n) "*Property*" – means all of Owner's right, title and interest (which includes fee simple title to the real property) in and to all property and assets used in or otherwise related to the operation of the Project including, without limitation, all real property and interests in real property, all tangible and intangible personal property including furniture, fixtures, equipment, supplies, intellectual property, licenses, permits, approvals, and contractual rights of any kind or nature together with the right to own and carry on the business and operations of the Project.

(o) "*Purchaser*" – means the purchaser of the Property in a sale thereof.

(p) "*Regulatory Agreement*" – means the Regulatory Agreement and Declaration of Restrictive Covenants by and between the Owner and the Bond Trustee, relating to the Bonds.

(q) "*Sale Price*" – purchase price of the Property to be paid by the Purchaser upon sale of the Property by the Owner pursuant to the Sale Right in compliance with Section 4 hereof or sale by the Owner pursuant to Section 5 hereof.

(r) "*Sale Right*" – means the right of the Host to cause the Owner to sell the Property pursuant to Section 1 hereof.

(s) "*Sale Right Exercise Date*" – the date fifteen (15) years from the issuance of the Bonds.

(t) "*Sale Right Term"* – shall commence on the Sale Right Exercise Date and, if not exercised, shall terminate at 11:59 p.m. local time on the date that is the earlier of: (i) fourteen (14) years from the Sale Right Exercise Date or (ii) the date on which no Project Debt remains Outstanding.

(u) "*Transaction Costs*" – to the extent not otherwise described herein, any costs or expenses of any kind or nature associated with or incurred by Owner and Bond Trustee in connection with the consummation of the Conveyance, regardless of whether such costs and expenses are customarily borne by the seller or purchaser in any such transaction, including but not limited to taxes, recording fees and other impositions, Owner's and Bond Trustee's legal and other professional fees, fees for verification agents, bidding agents, escrow agents, custodians or trustees, assumption fees, prepayment fees, the cost of the appraisal, brokers' fees and expenses, surveys, inspections, title commitments, title insurance premiums and other title-related fees, and all amounts required for indemnification of Owner, Trustee and Project Administrator.

Section 3. Effectiveness; Term and Termination. The Sale Right shall become effective on the Sale Right Exercise Date and may be exercised during the Sale Right Term. Owner agrees that it will not enter into any agreement to sell all or any part of the Property during the Sale Right Term other than as may be required by the Indenture (e.g., in the event of default), without the specific written request of the Host and delivery of an Opinion of Bond Counsel to the Owner substantially to the effect that such sale will not, in and of itself, adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

Section 4. Exercise of Sale Right.

(a) Host's Notice. To exercise the Sale Right, Host shall provide a notice (an "*Exercise Notice*") to Owner (with a copy to the Project Administrator) at any time during the Sale Right Term.

(b) Owner's Best Efforts to Sell. Unless Host notifies Owner in writing that it is withdrawing its Exercise Notice within fifteen (15) business days of delivering the Exercise Notice under Section 4(a) hereof, Owner shall exercise its best efforts to enter into a purchase agreement for the sale of the Property in accordance with Section 7(d) and to sell and convey good and marketable title to the Property to Host or its designee within ninety (90) days following receipt of the Exercise Notice, or as soon as possible thereafter, in accordance with the purchase agreement, but only if it can sell at or above the Minimum Sale Price. The obligation of the Owner to enter into the purchase agreement for the sale and conveyance of the Property to Host or its designee shall be on a best efforts basis. The Owner shall endeavor to sell the Property at a commercially reasonable price, subject to subsection (c) of this Section, by such means as the parties to the purchase agreement shall determine to be suitable for such purpose; provided that

Owner shall incur no liability to any party as a result of or otherwise in connection with the sale or failure to sell. Subject to subsection (c), nothing herein shall require or prevent Owner selling the Property subject to the restrictions set forth in the Regulatory Agreement. The Owner shall direct the Bond Trustee in the foregoing as and to the extent necessary or appropriate.

(c) Sale Price. The Sale Price shall be at least equal to the sum of the amounts set forth below (net of any adjustments or prorations of the type described in Section 8(b)) (the "*Minimum Sale Price*"):

i. an amount sufficient to either prepay, redeem in whole or fully defease for redemption on the earliest call date all Project Debt; plus

ii. any fees or other amounts not identified in clause (i) that may be necessary to effect the complete release from and discharge of any lien, mortgage or other encumbrance on the Property; plus

iii. any amounts due to Owner (including the Owner Indemnified Persons, as provided in the Indenture), the Bond Trustee or any predecessor or successor, or any other Person under any indenture, loan agreement, bond, note or other instrument relating to any Project Debt (including, without limitation, indemnification amounts, Owner's Extraordinary Costs and Expenses, recurrent and extraordinary fees and expenses, and reimbursable costs and expenses of any kind or nature); plus

iv. Transaction Costs; minus

v. Any funds held by or for Owner under the Indenture applied to the retirement of Project Debt. Owner may retain such portion of moneys in the Extraordinary Expense Fund or similar fund under the Indenture it deems reasonable as a reserve against future expected costs and expenses of the type described in subparagraph (iii). Owner's determination of this amount shall be final and incontestable.

Section 5. Mandatory Conveyance. Upon the retirement of all Project Debt, the Owner shall use its best efforts to effect a Conveyance within ninety (90) days thereafter, subject to Section 4(c) hereof. Owner shall give notice to Host of its intent to convey the Property, and Host (or its designee) shall have the first right to acquire the Property by delivery of an Exercise Notice to Owner within thirty (30) days after receipt of Owner's notice. Nothing herein shall require or prevent Owner selling the Property subject to the restrictions set forth in the Regulatory Agreement.

Section 6. Surplus Cash; Surplus Conveyance Proceeds. Upon a Conveyance of the Property, Owner shall apply the proceeds of such Conveyance (i) to redeem the Bonds then Outstanding, (ii) to prepay, redeem in whole or fully defease any other Project Debt, and (iii) to pay any fees or other amounts listed in Section 4(c)(ii) – (iv). Any proceeds remaining following the foregoing payments (such remaining amounts hereinafter referred to as "*Surplus Conveyance Proceeds*") shall be transferred to Host, and Host shall equitably share (within Host's reasonable discretion) such Surplus Conveyance Proceeds with the other taxing agencies in the County so as to reimburse such taxing agencies for any foregone property tax revenue.

Section 7. Terms of Conveyance.

(a) The Conveyance shall be in the nature of a grant deed to Purchaser in which Owner shall deliver one or more deeds, bills of sale, or other instruments of transfer without recourse or warranty of any kind or nature.

(b) The Property will be conveyed to Purchaser in AS IS CONDITION, WITH ALL FAULTS, and without representations or warranties of any kind or nature as to the condition of the Property, except as may otherwise be set forth in the purchase agreement.

(c) There shall be no partial transfer and that, upon consummation of the Conveyance, Owner shall be fully divested of any and all right, title or interest in and to the Property.

(d) Upon Host's delivery of the Exercise Notice, Owner shall deliver to Purchaser a purchase agreement for the Property, and the parties shall negotiate in good faith towards a mutually satisfactory purchase agreement form and substance satisfactory to Owner and Purchaser and their counsel subject to the terms and conditions of this Agreement. The purchase agreement shall permit Purchaser to conduct physical inspections of the Property and conduct due diligence related to the purchase of the Property, including without limitation its value and physical and environmental condition, and shall provide Purchaser a due diligence approval period of not less than sixty (60) days after the date of the purchase agreement. The purchase agreement shall provide for Owner to deliver to Purchaser copies of all plans, studies, records, reports, governmental notices and approvals, and other written materials related to the use, occupancy or condition of the Property that Owner has in its possession, including without limitation environmental, structural, mechanical, engineering and land surveys. Purchaser shall provide Owner with comments to the form of purchase agreement within fifteen (15) business days of its receipt thereof, and Owner and Purchaser shall use good faith efforts to negotiate, draft and execute a mutually acceptable purchase agreement as soon as practicable thereafter. The purchase agreement shall provide for closing for the conveyance to Purchaser of good and marketable title to the Property at the Sales Price within the time set forth in Section 8(a) hereof.

Section 8. Closing.

(a) The closing of the Conveyance ("*Closing*") shall take place, in the case of a Conveyance pursuant to Section 4 hereof, not later than the ninetieth (90th) calendar day following the Owner's receipt of the Exercise Notice, or as soon as possible thereafter, and in the case of a mandatory conveyance pursuant to Section 5 hereof, not later than the ninetieth (90th) calendar day following the retirement of all Project Debt, or as soon as possible thereafter.

(b) All general and special real property taxes and assessments, and rents shall be prorated as of the Closing, with Purchaser responsible for all such items to the extent arising or due at any time following the closing. General real property taxes shall be prorated at the time of Closing based on the net general real property taxes for the year of Closing.

Section 9. Recording. This Agreement, and any amendment thereto, shall be recorded with the recorder's office of the County; *provided*, that upon termination of the term of this Agreement, Host shall cooperate with Owner to remove any such recorded Agreement or amendment thereto from title to the Property upon Owner's reasonable request therefor and, in any event, by no later than thirty (30) days after the expiration of the original term of this Agreement.

Section 10. Subordination. This Agreement shall be subordinate to any claim, pledge or interest in the Property securing the Bonds or any Project Debt.

Section 11. [Reserved]

Section 12. Assignment. Neither party to this Agreement shall assign its interests, obligations, rights and/or responsibilities under this Agreement without the prior written consent of the other party, except as provided herein.

Section 13. Limitation on Liability.

(a) The Owner and Host shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Agreement or any sale or Conveyance or failure or price thereof or application of proceeds thereof, except only as to moneys available therefor under and in accordance with the Indenture or this Agreement.

(b) No Owner Indemnified Person or Host Indemnified Person shall be individually or personally liable for the payment of any sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement, or by any proceedings for the sale or Conveyance or failure or price thereof, or Host's exercise or waiver of same, or otherwise except in the case of such Owner Indemnified Person's own willful misconduct.

(c) The Bonds will not be a debt, liability or obligation of Host but rather, solely indebtedness of the Owner, limited to the Trust Estate pledged and available therefor under the Indenture. Under no circumstances shall Host be obligated to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation or operation of the Project; or (iii) make any contribution or advance any funds whatsoever to the Owner.

Section 14. Notices, Governing Law, Binding Effect and Other Miscellaneous Provisions.

(a) Notices. All notices provided for in this Agreement shall be in writing and shall be given to Owner or Host at the address set forth below or at such other address as they individually may specify thereafter by written notice in accordance herewith:

If to Owner or: Designated Agent	CMFA Special Finance Agency 2111 Palomar Airport Road, Suite 320 Carlsbad, California 92011 Attention: Financial Advisor Email: jstoecker@cmfa-ca.com
With a copy to:	AMCAL Equities, LLC 30141 Agoura Road, Suite 100 Agoura Hills, CA 91301 Attention: Percival Vaz Email: percy@amcalhousing.com

If to Host: City of Palmdale
38300 Sierra Highway
Palmdale, CA 93550
Attention: City Manager

Such notices shall be deemed effective upon actual delivery or upon the date that any such delivery was attempted and acceptance thereof was refused, or if mailed, certified return receipt requested, postage prepaid, properly addressed, three (3) days after posting.

(b) Consents and Approvals. All consents and approvals and waivers required or asserted hereunder shall be in writing, signed by the party from whom such consent, approval, waiver or notice is requested.

(c) Non-Liability of Host or Owner Officers and Employees. No officer or employee of the Host shall be personally liable to the Owner, or any successor in interest, in the event of any default or breach by Host of any obligation of the terms of this Agreement. No officer or employee of the Owner shall be personally liable to Host, or any successor in interest, in the event of any default or breach by Owner of any obligation of the terms of this Agreement.

(d) Pronouns. Where appropriate to the context, words of one gender include all genders, and the singular includes the plural and vice versa.

(e) Amendments. This Agreement may not be modified except in a written instrument signed by Host and Owner.

(f) Complete Agreement; Benefits. This Agreement together with all schedules and exhibits attached hereto and made part thereof supersedes all previous agreements, understandings and representations made by or between the parties hereto. This Agreement shall inure solely and exclusively to the benefit of the Owner and Host, and no other party shall have any right, remedy or claim under or by reason of this Agreement.

(g) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to conflicts of law principles. All claims of whatever character arising out of this Agreement, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between Owner and any other party hereto, if and to the extent that such claim potentially could or actually does involve Owner, shall be filed and maintained in the Superior Court of California, County of San Diego, California. By executing and delivering this Agreement, each party hereto irrevocably: (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such court; (ii) waives any defense of forum non-conveniens; and (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above. The foregoing shall not be deemed or construed to constitute a waiver by Owner of any prior notice or procedural requirements applicable to actions or claims against or involving governmental units and/or political subdivisions of the State of California that may exist at the time of and in connection with such matter.

(h) Legal Construction. In case any one or more of the provisions contained in this Agreement shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalid provision shall be deemed severable, and

shall not affect the validity or enforceability of any other provisions of this Agreement, all of which shall remain fully enforceable.

(i) Term. This Agreement shall terminate upon the Conveyance.

(j) Captions. The captions used in this Agreement are solely for convenience and shall not be deemed to constitute a part of the substance of the Agreement for purpose of its construction.

(k) Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same Agreement.

(l) Regulatory Agreement. Owner shall not amend the Regulatory Agreement to increase the maximum income levels or maximum rents of the Affordable Units, or to revise the percentages of units to be rented as Low Income Units, Median Income Units and Moderate Income Units, without the prior written approval of Host, which approval shall not unreasonably be withheld.

(m) Joint Powers Agreement. So long as the Bonds (or any other Project Debt for the Property) remains outstanding, Host shall not withdraw as a member of Owner without first obtaining an opinion of counsel or counsels, nationally-recognized in the subject matter of the opinion, addressed to the bond trustee and the Owner, to the effect that such withdrawal, in and of itself, will not have a material adverse effect on (i) any tax-exempt status of interest on the Bonds or other Project Debt, (ii) any exemption from property tax for the Property, or (iii) the validity of the Bonds under state law.

(n) The Owner hereby represents, covenants, warrants and agrees as follows: for the term of the Regulatory Agreement, (i) the Project will be owned and operated for the purpose of providing multifamily residential rental property; and (ii) the Owner will own, and cause the Project to be managed and operated, as a project to provide multifamily residential rental property comprised of a building or structure or several interrelated buildings or structures, together with any functionally related and subordinate facilities.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

CMFA SPECIAL FINANCE AGENCY

By: _____
Edward J. Becker
Executive Director

CITY OF PALMDALE

By: _____
J.J. Murphy
City Manager

Approved as to Form:

By: _____
City Attorney

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 _____)

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

LEGAL DESCRIPTION OF REAL PROPERTY

The Land referred to herein is situated in the State of California, County of Los Angeles, City of Palmdale, and described as follows:

[TO COME]

[DRAFT]

RECORDING REQUESTED AND WHEN RECORDED MAIL TO: Jones Hall, A Professional Law Corporation 475 Sansome Street, Suite 1700 San Francisco, California 94111 Attention: Josh D. Anzel, Esq.	***THIS SPACE IS FOR RECORDERS USE ONLY***

REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

(Title of Document)

Per Government Code 27388.1 (a)(1) "A fee of $75 dollars shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. The fee shall not exceed two hundred twenty-five dollars ($225)"

Reason for Exemption:

☐ Exempt from fee per GC 27388.1 (a) (2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax (DTT).

☐ Exempt from fee per GC 27388.1 (a) (2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier.

☐ Exempt from fee per GC 27388.1 (a) (1); fee cap of $225.00 reached.

☐ Exempt from the fee per GC 27388.1 (a) (1); not related to real property.

Failure to include an exemption reason will result in the imposition of the $75.00 Building Homes and Job Act Fee.

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Josh D. Anzel, Esq.

REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS

By and Between

CMFA SPECIAL FINANCE AGENCY

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

Dated as of _____ 1, 2022

Relating to

CMFA Special Finance Agency
Essential Housing Revenue Bonds, Series 2022A-1
(Rancho Vista Boulevard and 20th Street West Apartments)

CMFA Special Finance Agency
Essential Housing Revenue Bonds, Series 2022A-2
(Rancho Vista Boulevard and 20th Street West Apartments)

and

CMFA Special Finance Agency
Subordinate Essential Housing Revenue Bonds, Series 2022B
(Rancho Vista Boulevard and 20th Street West Apartments)

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EXHIBIT A	DESCRIPTION OF REAL PROPERTY
EXHIBIT B	FORM OF INCOME CERTIFICATION
EXHIBIT C	FORM OF CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS

THIS REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (as supplemented and amended from time to time, this "Regulatory Agreement") is made and entered into as of _____ 1, 2022, by and between the CMFA SPECIAL FINANCE AGENCY, a joint exercise of powers authority duly organized and existing under the laws of the State of California, as issuer of the Bonds (as further defined herein) and as owner of the Project identified herein (together with any successor to its rights, duties and obligations hereunder, the "Owner"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, as trustee (together with its successors in trust and assigns, the "Trustee").

W I T N E S S E T H:

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the California Government Code (the "*Act*"), the Owner proposes to issue its Essential Housing Revenue Bonds, Series 2022A-1 (Rancho Vista Boulevard and 20th Street West Apartments) (the "*Series 2022A-1 Bonds*"), Essential Housing Revenue Bonds, Series 2022A-2 (Rancho Vista Boulevard and 20th Street West Apartments) (together with the Series 2022A-1 Bonds, the "*Series A Bonds*"), and Subordinate Essential Housing Revenue Bonds, Series 2022B (Rancho Vista Boulevard and 20th Street West Apartments) (together with the Series A Bonds, the "*Bonds*") pursuant to a Trust Indenture, dated as of _____ 1, 2022 (as supplemented and amended from time to time, the "*Indenture*"), between the Owner and the Trustee;

WHEREAS, a portion of the proceeds of the Bonds will be used to provide, in part, financing for the acquisition of the multifamily rental housing project currently known as Rancho Vista Boulevard and 20th Street West Apartments, located on the real property site described in Exhibit A hereto (as further described herein, the "*Project*");

WHEREAS, to satisfy the public purposes for which the Bonds are authorized to be issued under the Act, and in furtherance of certain specific public purposes of the Owner, previously approved by the Owner's Resolution No. 21-_____, which include supporting, preserving and providing low income, median income and moderate income multifamily rental housing in areas in which demand for such housing is not currently being adequately met, certain limits on the occupancy of units in the Project need to be established and certain other requirements need to be met;

NOW, THEREFORE, in consideration of the issuance of the Bonds by the Owner and the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the Trustee hereby agree as follows:

Section 1. Definitions and Interpretation. Unless the context otherwise requires, the capitalized terms used herein shall have the respective meanings assigned to them in the recitals hereto, in this Section 1, or in the Master Glossary of Terms, dated as of _____ 1, 2022.

"Administrator" means any administrator or program monitor appointed by the Owner to administer this Regulatory Agreement, and any successor administrator appointed by the Owner.

"Area" means the Metropolitan Statistical Area or County, as applicable, in which the Project is located, as defined by HUD.

"Bonds" has the meaning given to it in the recitals hereto.

"Certificate of Continuing Program Compliance" means the Certificate to be filed by the Owner with the Administrator, pursuant to Section 4(e) hereof, which shall be substantially in the form attached as Exhibit C hereto or in such other comparable form as may be provided by the Owner.

"City" means the City of Palmdale, California.

"Closing Date" means _____, 2022, the date the Bonds are issued and delivered to the initial purchaser thereof.

"Compliance Period" means the period beginning on the Closing Date and ending on the first date on which there are no Bonds Outstanding.

"County" means the County of Los Angeles, California.

"Deed of Trust" means the Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing dated as of the Closing Date, by the Owner granting a lien on its fee simple interest in the Property, subject to Permitted Encumbrances, to the Trustee for the benefit of the holders from time to time of the Bonds, as the same may be modified, amended or supplemented from time to time, or any deed of trust (or similar security instrument) containing a power of sale clause reflecting a valid, perfected first priority lien on the fee interest in the Project delivered by the Owner to secure the Owner's obligations to a third-party lender.

"Gross Income" means the gross income of a person (together with the gross income of all persons who reside with such person in one residential unit) as calculated in the manner prescribed by Section 8 of the Housing Act.

"Housing Act" means the United States Housing Act of 1937, as amended, or its successor.

"HUD" means the United States Department of Housing and Urban Development.

"Income Certification" means a Tenant Income Certification and a Tenant Income Certification Questionnaire in the form attached as Exhibit B hereto or in such other comparable form as may be provided by the Owner.

"Low Income Tenant" means a tenant occupying a Low Income Unit.

"Low Income Unit" means any available unit if the aggregate Gross Income of all tenants therein does not exceed eighty percent (80%) of median gross income for the Area, with adjustments for family size. The determination of an available unit's status as a Low Income Unit shall be made by the Owner upon commencement of each lease term with respect to such unit, and annually thereafter, on the basis of an Income Certification executed by each tenant.

"Management Agreement" means that certain Property Management Agreement, dated as of the date hereof, by and among the Owner and the Manager.

"Manager" means _____, and any other Person who is an assignee of the initial Management Agreement.

"Median Income Tenant" means a tenant occupying a Median Income Unit.

"Median Income Unit" means any available unit if the aggregate Gross Income of all tenants therein does not exceed one hundred percent (100%) of median gross income for the Area, with adjustments for family size. The determination of an available unit's status as a Median Income Unit shall be made by the Owner upon commencement of each lease term with respect to such unit, and annually thereafter, on the basis of an Income Certification executed by each tenant.

"Moderate Income Tenant" means (i) a tenant occupying a Moderate Income Unit or (ii) an Over Income Tenant if such tenant occupied an available unit on the effective date of this Regulatory Agreement.

"Moderate Income Unit" means any available unit if the aggregate Gross Income of all tenants therein does not exceed one hundred and twenty percent (120%) of median gross income for the Area, with adjustments for family size. The determination of an available unit's status as a Moderate Income Unit shall be made by the Owner upon commencement of each lease term with respect to such unit, and annually thereafter, on the basis of an Income Certification executed by each tenant.

"Over Income Tenant" means a tenant occupying an Over Income Unit.

"Over Income Unit" means any occupied unit in which the aggregate gross income of all tenants therein exceeds one hundred twenty percent (120%) of median gross income for the Area, with adjustments for family size.

"Project" means the 380-unit multifamily rental housing development to be located in the City on the real property site described in Exhibit A hereto, consisting of those facilities, including real property, structures, buildings, fixtures or equipment situated thereon, as it may at any time exist, the acquisition of which facilities is to be financed, in whole or in part, from the proceeds of the sale of the Bonds, and any real property, structures, buildings, fixtures or equipment acquired in substitution for, as a renewal or replacement of, or a modification or improvement to, all or any part of the facilities described in the Deed of Trust. The 380 rental housing units consists of (i) 320 multifamily apartments and (ii) 60 triplex units.

"Regulations" means the Income Tax Regulations of the Department of the Treasury applicable under the Code from time to time.

"Regulatory Agreement" means this Regulatory Agreement and Declaration of Restrictive Covenants, as it may be supplemented and amended from time to time.

"Rental Payments" means the rental payments paid by the occupant of a unit, excluding any supplemental rental assistance to the occupant from the State, the federal government, or any other public agency.

"Tax-Exempt" means with respect to interest on any obligations of a state or local government, including the Bonds, that such interest is excluded from gross income for State of California personal income and federal income tax purposes; provided, however, that such interest may be includable as an item of tax preference or otherwise includable directly or indirectly for

purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax, under the Code.

"TCAC" means the California Tax Credit Allocation Committee.

"Transfer" means the conveyance, assignment, sale or other disposition of all or any portion of the Project; and shall also include, without limitation to the foregoing, the following: (1) an installment sales agreement wherein Owner agrees to sell the Project or any part thereof for a price to be paid in installments; and (2) an agreement by the Owner leasing all or a substantial part of the Project to one or more persons or entities pursuant to a single or related transactions.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement, words of any gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Regulatory Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Regulatory Agreement have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

The parties to this Regulatory Agreement acknowledge that each party and their respective counsel have participated in the drafting and revision of this Regulatory Agreement. Accordingly, the parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Regulatory Agreement or any supplement or exhibit hereto.

Section 2. Representations, Covenants and Warranties of the Owner.

(a) The Owner hereby incorporates herein, as if set forth in full herein, each of the representations, covenants and warranties of the Owner contained in the Tax Certificate and the Indenture relating to the Project.

(b) The Owner hereby represents and warrants that the Project is located entirely within the City.

(c) The Owner acknowledges, represents and warrants that it understands the nature and structure of the transactions contemplated by this Regulatory Agreement; that it is familiar with the provisions of all of the documents and instruments relating to the Bonds to which it is a party or of which it is a beneficiary; that it understands the financial and legal risks inherent in such transactions.

Section 3. Residential Rental Project. For the term of this Regulatory Agreement, the Owner hereby represents, covenants, warrants and agrees as follows:

(a) The Project will be owned and operated for the purpose of providing multifamily residential rental property. The Owner will own, and cause the Project to be managed and operated, as a project to provide multifamily residential rental property comprised of a building or structure or several interrelated buildings or structures, together with any functionally related and subordinate

facilities, in accordance with such requirements as may be imposed thereby on the Project from time to time. The Owner shall cause the Project to be maintained in a good, habitable and safe (so as to not threaten the health or safety of the Project's tenants or their invited guests) condition and repair (reasonable wear and tear excepted) and shall create and fund a Capital Expense Fund and shall cause Capital Repairs to be made on an annual basis during the Compliance Period. Capital Repairs shall include, without limitation, the following: carpet and drape replacement; appliance replacement; exterior painting, including exterior trim; hot water heater replacement; plumbing fixtures replacement, including tubs and showers, toilets, lavatories, sinks, faucets; air conditioning and heating replacement; asphalt repair and replacement, and seal coating; roofing repair and replacement; landscape tree replacement; irrigation pipe and controls replacement; sewer line replacement; water line replacement; gas line pipe replacement; lighting fixture replacement; elevator replacement and upgrade work; miscellaneous motors and blowers; common area furniture replacement; and common area and exterior repainting.

(b) Except as otherwise approved by the Owner, all of the dwelling units in the Project (except for the units set aside for resident managers or other administrative uses) will be similarly constructed units, and each dwelling unit in the Project will contain complete separate and distinct facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink.

(c) None of the dwelling units in the Project will ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park; provided that the use of certain units for tenant guests on an intermittent basis shall not be considered transient use for purposes of this Regulatory Agreement. Owner shall not rent dwelling units for a term of 30 days or less, and shall use commercially reasonable efforts to inform residents that short-term rentals of 30 days or less are prohibited.

(d) No part of the Project will at any time during the Compliance Period be owned by a cooperative housing corporation, nor shall the Owner take any steps in connection with a conversion to such ownership or use, and the Owner will not take any steps in connection with a conversion of the Project to condominium ownership during the Compliance Period.

(e) All of the available units in the Project will be available for rental during the period beginning on the date hereof and ending on the termination of the Compliance Period on a continuous basis.

Section 4. Tenants; Income Requirements. The Owner shall comply, or shall cause the Manager to comply, with the following requirements:

(a) During the Compliance Period, except for units occupied by residential managers, for which no income or rent restrictions shall apply, the Owner shall use its best efforts to ensure that the following income restrictions are met at all times:

(i) no less than one-third (1/3) of the completed multifamily apartment units in the Project shall be Low Income Units;

(ii) no less than one-third (1/3) of the completed multifamily apartment units in the Project shall be Median Income Units;

(iii) the balance of the completed multifamily apartment units in the Project shall be Moderate Income Units; and

(iv) one hundred percent (100%) of the triplex units will be rented at market rates, without income or rent restrictions under this Regulatory Agreement.

provided, that any unit remaining vacant for at least 30 consecutive days may be offered and leased as a Low Income Unit, Median Income Unit or Moderate Income Unit without regard for the requirements set forth in sub-paragraphs (i), (ii) and (iii) above. For the avoidance of doubt, any vacant unit shall only be offered as a Low Income Unit, Median Income Unit or Moderate Income Unit.

(b) No tenant shall be denied continued occupancy of a unit in the Project because, after admission, the aggregate Gross Income of all tenants in the unit occupied by such tenant increases to exceed the qualifying limit for the respective Low Income Unit, Median Income Unit or Moderate Income Unit initially occupied by such tenant. However, if after a tenant's initial occupancy of a Low Income Unit, Median Income Unit or Moderate Income Unit, as applicable, the aggregate Gross Income of tenants in such unit, as of the most recent determination thereof, exceeds that which is defined for such unit occupied by the same number of tenants, the next available unit of comparable or smaller size shall, subject to the discretion of the Owner and Manager as described in the next succeeding paragraph, be rented (or held vacant and available for immediate occupancy by) in a manner that would maintain the unit mix required by Section 4(a) hereof. For the avoidance of doubt, this Section 4(b) shall apply to existing tenants occupying the Project on the Closing Date.

Notwithstanding any provision of this Regulatory Agreement to the contrary, the Owner shall verify, or cause the Manager to verify, all tenant incomes at least annually and shall continually re-balance the mix of household incomes by leasing vacant units to Low Income Tenants, Median Income Tenants or Moderate Income Tenants as needed to meet the income set-aside requirements set forth in this Section 4(a).

(c) For the Compliance Period, the Owner shall cause the Manager to obtain, complete and maintain on file Income Certifications for each tenant, including (i) an Income Certification dated immediately prior to the initial occupancy of such tenant in the unit and a second Income Certification dated one year after the tenant's initial move-in date, and (ii) thereafter, an annual verifiable self-certification with respect to each tenant. The Owner shall, or shall cause the Manager to, provide such additional information as may be required in the future by applicable rules, rulings, policies, procedures, Regulations or other official statements now or hereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service with respect to Tax-Exempt obligations. Upon request of the Administrator or the Trustee, copies of Income Certifications for tenants commencing or continuing occupation of a residential unit shall be submitted to the Administrator or the Trustee, as requested.

(d) The Owner shall cause the Manager to verify that the income information provided by an applicant in an Income Certification is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain pay stubs for the three most recent pay periods, (2) obtain an income tax return for the most recent tax year, (3) obtain a credit report or conduct a similar type credit search, (4) obtain an income verification from the applicant's current employer, (5) obtain an income verification from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies, or (6) if the applicant is unemployed and does not have an income tax return, obtain another form of independent verification reasonably acceptable to the Owner.

(e) The Owner shall prepare and submit or cause the Manager to prepare and submit to the Administrator not less than annually, commencing not less than one year after the Closing Date, a Certificate of Continuing Program Compliance executed by the Owner in substantially the form attached hereto as Exhibit C.

(f) For the Compliance Period, all tenant leases or rental agreements shall be subordinate to this Regulatory Agreement and the Deed of Trust. All leases shall contain clauses, among others, wherein each tenant: (i) certifies the accuracy of the statements made by such tenant in the Income Certification; (ii) agrees that the family income and other eligibility requirements shall be deemed substantial and material obligations of the tenancy of such tenant, that such tenant will comply promptly with all requests for information with respect thereto from the Owner or the Administrator on behalf of the Owner, and that the failure to provide accurate information in the Income Certification or self-certification or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of the tenancy of such tenant; (iii) acknowledges that the Owner has relied on the statements made by such tenant in the Income Certification and supporting information supplied by the tenant in determining qualification for occupancy of a Low Income Unit, Median Income Unit or Moderate Income Unit, as applicable, and that any material misstatement in such certification (whether or not intentional) will be cause for immediate termination of such lease or rental agreement; and (iv) agrees that the tenant's income is subject to annual certification in accordance with Section 4(c) and that if upon any such certification the aggregate Gross Income of tenants in such unit exceeds the applicable income limit under Section 4(b), the unit occupied by such tenant may cease to qualify as a Low Income Unit, Median Income Unit or Moderate Income Unit, as applicable, and such unit's rent may be subject to increase.

(g) In reviewing and considering applications from prospective tenants, the Owner shall provide a preference to households which include one or more persons who live, work, or have been hired to work in the City, have graduated from a City high school, are employed by a public school district in the City, and/or are employed as a first responder.

Section 5. Affordable Rental Requirements; Limitations on Rent Increases; Rent Reductions. During the Compliance Period, except for units occupied by residential managers, for which no income or rent restrictions shall apply, in addition to the other requirements set forth herein, the Owner hereby agrees that it shall comply, or cause the Manager to comply, with the following:

(a) The Rental Payments for the Low Income Units paid by the tenants thereof shall not exceed 35% of the Low Income limit for the County, adjusted for household size, as published annually by HUD and utilized by TCAC.

(b) The Rental Payments for the Median Income Units paid by the tenants thereof shall not exceed 35% of the Median Income limit for the County, adjusted for household size, as published annually by HUD and utilized by TCAC.

(c) The Rental Payments for the Moderate Income Units paid by the tenants thereof shall not exceed 35% of the Moderate Income limit for the County, adjusted for household size, as published annually by HUD and utilized by TCAC.

(d) The Owner shall accept as tenants, on the same basis as all other prospective tenants, qualified low-income persons who are recipients of federal certificates or vouchers for rent subsidies pursuant to the existing program under Section 8 of the Housing Act.

For purposes of this Section 5, base rents shall be adjusted for household size using the following assumptions:

Unit Size	Assumed Occupancy
studio	1
one-bedroom	2
two-bedroom	3
three-bedroom	4
four-bedroom	5

(e) The following limitations shall apply to annual rent increases for households occupying available units in the Project:

(i) For a household qualifying as a Low Income Unit, a Median Income Unit, or a Moderate Income Unit, as applicable, but for which annual rent payable is lower than the applicable limit set forth in paragraph (a), (b) or (c) above, respectively, rent shall not be increased more than 4% annually and then only up to the applicable limit set forth in such paragraphs above.

(ii) For a household qualifying as a Low Income Unit, a Median Income Unit, or a Moderate Income Unit, as applicable, but for which annual rent payable exceeds the applicable limit set forth in paragraph (a), (b) or (c) above, respectively, rent shall be decreased as soon as practicable to the applicable limit set forth in such paragraphs above.

Except as set forth in Section 13 hereof, the covenants and conditions of this Regulatory Agreement shall be binding upon successors in interest of the Owner.

Section 6. Tax-Exempt Status of Bonds. The Owner hereby represents, warrants and agrees as follows:

(a) The Owner will not knowingly take or permit, or omit to take or cause to be taken, as is appropriate, any action that would adversely affect the Tax-Exempt nature of the interest on the Bonds and, if it should take or permit, or omit to take or cause to be taken, any such action, it will take all lawful actions necessary to rescind or correct such actions or omissions promptly upon obtaining knowledge thereof.

(b) The Owner will file of record such documents and take such other steps as are necessary, in the written opinion of Bond Counsel filed with the Owner, in order to ensure that the requirements and restrictions of this Regulatory Agreement will be binding upon all owners of the Project, including, but not limited to, the execution and recordation of this Regulatory Agreement in the real property records of the County.

Section 7. Requirements of the Owner. In addition to other requirements set forth herein and to the extent not prohibited by the requirements set forth in Sections 4 through 6 hereof, the Owner hereby agrees to comply with each of the requirements set forth in this Section 7, as follows:

(a) All tenant lists, applications and waiting lists relating to the Project shall at all times be kept separate and identifiable from any other business of the Owner and shall be maintained in a reasonable condition for proper audit.

(b) The Owner shall appoint the Administrator to administer this Regulatory Agreement and to monitor performance by the Owner of the terms, provisions and requirements

hereof. In the event that the Administrator resigns or is terminated, the Owner shall, following consultation with the City, appoint a successor Administrator, experienced and capable, in the judgment of the Owner, of performing the duties under the Project Administration Agreement. The Owner shall comply with any reasonable request made by the Administrator to deliver to any such Administrator any reports, notices or other documents required to be delivered pursuant hereto, and to make the Project and the books and records with respect thereto available for inspection by the Administrator. The fees and expenses of the Administrator shall be paid by the Owner.

Section 8. Modification of Covenants. The Owner and the Trustee hereby agree as follows:

(a) To the extent any amendments to the Act, the Regulations or the Code shall, in the written opinion of Bond Counsel filed with the Trustee and the Owner, retroactively impose requirements upon the ownership or operation of the Project more restrictive than those imposed by this Regulatory Agreement, and if such requirements are applicable to the Project and compliance therewith is necessary to maintain the validity of, or the Tax-Exempt status of interest on the Bonds, this Regulatory Agreement shall be deemed to be automatically amended to impose such additional or more restrictive requirements.

(b) The Owner and the Trustee shall execute, deliver and, if applicable, file of record any and all documents and instruments necessary to effectuate the intent of this Section 8.

Section 9. Indemnification. The Owner and the Trustee will be indemnified as required by and pursuant to the Project Administration Agreement.

Section 10. Consideration. The Owner has agreed to issue the Bonds and to use the proceeds thereof to, among other things, finance the acquisition of the Project. In furtherance of the significant public benefits of the Project, the Owner has entered into this Regulatory Agreement and has agreed to restrict the uses to which this Project can be put on the terms and conditions set forth herein.

Section 11. Reliance. The Owner and the Trustee hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all persons, including but not limited to the Administrator, interested in the legality and validity of the Bonds, in the exemption from California personal income taxation of interest on the Bonds and in the Tax-Exempt status of the interest on the Bonds. In performing their duties and obligations hereunder, the Owner and the Administrator may rely upon statements and certificates of the tenants, and upon audits of the books and records of the Owner pertaining to the Project. In addition, the Owner may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Owner hereunder in good faith and in conformity with such opinion.

Section 12. Transfer of the Project. For the Compliance Period, except as permitted by the Indenture or the Public Benefit Agreement, the Owner shall not Transfer the Project, in whole or in part, unless the following conditions are satisfied: (A) the receipt by the Owner and the Trustee of evidence acceptable to the Owner and the Trustee that (1) the Owner shall not be in default hereunder, if in effect (which may be evidenced by a Certificate of Continuing Program Compliance), or the transferee reasonably undertakes to cure any defaults of the Owner; (2) the continued operation of the Project shall comply with the provisions of this Regulatory Agreement; (3) all rights, responsibilities and duties of the transferor under the Project Administration Agreement shall have been assigned to the transferee, or the transferee shall enter into a new project administration

agreement in the form of the current Project Administration Agreement; and (4) the person or entity that is to acquire the Project does not have pending against it, and does not have a history of significant and material building code violations or complaints concerning the maintenance, upkeep, operation, and regulatory agreement compliance of any of its projects as identified by any local, state or federal regulatory agencies; (B) the execution by the transferee of any document reasonably requested by the Owner with respect to the assumption of the Owner's obligations under this Regulatory Agreement, including without limitation an instrument of assumption hereof and thereof, and delivery to the Owner of an opinion of such transferee's counsel to the effect that each such document and this Regulatory Agreement are valid, binding and enforceable obligations of such transferee, subject to bankruptcy and other standard limitations affecting creditor's rights; (C) receipt by the Owner of an opinion of Bond Counsel to the effect that any such Transfer will not adversely affect the Tax-Exempt status of interest on the Bonds; (D) receipt by the Owner of all fees and/or expenses then currently due and payable to the Owner.

It is hereby expressly stipulated and agreed that any Transfer of the Project in violation of this Section 12 shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the Owner of its obligations under this Regulatory Agreement. Nothing in this Section shall affect any provision of any other document or instrument between the Owner and any other party which requires the Owner to satisfy certain conditions or obtain the prior written consent of such other party in order to Transfer the Project. Upon any Transfer that complies with this Regulatory Agreement, the Owner shall be fully released from its obligations hereunder to the extent such obligations have been fully assumed in writing by the transferee of the Project.

The foregoing notwithstanding, the Project may be transferred pursuant to a foreclosure, exercise of power of sale or deed in lieu of foreclosure or comparable conversion under the Deed of Trust without the consent of the Owner or compliance with the provisions of this Section 12.

For the Compliance Period, the Owner shall not: (1) encumber any of the Project or grant commercial leases of any part thereof, or permit the conveyance, transfer or encumbrance of any part of the Project, except for (A) encumbrances permitted under the Deed of Trust, or (B) a Transfer in accordance with the terms of this Regulatory Agreement, in each case upon receipt by the Owner of an opinion of Bond Counsel to the effect that such action will not adversely affect the Tax-Exempt status of interest on the Bonds (provided that such opinion will not be required with respect to any encumbrance, lease or transfer relating to a commercial operation or ancillary facility that will be available for tenant use and is customary to the operation of multifamily housing developments similar to the Project); (2) demolish any part of the Project or substantially subtract from any real or personal property of the Project, except to the extent that what is demolished or removed is replaced with comparable property or such demolition or removal is otherwise permitted by the Deed of Trust; or (3) permit the use of the dwelling accommodations of the Project for any purpose except rental residences.

Section 13. Term. This Regulatory Agreement and all and several of the terms hereof shall become effective upon its execution and delivery, and shall remain in full force and effect for the period provided herein and shall terminate as to any provision not otherwise provided with a specific termination date and shall terminate in its entirety at the end of the Compliance Period.

The terms of this Regulatory Agreement to the contrary notwithstanding, the requirements of this Regulatory Agreement shall terminate and be of no further force and effect in the event of involuntary noncompliance with the provisions of this Regulatory Agreement caused by fire or other casualty, seizure, requisition, foreclosure or transfer of title by deed in lieu of foreclosure, change in a federal law or an action of a federal agency after the Closing Date, which prevents the Owner from

enforcing such provisions, or condemnation or a similar event, but only if, within a reasonable period, either the Bonds are retired or amounts received as a consequence of such event are used to provide a project that meets the requirements hereof; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure or the delivery of a deed in lieu of foreclosure or a similar event, the Owner or any related person (within the meaning of Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Project for federal income tax purposes. The Owner hereby agrees that, following any foreclosure, transfer of title by deed in lieu of foreclosure or similar event, neither the Owner nor any such related person as described above will obtain an ownership interest in the Project for federal tax purposes.

Notwithstanding any other provision of this Regulatory Agreement, this Regulatory Agreement may be terminated upon agreement by the Trustee and the Owner, upon receipt by the Owner of an opinion of Bond Counsel to the effect that such termination will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms.

Section 14. Covenants to Run With the Land. Notwithstanding Section 1461 of the California Civil Code, the Owner hereby subjects the Project to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The Trustee and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Project; provided, however, that on the termination of this Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

Section 15. Burden and Benefit. The Trustee and the Owner hereby declare their understanding and intent that the burdens of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Project is rendered less valuable thereby. The Trustee and the Owner hereby further declare their understanding and intent that the benefits of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Project by tenants, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Bonds were issued.

Section 16. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use of the site on which the Project is located.

Section 17. Default; Enforcement. If the Owner defaults in the performance or observance of any covenant, agreement or obligation of the Owner set forth in this Regulatory Agreement, and if such default remains uncured for a period of 60 days after notice thereof shall have been given by the Manager, the Controlling Party or the Trustee to the Owner, or for a period of 60 days from the date the Owner should, with reasonable diligence, have discovered such default, then the Trustee shall declare an "Event of Default" to have occurred hereunder; provided, however, that if the default is of such a nature that it cannot be corrected within 60 days, such default shall not constitute an

Event of Default hereunder so long as (i) the Owner institutes corrective action within said 60 days and diligently pursues such action until the default is corrected, and (ii) in the opinion of Bond Counsel, the failure to cure said default within 60 days will not adversely affect the Tax-Exempt status of interest on the Bonds.

Following the declaration of an Event of Default hereunder, the Owner shall have the right, in its sole and absolute discretion, to replace the Manager and terminate the Property Management Agreement in accordance with its terms, and the Trustee, subject to the terms of the Indenture, may take any one or more of the following steps, in addition to all other remedies provided by law or equity:

(a) by mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, require the Owner to perform its obligations and covenants hereunder or enjoin any acts or things that may be unlawful or in violation of the rights of the Trustee hereunder;

(b) have access to and inspect, examine and make copies of all of the books and records of the Owner pertaining to the Project; and

(c) take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of the Owner hereunder.

The Owner hereby agrees that specific enforcement of the Owner's agreements contained herein is the only means by which the Trustee may fully obtain the benefits of this Regulatory Agreement made by the Owner herein, and the Owner therefore agrees to the imposition of the remedy of specific performance against it in the case of any Event of Default by the Owner hereunder.

The Trustee and the Owner hereby agree that cure of any Event of Default made or tendered by the Manager shall be deemed to be a cure by the Owner and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 18. [Reserved].

Section 19. Recording and Filing. (a) The Owner shall cause this Regulatory Agreement and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of the County, and in such other places as the Owner may reasonably deem necessary. The Owner shall pay all fees and charges incurred in connection with any such recording.

(b) The Owner and the Trustee will file of record such other documents and take such other steps as are reasonably necessary, in the opinion of Bond Counsel, in order to ensure that the requirements and restrictions of this Regulatory Agreement will be binding upon all owners of the Project.

(c) The Owner hereby covenants to include or reference the requirements and restrictions contained in this Regulatory Agreement in any documents transferring any interest in the Project to another person to the end that such transferee has notice of, and is bound by, such restrictions, and, except in the case of a foreclosure or comparable involuntary conversion of the Deed of Trust, whereby the Trustee becomes the owner of the Project, to obtain the agreement from any transferee to abide by all requirements and restrictions of this Regulatory Agreement.

Section 20. [Reserved].

Section 21. Governing Law; Venue. This Regulatory Agreement shall be construed in accordance with and governed by the laws of the State of California applicable to contracts made and performed in the State of California. This Regulatory Agreement shall be enforceable in the State of California, and any action arising hereunder shall (unless waived by the Owner in writing) be filed and maintained in the Superior Court of California, County of San Diego.

Section 22. Amendments; Waivers. Except as provided in Sections 8(a) hereof, this Regulatory Agreement may be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County, California, and only upon (i) receipt by the Owner of an opinion from Bond Counsel that such amendment will not adversely affect the Tax-Exempt status of interest on the Bonds and (ii) the written consent of the Controlling Party, who shall receive a copy of any such amendment.

(a) Anything to the contrary contained herein notwithstanding, the Trustee and the Owner hereby agree to amend this Regulatory Agreement to the extent required, in the opinion of Bond Counsel, in order that interest on the Bonds remains Tax-Exempt. The parties requesting such amendment shall notify the other parties to this Regulatory Agreement of the proposed amendment, with a copy of such proposed amendment to Bond Counsel and a request that Bond Counsel render to the Owner an opinion as to the effect of such proposed amendment upon the Tax-Exempt status of interest on the Bonds. This provision shall not be subject to any provision of any other agreement requiring any party hereto to obtain the consent of any other person in order to amend this Regulatory Agreement.

(b) Any waiver of, or consent to, any condition under this Regulatory Agreement must be expressly made in writing.

Section 23. Notices. Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, overnight delivery, certified or registered mail, postage prepaid, return receipt requested, or by telecopy, in each case at the respective addresses specified in the Indenture, or at such other addresses as may be specified in writing by the parties hereto. Unless otherwise specified by the Administrator, the address of the Administrator is:

To Owner:	CMFA Special Finance Agency 2111 Palomar Airport Road, Suite 320 Carlsbad, California 92011 Attention: Financial Advisor Email: jstoecker@cmfa-ca.com
With a copy to:	AMCAL Equities LLC AMCAL Equities, LLC 30141 Agoura Road, Suite 100 Agoura Hills, CA 91301 Attention: Percival Vaz Email: percy@amcalhousing.com

The Administrator and the Owner may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Notice shall be deemed given on the date evidenced by the postal or courier receipt or other written evidence of delivery or electronic transmission; provided that any telecopy or other electronic transmission received by any party after 4:00 p.m., local time of the receiving party, as evidenced by

the time shown on such transmission, shall be deemed to have been received the following Business Day.

Section 24. Severability. If any provision of this Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 25. Multiple Counterparts. This Regulatory Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 26. Limitation on Liability. Notwithstanding the foregoing or any other provision or obligation to the contrary contained in this Regulatory Agreement, the liability of the Owner under this Regulatory Agreement to any person or entity, including, but not limited to, the Trustee or the Controlling Party and their successors and assigns, is limited to moneys available therefor under and in accordance with the Indenture.

Section 27. Annual Reporting Covenant. No later than January 31 of each calendar year (commencing January 31, 2023), the Owner agrees to provide to the California Debt and Investment Advisory Commission, by any method approved by the California Debt and Investment Advisory Commission, the annual report information required by Section 8855(k)(1) of the California Government Code. This covenant shall remain in effect until the later of the date (i) the Bonds are no longer outstanding or (ii) the proceeds of the Bonds have been fully spent.

IN WITNESS WHEREOF, the Owner and the Trustee have executed this Regulatory Agreement by duly authorized representatives, all as of the date first above written.

CMFA SPECIAL FINANCE AGENCY

By:_____
Name: Edward J. Becker
Title: Executive Director

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By:_____
Name:
Title:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____)

On _____ before me, _____, Notary Public,

Personally appeared _____

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

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

WITNESS my hand and official seal.

_____
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____)

On _____ before me, _____, Notary Public,

Personally appeared _____

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

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

WITNESS my hand and official seal.

_____
Signature of Notary Public

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

[TO COME]

EXHIBIT B

FORM OF INCOME CERTIFICATION

Effective Date:

Move-In Date:

Household Size:

Floorplan:

Unit:

HOUSEHOLD COMPOSITION

Household Member	*Name*	*Relationship*	*Birthdate*
1		Head	
2			
3			
4			
5			
6			
7			

INCOME COMPOSITION (ANNUAL)

Household Member	*Employment / Wages*	*Social Security / Pension*	*Public Assistance*	*Other Income*
1				
2				
3				
4				
5				
6				
7				
TOTALS	$	$	$	$
			TOTAL INCOME	**$**

EXHIBIT C

FORM OF CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

Witnesseth that on this day of _____, 20__, the undersigned, on behalf of the CMFA SPECIAL FINANCE AGENCY (the "Owner"), does hereby certify with respect to the multifamily rental housing development (the "Project") that:

1. During the preceding year (i) such Project was substantially and continually in compliance with the Regulatory Agreement and (ii) ____% of the units in the Project were occupied by Low Income Tenants, ___% of the units in the Project were occupied by Median Income Tenants ____% of the units in the Project were occupied by Moderate Income Tenants.

Set forth below are the unit numbers of Low Income Tenants, Median Income Tenants and Moderate Income Tenants who commenced or terminated occupancy during the preceding month.

Commenced Occupancy	Terminated Occupancy
1	1.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.
11.	11.
12.	12.
13.	13.
14.	14.
15.	15.
16.	16.
17.	17.
18.	18.
19.	19.
20.	20.

Additional units that have commenced or terminated occupancy may be found in an additional attached sheet

2. The units occupied by Low Income Tenants, Median Income Tenants and Moderate Income Tenants are of similar size and quality to other units and are dispersed throughout the Project. Attached is a separate sheet listing the number of each unit and indicating which units are occupied by Low Income Tenants, Median Income Tenants and Moderate Income Tenants, the size, the number of bedrooms of such units and the number of Low Income Tenants, Median Income Tenants and Moderate Income Tenants who commenced occupancy of units during the preceding month.

The representations set forth herein are true and correct to the best of the undersigned's knowledge and belief.

Date: _____ Owner: _____

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE ON-CALL PAVEMENT MANAGEMENT CONSULTANT SERVICES AGREEMENT WITH APPLIED RESEARCH ASSOCIATES, IN THE AMOUNT OF $500,000, OVER A PERIOD OF THREE (3) YEARS**

ISSUE

Approve On-Call Pavement Management Consultant Services Agreement with Applied Research Associates (ARA), in the amount of $500,000, over a period of three (3) years.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve On-Call Pavement Management Consultant Services Agreement No. A-7687 with ARA in the amount of $500,000, over a period of three (3) years.

2. Authorize the City Manager, or his designee, to execute Agreement No. A-7687, including making minor and non-substantive changes.

BACKGROUND

The City administers services agreements with consultants that specialize in various professional disciplines including pavement management, labor compliance, general civil engineering, geotechnical, transportation, etc. These firms are utilized to perform specialized services on an as-needed basis for most City capital projects and special studies. Staff recently solicited requests for qualifications from pavement management companies to provide pavement management services, including street network data update and verification, pavement surveys to generate new pavement condition indices (PCIs), and maintenance recommendations to develop an updated comprehensive Pavement Management Program (PMP) for the City.

DISCUSSION

The City received three (3) statements of qualifications (SOQ's), and upon review by an internal evaluation committee the highest scoring consultant was determined to be ARA.

The consultants were required to present their technical expertise, methodology, and experience in providing pavement management services to government agencies. Consultants were asked to demonstrate their record of providing high quality and timely delivery of services related to pavement management, such as pavement condition surveys, street-level data acquisition and analysis, street maintenance planning, and budget forecasting. Consultants were required to describe their quality control program to ensure that the data acquisition process produces accurate pavement data, which is essential for a reliable and effective pavement management program. Consultants also had to confirm their capacity to handle assigned projects in a timely manner, provide qualifications of project team members, and demonstrate the successful coordination of work with their subcontractors and customers. The scoring criteria and resulting scores by the evaluation committee can be seen below:

Category	Maximum Value
Understanding of the work to be done	30
Experience with similar kinds of work	25
Quality of staff for work to be done	15
Capability of developing innovative or advanced techniques	10
Familiarity with State and Federal procedures & policies	10
Financial responsibility	10
TOTAL POINTS	100

Name of Proposer	Location	Score
1. Applied Research Associates	Ventura	95.0
2. Bucknam Infrastructure Group, Inc.	Oceanside	94.6
3. Pavement Engineering, Inc.	Santa Clarita	89.4

FISCAL IMPACT

As with other ongoing service agreements, ARA will be paid only for work performed, as established, requested, and authorized by City staff. Compensation will be based upon the firm's pre-established hourly rates plus direct expenses. This ongoing agreement will set a not-to-exceed amount of $500,000, for compensation for City requested pavement management services that will be legally expressed and obligated via authorization agreements and are budgeted in Account Number G0007204-724525 for fiscal year 2022 and fiscal year 2023. The term of the ongoing agreement will be limited to three (3) years with the City's option to grant two single-year extensions, for a maximum term of up to five (5) years.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENT

Agreement No. A-7687

AGREEMENT NO. A-7687
ONGOING CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND Applied Research Associates (ARA)

THIS CONTRACT FOR CONSULTANT SERVICES ("Contract" herein) is made and entered into this 1st day of December, 2021, by and between the City of Palmdale, a municipal corporation (hereinafter referred to as "CITY"), and Applied Research Associates (ARA)**,** (hereinafter called "CONSULTANT").

R E C I T A L S

WHEREAS, CONSULTANT represents that CONSULTANT has the expertise and is qualified to perform the professional services described in this Contract.

NOW THEREFORE, CITY and CONSULTANT, in consideration of the mutual covenants hereinafter set forth, agree as follows:

1 DESCRIPTION OF WORK

1.1 This is an indefinite quantity and indefinite delivery Ongoing Contract to provide professional services including pavement management services, including but not limited to updating the City's pavement management program (PMP), collection and analysis of pavement condition data with strict quality control, locating and rating of pavement distresses, generation of maintenance scenarios and recommendations, updating the City's MicroPaver database, preparation of 5-year and 10-year maintenance and repair plans for all roadway networks, and other related pavement management services, to the City of Palmdale. For any work or project determined by CITY to be appropriate for this Ongoing Contract, CITY will issue a request for a proposal to CONSULTANT, and upon agreement, the parties will execute an Authorization Agreement specifying the scope of work, cost, staffing, subcontractors, deliverables, type of pricing (fixed priced or time & materials) and completion schedule for that project. **Although CITY anticipates that CONSULTANT will be issued a substantial amount of work, the total cost of work issued to the CONSULTANT by the City of Palmdale will not exceed five hundred thousand Dollars ($500,000) for the entire term of the Contract. CONSULTANT is not guaranteed any minimum amount of work or any jobs at all. CITY reserves the right and will issue Authorization Agreements based on ability of the contractor to meet CITY's work schedule and the availability of expertise in relation to each project.**

1.2 CONSULTANT shall have no claim for compensation for any services or work, which has not been authorized by CITY's Authorization to Proceed.

1.3 Project deliverables shall be reviewed and approved by CITY to determine acceptable completion.

1.4 CONSULTANT shall not accept any change of scope, or change in contract provisions, to this Ongoing Contract nor to any Authorization Agreement, unless issued in writing, as a contract change order or amendment and signed by CITY. Any extensions of time must be mutually agreed upon in writing and executed by both parties.

1.5 CITY shall provide to CONSULTANT, without charge, all data, program information, including reports, records, maps and other information, now in CITY's possession, which may facilitate the timely performance of the work.

2 CITY PROJECT MANAGER

To provide the professional services required by this Contract, CONSULTANT shall act under the authority and approval of the Director of Public Works/designee. For each project a City project manager will be appointed who shall oversee the Authorization Agreement, assist the CONSULTANT with any necessary information, audit billings, and approve payments. The CONSULTANT shall channel reports and special requests through the City project manager.

3 CONSULTANT'S KEY PERSONNEL

3.1 CITY reserves the right to review and approve CONSULTANT'S staff including all subcontractors and sub consultants to be assigned to any project by CONSULTANT during the term of this Contract.

3.2 All services required under this Contract shall be performed by CONSULTANT, or under CONSULTANT's direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services.

3.3 CONSULTANT shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Contract, and compliance with all reasonable performance standards established by CITY.

3.4 CONSULTANT shall be responsible for payment of all CONSULTANT's employees' and sub consultant's wages and benefits, and shall comply with all requirements pertaining to the employer's liability, workers' compensation, unemployment insurance, and Social Security.

3.5 CONSULTANT shall indemnify and hold harmless CITY, and its respective officers, agents and employees from and against all claims, demands, damages or costs arising from CONSULTANT's acts or omissions with respect to any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

4 FEE SCHEDULE

4.1 CITY shall pay CONSULTANT for each project an amount not to exceed that amount specified in each Authorization Agreement based on the following rates:

Labor Pricing

Title	Hourly Rate
Aide	$52.50
Administrative Assistant	$68.25
Senior Administrator	$120.75
Staff Mar-Com Specialist	$101.85
Senior Mar-Com Specialist	$127.05
Principal Mar-Com Specialist	$175.35
Editor	$123.90
Junior Technician	$50.40
Staff Technician 1	$63.00

Staff Technician 2.....$71.40
Senior Technician 1.....$84.00
Senior Technician 2.....$105.00
Lead Technician.....$136.50
Staff Engineer 1.....$102.90
Staff Engineer 2.....$123.90
Senior Engineer 1.....$147.00
Senior Engineer 2.....$175.35
Principal Engineer 1.....$225.75
Principal Engineer 2.....$288.75
Junior Software Engineer.....$100.80
Staff Programmer.....$120.75
Senior Programmer.....$176.40
Principal Programmer.....$213.15
SME.....$226.80
Principal SME.....$299.25
Engineering Director.....$309.75

Other Direct Costs
Travel Expenses
Reimbursable expenses by Consultant for meals, incidentals, motels, airfare, mileage, car rental, parking, and other travel-related costs. Consultant will attempt to keep expenses below US Government limits for travel and per diem but this is not guaranteed and will be reviewed on a case by case basis.

Equipment and Specialty Software
Consultant owns and operates a comprehensive fleet of pavement testing equipment. The schedule of prices for selected items is provided below. These rates do not include engineering time, operator time, travel, or per diem costs during mobilization or field testing.

Equipment Item — Commercial Rate
Falling Weight Deflectometer.....$1,580.00 per day
Heavy Weight Deflectometer.....$1,580.00 per day
Pavement Friction Tester.....$2,100.00 per day
Runway Friction Tester.....$2,500.00 per day
Pavement Core Truck.....$660.00 per day
Pavement Marking Retroreflectometer.....$660.00 per day
Pavement Survey Vehicle with LCMS
(daily use including mobilization).....$1,910.00 per day
Pavement Survey Vehicle with LCMS
(10,000+ mile effort).....$55.00 per mile
Pavement Survey Vehicle with LCMS
(500 to 10,000 mile effort).....$60.00 per mile
Pavement Survey Vehicle with LCMS
(up to 500 mile effort).....$65.00 per mile
Pavement Survey Vehicle.....$1,320.00 per day
High Speed Profiler.....$1,320.00 per day
Ground Penetrating Radar
(air/ground couple single antenna).....$660.00 per day

Ground Penetrating Radar
(3D radar 6-foot wide).....$3,280.00 per day
Pavement Sound
(onboard sound sensitivity).....$1,580.00 per day
MIT Scan.....$660.00 per day
Rolling Inclinometer.....$660.00 per day
LCMS Analysis Workstation.....$10.50 per hour
Geolocation and Survey Workstation.....$270.00 per day
PaVision Hardware Usage.....$1,970.00 per day
PaVision Data Processing.....$53.00 per mile
Pavement Testing Work Vehicle.....$1.40 per mile
Company Vehicle (@ GSA mileage rate).....$0.56 per mile
Computer (standard use).....$4.00 per hour
Computer (development & analysis surcharge).....$3.30 per hour
Computer (marketing & communications standard).....$6.60 per hour
Computer (marketing & communications graphics).....$10.90 per hour
Video Production Studio / Laboratory.....$29.60 per hour

All other direct job expenses will be charged at the direct cost.

Purchases and subcontracts
Charges for purchases, subconsultants, and subcontractors will be at the invoice amount plus 15 percent markup.

The Fee Schedule may, by mutual agreement of the parties, be annually amended to reflect changes in CONSULTANT's rates, on January 1st of each year, but in no event shall the Fee Schedule be amended within the first year of this Contract. CONSULTANT must notify City in writing ninety - (90) days in advance of any requested amendment and such amendment shall not take effect until CONSULTANT has received written consent from CITY. CONSULTANT shall perform no work in excess of the total contract price without prior written amendment to this Contract, executed by both parties. Total contract price includes expenses related to travel to and from the City to meet with City and to appear before the City Council or any other board or commission of the City.

4.2 An application for payment form must be submitted to CITY which shall include the following: a clear, detailed invoice reflecting hours being billed for, a summary sheet showing percentage of work completed to date, amount/percent billed to date and current status of all tasks within a project; any/all backup documentation supporting the above items. Work schedule updates must also be included with the payment requests.

4.3 CONSULTANT shall maintain adequate records and shall permit inspection and audit by CITY of CONSULTANT's charges under this Contract and any Authorization Agreements. CONSULTANT shall make such records available to CITY during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records, and they will be available only to CITY and any specified public agencies. Such records shall be maintained by CONSULTANT for one (1) year following completion of the work under this Contract unless a longer

period of time is required by state or federal law, in which event CONSULTANT shall retain its records for the time required by such laws.

5 CONTRACT TERM AND DELIVERY

5.1 The term of Contract is three (3) years, commencing on the date the Contract is executed by the last party to sign, with a maximum total term of five (5) years.

5.2 Within ten (10) days of the date CITY issues a request for a Proposal for a Authorization Agreement, CONSULTANT shall submit to CITY a schedule indicating the times for starting and completing the various stages of the work, including any Milestones specified in the Authorization Agreement and as more fully described therein. The schedule shall be satisfactory in form and substance to CITY.

5.3 Upon acceptance of these schedules by CITY, they shall be incorporated into the Authorization Agreement.

5.4 Time is of the essence. All of the time limits for Milestones, if any, and completion of the work as stated in the Authorization Agreement, are of the essence of both the Authorization Agreement and this Ongoing Contract.

5.5 Failure of CONSULTANT to perform any covenant or condition contained herein and in the Authorization Agreement within the time periods specified therein, shall constitute a material breach of both the Authorization Agreement and this Ongoing Contract, entitling CITY to terminate either or both the Authorization Agreement and this Ongoing Contract, unless CONSULTANT applies for and receives an extension of time in accordance with the procedures set forth herein.

5.6 Extension of Time for Completion of Work.
If, at any time, the work is delayed due to a suspension order by CITY, or due to any other cause which, in the reasonable opinion of CITY, is unforeseeable and beyond the control and not attributable to the fault or negligence of CONSULTANT, then CONSULTANT shall be entitled to an extension of time equal to said delay, subject to CITY's right to terminate this Contract as provided herein.

5.6.1 CONSULTANT shall submit to CITY a written request for an extension of time within ten (10) days after the discovery of such delay, and failure to do so shall constitute a waiver thereof. CITY shall, in its sole discretion, determine whether and to what extent any extensions of time shall be permitted.

5.6.2 No extension of time requested or granted hereunder shall entitle CONSULTANT to additional compensation unless, as a consequence of such extension, additional work must be performed. In such event, CITY shall, in good faith, consider any request for additional compensation submitted by CONSULTANT.

6 TAXES

6.1 CONSULTANT shall pay all sales, consumer, use, and other similar taxes required to be paid by CONSULTANT in accordance with state and local laws.

6.2 CONSULTANT is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of CITY. No person employed by CONSULTANT or acting on its behalf, in connection with this Contract shall be considered the Agent or employee of CITY.

6.3 CONSULTANT shall be required to obtain a current City of Palmdale business license, as required by the Palmdale Municipal Code, before the first Authorization Agreement is issued.

7 PATENT FEES AND ROYALTIES

CONSULTANT shall pay all license fees and royalties and assume all costs incident to the use, in the performance of the work or the incorporation in the work of any invention, design, process, product or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product or device is specified in the contract documents for use in the performance of the work and if, to the actual knowledge of CITY, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by CITY in the contract documents. CONSULTANT shall indemnify and hold harmless CITY and anyone directly or indirectly employed by CITY from and against all claims, damages, losses and expenses (including attorneys' fees) arising out of any infringement of patent rights or copyrights incident to the use in the performance of the work, or resulting from the incorporation in the work of any invention, design, process, product or device not specified in the contract documents, and shall defend all such claims in connection with any alleged infringement of such rights; provided that the infringement is not the result of the CITY combining intellectual property provided by ENGINEER with other systems or documents owned by a third party.

8 STANDARDS OF PERFORMANCE

CONSULTANT shall be responsible for the completeness and accuracy of its services and work and documents resulting there from, and CITY shall not be responsible for discovering deficiencies therein. CONSULTANT shall correct any such deficiencies or errors without additional compensation and without cost to CITY, except to the extent any such deficiency is directly attributable to deficiencies in CITY-furnished information.

9 INDEMNIFICATION

Consultant agrees to indemnify, defend and hold harmless CITY, its officers, agents and employees, from and against all claims, losses, obligations, or liability which arise out of, or are in any way related to, the CONSULTANT’s acts, errors or omissions, or those of its employees or agents under Agreement.

10 INSURANCE

10.1 CONSULTANT, at its expense, shall maintain in effect at all times during the performance of work under this Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers listed “A” or better in the Best’s Insurance Guide and authorized to do business in the State of California. **Proof of Insurance, as identified in Section 10.8, must be reviewed and accepted by the City Attorney**.

10.1.1 Workers’ Compensation and Employer’s Liability
-Workers’ Compensation -- coverage as required by the State of California
-Employer’s Liability -- $1,000,000.00 each accident
-- $1,000,000.00 policy limit bodily injury
-- $1,000,000.00 each employee bodily injury by disease

10.1.2 Professional Liability Insurance*
-$1,000,000 with no deductible, or;
-Comparable alternative as determined by the City Attorney; and
-Policy form on a claims-made basis

10.1.3 Commercial General Liability
-$1,000,000.00 limit on per occurrence basis
-$2,000,000.00 general aggregate limit

10.1.4 Commercial Automobile Liability
-$1,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

10.2 All of CONSULTANT's policies shall contain an endorsement providing that written notice shall be given to CITY at least thirty - (30) calendar days prior to termination, cancellation or reduction of coverage in the policy.

10.3 Policies providing for bodily injury and property damage coverage shall contain the following:

A. An endorsement extending coverage to the City as an additional insured, as respects liability arising out of the performance of any work under the Contract. Such insurance shall be primary insurance, as respects the interest of the City, and any other insurance maintained by the City shall be considered excess coverage and not contributing insurance with the insurance required hereunder. The Certificate and endorsements shall state that: "The City of Palmdale, Successor Agency to the Community Redevelopment Agency of the City of Palmdale, Palmdale Civic Authority, Housing Authority, Industrial Development Authority, Airport Authority, their officers, agents, employees and volunteers are named as additional insured".

B. "Severability of Interest" clause.

10.4 Promptly on execution of this Contract, and prior to commencement of any work, CONSULTANT shall deliver to CITY certificates of insurance and endorsements to all required policies demonstrating that CONSULTANT has the required coverage and showing the required named insureds. Within five (5) days of written request from the CITY, CONSULTANT shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

10.5 The requirements as to the types and limits of insurance to be maintained by CONSULTANT are not intended to and shall not in any manner limit or qualify CONSULTANT's liabilities and obligations under this Contract.

10.6 Any policy or policies of insurance that CONSULTANT elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Contract shall include a provision waiving the insurer's right of subrogation against CITY.

10.7 All insurance coverages must be maintained throughout the duration of this Contract.

10.8 Acceptable Proof of Insurance:

10.8.1 ACORD Certificate of Insurance listing all coverages, limits, deductibles and insureds; and endorsements for all applicable coverages if agent has authority to

issue it; Additional insured Form CG20100704 and CG20370704 or equivalent must be provided for general liability coverage. Additional insured form CA0001 must be provided for automobile liability coverage.

10.8.2 Agents must confirm that policy endorsements have been ordered from the respective insurance companies. Upon issuance, policy endorsements listing all insurers must be submitted to the City Attorney.

10.8.3 *When coverage is provided on a "claims made basis", CONSULTANT will continue to renew the insurance for a period of five (5) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT for all claims made by CITY arising out of any acts or omissions of CONSULTANT , or its officers, employees or agents during the time this Agreement was in effect.

10.9 Notwithstanding any other provision of this Contract, CITY may immediately terminate this Contract if, at any time CONSULTANT fails to maintain the required insurance for any period of time or fails to comply with any of the insurance requirements listed above.

11 TERMINATION WITHOUT CAUSE

CITY reserves the right to terminate this Contract, any Authorization Agreement or any part thereof for its sole convenience with fifteen (15) days written notice. In the event of such termination, CONSULTANT shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and sub consultants to cease such work. CONSULTANT shall also surrender to CITY all finished or unfinished documents or programs and other materials, which shall be City's property. As compensation in full for services performed to the date of such termination, the CONSULTANT shall receive an amount equal to the value of the work completed as of the termination date in accordance with the fee schedule or as negotiated between the parties. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in the Authorization Agreement or this Contract.

12 TERMINATION FOR CAUSE

If CITY determines that CONSULTANT has failed to supply an adequate working force, or to provide services of proper quality, or has failed in any other respect to satisfactorily perform the services specified in this Contract or in any Authorization Agreement, CITY shall give written notice to CONSULTANT specifying all defaults to be remedied within thirty - (30) days. Such notice shall set forth the basis for CITY's dissatisfaction and suggest corrective measures. If, after thirty days, CONSULTANT has failed to implement the corrective measures, CITY may elect to terminate this Contract or any Authorization Agreement, in whole or in part.

12.1 In the event CITY terminates this Contract or any Authorization Agreement, in whole or in part for cause, CITY may procure, upon such terms and in such manner, as it may deem appropriate, services similar to those terminated.

12.2 CONSULTANT shall provide all finished or unfinished documents, data, studies, software, drawings, maps, photographs, reports, etc., prepared by CONSULTANT within fifteen (15) working days after notice of termination. Upon

such termination, CONSULTANT shall be paid an amount equal to the value of the services provided and work performed as of the date of termination, taking into consideration the costs associated with hiring another consultant to complete the services. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete documents when such are delivered to CITY, and to authorized reimbursement expenses. The above is in addition to any other remedies available by law or equity to CITY.

12.3 If, after notice of termination of the Contract under the provisions of this Section 12, it is determined, for any reason, that CONSULTANT was not in default, or that the default was excusable, then the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 11.

13 DISPUTE RESOLUTION

All claims, disputes and other matters in question between CITY and CONSULTANT arising out of, or relating to this Contract or any Authorization Agreement, or the breach thereof shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

14 OWNERSHIP OF DOCUMENTS

All documents, including, but not limited to, research, field notes, investigations, analysis and studies which are prepared in the performance of this Contract are to be, and remain the property of CITY. CONSULTANT shall furnish CITY, upon its request, originals or reproducible or electronic copies of reports, studies and of all other documents listed above.

15 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

15.1 CONSULTANT shall not delegate, subcontract or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY; provided, however, that claims for money due or to become due to CONSULTANT from CITY under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Any proposed delegation, assignment or subcontract shall provide a description of the services covered, identification of the proposed assignee, delegee or subcontractor, and an explanation of why and how the same was selected, including the degree of competition involved. Any proposed agreement with an assignee, delegee or subcontractor shall include the following:

A. The amount involved, together with CONSULTANT's analysis of such cost or price; and

B. A provision requiring that any subsequent modification or amendment shall be subject to the prior written consent of CITY.

C. The requirement to hire only those persons authorized by federal law to work in the United States.

15.2 Any assignment, delegation or subcontract shall be made in the name of CONSULTANT and shall not bind or purport to bind CITY and shall not release CONSULTANT from any obligations under this Contract including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees and subcontractors. No such assignment, delegation or subcontract shall

result in any increase in the amount of total compensation payable to CONSULTANT under this Contract.

16 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

16.1 In performance of this Contract, CONSULTANT shall not discriminate against any employee, subcontractor or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation or age. CONSULTANT will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

16.2 The provisions of subsection 16.1 above shall be included in all solicitations or advertisements placed by or on behalf of CONSULTANT for personnel to perform any services under this Contract. CITY shall have access to all documents, data and records of CONSULTANT and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection at, and on file with, the Palmdale City Clerk's Office.

17 FINANCIAL INTEREST CERTIFICATION

17.1 CONSULTANT warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no officer or employee of the CITY has any interest, financially or otherwise, in CONSULTANT's firm.

17.2 For breach or violation of this warranty, CITY shall have the right to annul this Contract without liability or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

18 CONFLICT OF INTEREST

18.1 CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract or which would cause CONSULTANT to be "financial interested" (as provided in California Government Code Section 1090 et seq. or 87100 et seq.) in any contract or decision made by CITY on any matter.

18.2 CONSULTANT shall not employ any City official or employee to perform any work required pursuant to this Contract.

18.3 If CONSULTANT is a registered professional CONSULTANT or licensed land surveyor and the scope of work requires CONSULTANT's recommendation of the actual formula to spread the costs of an assessment district's improvements, then

CONSULTANT shall not participate in making that recommendation if the additional elements set forth in Government Code section 87100.1(c) apply. Those additional elements are: (1) CONSULTANT has received income of $250 or more for professional services in connection with any parcel included in the benefit assessment district within 12 months prior to the creation of the district; and (2) the district includes other parcels in addition to those parcels for which the CONSULTANT received the income. In the event a conflict of interest does arise in that context, City shall select a different consultant to recommend the actual formula to spread the costs of the assessment district's improvements and the costs of such services shall be deducted from the compensation to be paid to CONSULTANT.

18.4 To the extent required by the City Manager or his designee, CONSULTANT shall complete and file with the City Clerk a Form 700 Statement of Economic Interests disclosing any reportable property interests, income, gifts, investments or business positions.

19 COMPLIANCE WITH LAW

19.1 CONSULTANT shall comply with all state and federal laws, including but not limited to, the requirement to hire only those persons authorized by federal law to work in the United States. If CONSULTANT uses any subcontractors to complete this Contract, this same requirement shall be included in all subcontracts and strictly enforced by CONSULTANT.

19.2 The law of the state of California shall govern this Contract. The venue of any legal action, either formal or informal, shall be the County of Los Angeles.

20 NOTICES

Any notice required under this Contract shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

21 AUTHORITY TO EXECUTE AUTHORIZATION AGREEMENTS

The Director of Public Works is authorized to execute Authorization Agreements for projects issued to CONSULTANT pursuant to this Ongoing Contract up to the amount authorized by this Contract.

22 ENTIRE AGREEMENT AND AMENDMENTS

22.1 This Contract together with the Authorization Agreements issued pursuant hereto, is the complete Agreement between the parties and supersedes all prior proposals, agreements, and understandings between the parties and may not be modified or terminated orally.

22.2 No attempted waiver of any of the provisions hereof, nor any modification in the nature, extent or duration of the work to be performed by CONSULTANT hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

22.3 The failure of any party to enforce against another party any provision of this Contract shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Contract.

23 ATTORNEY'S FEES

If any action at law or in equity is brought to enforce or interpret any provisions of this Contract, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

CITY OF PALMDALE

_____

J.J. Murphy, ICMA-CM, City Manager — Date

ADDRESS FOR NOTICE:
City of Palmdale
38250 Sierra Hwy
Palmdale, CA 93550

APPROVE AS TO FORM:

_____

Christopher L. Beck
City Attorney

ATTEST:

_____

Shanae S. Smith
City Clerk

Applied Research Associates (ARA)

_____

Kimberly Foskey, Deputy Director, Contracts and Procurement — Date November 16, 2021

ADDRESS FOR NOTICE:
Applied Research Associates (ARA)
165 South Chestnut St
Ventura, CA 93036

ATTEST: If Corporation

_____

Secretary

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **APPROVE FINAL TRACT MAP NO. 54058-3 LOCATED AT THE SOUTHEAST CORNER OF 25TH STREET WEST/HIGHLAND STREET AND AVENUE P-12**

ISSUE

Approve Final Tract Map No. 54058-3 located at the southeast corner of 25th Street West/Highland Street and Avenue P-12.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Final Tract Map No. 54058-3;

2. Authorize the City Clerk to execute City Clerk's Statement and Special Assessments Statement; and,

3. Authorize the Acting City Land Surveyor to execute the City Surveyor's Statement and file the map with the County Recorder.

BACKGROUND

Final Tract Map No. 54058-3 is a 26.20-acre subdivision, creating one hundred-eleven (111) residential lots. All proposed parcel sizes and dimensions comply with the City's Zoning Ordinance. The subject property is located at the southeast corner of 25th Street West/Highland Street and Avenue P-12. The applicant for this final tract map is LCTH Investments, L.P, A California Limited Partnership. This is the third phase of Tentative Tract Map Number 54058, which was approved by the Planning Commission on May 12, 2016, via Resolution No. PC-2016-020.

This final tract map is consistent with the tentative tract map and all final map conditions of approval have been met. The Acting City Land Surveyor has reviewed the final map for technical accuracy and verifies it is in compliant with the State Subdivision Map Act.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENT

1. Final Tract Map No. 54058-3

PHASE THREE OF FIVE PHASES OF T.T.M. 54058

TRACT NO. 54058-3

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA
BEING A SUBDIVISION OF A PORTION OF PARCEL 1 OF PARCEL MAP NO. 26908, RECORDED IN BOOK 316, PAGES 92 AND 93 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER

TENTATIVE MAP EXPIRES MARCH 4, 2025
ELIAS CHAIJ L.S. 8908

"PRELIMINARY"

111 LOTS ***26.20 ACRES***

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LANDS INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP WITHIN THE DISTINCTIVE BORDER LINES, AND WE CONSENT TO THE PREPARATION AND FILING OF SAID MAP AND SUBDIVISION.

WE FURTHER STATE THAT, EXCEPT AS SHOWN ON THIS MAP, WE KNOW OF NO EASEMENT OR STRUCTURE EXISTING WITHIN THE EASEMENTS HEREIN OFFERED FOR DEDICATION TO THE PUBLIC, OTHER THAN PUBLICLY OWNED WATER LINES, SEWERS, OR STORM DRAINS, THAT WE WILL GRANT NO RIGHT OR INTEREST WITHIN THE BOUNDARIES OF SAID EASEMENTS OFFERED TO THE PUBLIC, EXCEPT WHERE SUCH RIGHT OR INTEREST IS EXPRESSLY MADE SUBJECT TO SAID EASEMENTS.

AS A DEDICATION TO PUBLIC USE, WHILE ALL OF 25TH STREET WEST WITHIN OR ADJACENT TO THIS SUBDIVISION REMAINS A PUBLIC STREET, WE HEREBY DEDICATE THE RIGHT TO RESTRICT DIRECT VEHICULAR INGRESS AND EGRESS FROM ABUTTING LOTS TO THE SAID STREET. IF ANY PORTION OF SAID STREET WITHIN OR ADJACENT TO THIS SUBDIVISION IS VACATED, SUCH VACATION TERMINATES THE ABOVE DEDICATION AS TO THE PART VACATED.

AND WE HEREBY IRREVOCABLY OFFER TO DEDICATE REAL PROPERTY TO THE CITY OF PALMDALE:

AN EASEMENT FOR PUBLIC PURPOSES ALL STREETS, HIGHWAYS, AND OTHER PUBLIC WAYS SHOWN ON SAID MAP;

AND WE HEREBY OFFER TO DEDICATE REAL PROPERTY TO THE CITY OF PALMDALE:

IN FEE FOR PUBLIC PURPOSES FOR SANITARY SEWERS, STORM DRAIN SYSTEMS, APPURTENANT STRUCTURES, MAINTENANCE, AND INGRESS AND EGRESS PURPOSES WITHIN AND WITHOUT SAID SUBDIVISION CONSTRUCTED AS PART OF THE IMPROVEMENTS THEREOF.

EASEMENT FOR PUBLIC DRAINAGE, LANDSCAPING AND MAINTENANCE PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAINTAINING THE IMPROVEMENTS AND MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

LCTH INVESTMENTS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, (OWNER)

_____ _____
CHRISTINE CHUNG (MANAGER) DATE

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } SS:

ON _____, BEFORE ME, _____,
PERSONALLY APPEARED _____ PERSONALLY KNOWN TO ME (OR 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.

WITNESS MY HAND

SIGNATURE _____

MY COMMISSION EXPIRES _____

COMMISSION NO. _____

MY PRINCIPAL PLACE OF BUSINESS IS IN LOS ANGELES COUNTY.

NOTARY SEEL NOT REQUIRED PER GOVERNMENT CODE 66436.

CATHAY BANK (BENEFICIARY)

DEED OF TRUST RECORDED OCT 29, 2004, INST. No. 04-2802029

_____ _____
NAME, TITLE DATE

_____ _____
NAME, TITLE DATE

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } SS:

ON _____, BEFORE ME, _____,
PERSONALLY APPEARED _____ PERSONALLY KNOWN TO ME (OR 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.

WITNESS MY HAND

SIGNATURE _____

MY COMMISSION EXPIRES _____

COMMISSION NO. _____

MY PRINCIPAL PLACE OF BUSINESS IS IN LOS ANGELES COUNTY.

NOTARY SEEL NOT REQUIRED PER GOVERNMENT CODE 66436.

ENGINEER'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF CT CAPITAL. L.P., ON MARCH 10, 2006. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP, THAT THE MONUMENTS OF THE CHARACTER AND LOCATIONS SHOWN HEREON ARE IN PLACE OR WILL BE IN PLACE WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE OF THIS MAP; THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND THAT TIE NOTES TO ALL CENTERLINE MONUMENTS SHOWN AS "TO BE SET" WILL BE ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE SHOWN HEREON.

8/09/21 "PRELIMINARY"
DATE ELIAS CHAIJ L.S. 8908

PRELIMINARY - FOR REVIEW
PROFESSIONAL LAND SURVEYOR
ELIAS CHAIJ
L.S. 8908
STATE OF CALIFORNIA

CITY SURVEYORS STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THAT IT CONFORMS SUBSTANTIALLY TO THE TENTATIVE MAP AND ALL APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF APPLICABLE SATE LAW AND SUBDIVISION ORDINANCE OF THE CITY OF PALM DALE APPLICABLE AT THE TIME OF THE APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH; AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

"PRELIMINARY"

_____ _____
DATE FREDRICK R. JONES JR., ACTING CITY SURVEYOR

PRELIMINARY - FOR REVIEW
LICENSED LAND SURVEYOR
FREDRICK R. JONES JR.
L.S. 5458
STATE OF CALIFORNIA

CITY CLERK'S STATEMENT

I, SHANAE S. SMITH, CITY CLERK OF THE CITY OF PALMDALE, DO HEREBY STATE THAT THIS MAP WAS PRESENTED FOR APPROVAL TO THE CITY OF PALMDALE CITY COUNCIL AT A REGULAR MEETING THEREOF, HELD ON THE __ DAY OF _____, 2021, AND THAT THEREUPON SAID COUNCIL DID, BY AND ORDER DULY PASSED AND ENTERED, APPROVE SAID MAP;
AND ON BEHALF OF THE PUBLIC, SAID COUNCIL DID:

ACCEPT THE OFFER OF DEDICATION THE RIGHT TO RESTRICT DIRECT VEHICULAR INGRESS AND EGRESS FROM ABUTTING LOTS TO 25TH STREET WEST, AS SHOWN ON SAID MAP.

ACCEPT THE OFFER OF DEDICATION AND GRANT IN FEE FOR PUBLIC PURPOSES FOR SANITARY SEWERS, STORM DRAIN SYSTEMS, APPURTENANT STRUCTURES, AND INGRESS AND EGRESS PURPOSES WITHIN AND WITHOUT SAID SUBDIVISION CONSTRUCTED AS PART OF THE IMPROVEMENTS THEREOF.

ACCEPT THE OFFER OF DEDICATION AND GRANT OF THE EASEMENTS FOR PUBLIC PURPOSES EASEMENTS FOR DRAINAGE, LANDSCAPING AND MAINTENANCE PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAINTAINING THE IMPROVEMENTS AND MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

REJECT THE IRREVOCABLE OFFER TO DEDICATE REAL PROPERTY AS EASEMENTS FOR PUBLIC PURPOSES ALL STREETS, HIGHWAYS, AND OTHER OTHER PUBLIC WAYS, AS SHOWN ON SAID MAP.

_____ _____
DATE SHANAE S. SMITH, CITY CLERK – CITY OF PALMDALE

ABANDONMENT NOTE

PURSUANT TO SECTION 66499.20 1/2 OF THE SUBDIVISION MAP ACT, THE FILLING OF THIS MAP CONSTITUTES ABANDONMENT OF PORTIONS OF THE STREET DEDICATION PER PARCEL MAP 26908 RECORDED IN THE COUNTY OF LOS ANGELES, BOOK 316, PAGES 92 & 93, THESE ABANDONMENT ARE NOT SHOWN ON THIS MAP.

_____ _____
DATE SHANAE S. SMITH, CITY CLERK – CITY OF PALMDALE

SPECIAL ASSESSMENTS STATEMENT

I HEREBY CERTIFY THAT ALL SPECIAL ASSESSMENTS LEVIED UNDER THE JURISDICTION OF THE CITY OF PALMDALE TO WHICH THE LAND INCLUDED IN THE WITHIN SUBDIVISION OR ANY PART THEREOF IS SUBJECT, AND WHICH MAY BE PAID IN FULL, HAVE BEEN PAID IN FULL.

_____ _____
DATE SHANAE S. SMITH, CITY CLERK – CITY OF PALMDALE

LOS ANGELES COUNTY TAX CERTIFICATES

I HEREBY CERTIFY THAT ALL CERTIFICATES HAVE BEEN FILED AND DEPOSITS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTION 66492 AND 66493 OF THE SUBDIVISION MAP ACT.

EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

BY: _____ _____
DEPUTY DATE

I HEREBY CERTIFY THAT SECURITY IN THE AMOUNT OF $ _____ HAS BEEN FILED WITH THE EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS SECURITY FOR THE PAYMENT OF TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND SHOWN ON MAP OF PARCEL MAP NO. 73299 AS REQUIRED BY LAW.

EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

BY: _____ _____
DEPUTY DATE

PHASE THREE OF FIVE PHASES OF T.T.M. 54058

TRACT NO. 54058-3

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

TENTATIVE MAP EXPIRES MARCH 4, 2025
ELIAS CHAIJ L.S. 8908

111 LOTS ***26.20 ACRES***

MONUMENT NOTE

A) SPIKE AND WASHER TAGGED LS 8908, TO BE SET DOWN 0.04' AT ALL STREET INTERSECTIONS, BEGINNING OF CURVES AND END OF CURVES.

B) LEAD AND TACK TO BE SET ON TOP OF CURB AT ALL LOT LINE PROLONGATIONS.

BASIS OF BEARINGS NOTE

THE BEARING OF NORTH 00° 00' 06" EAST OF THE CENTERLINE OF 25TH STREET WEST AS SHOWN ON PARCEL MAP 26908, MAP BOOK 316, PAGES 92-93 INCLUSIVE OF MAPS, RECORDS OF LOS ANGELES COUNTY, WAS USED AS THE BASIS OF BEARINGS FOR THIS MAP.

SOILS REPORT NOTE

IN ACCORDANCE WITH THE PROVISION OF SECTION 66434.5 OF THE SUBDIVISION MAP ACT, A SOILS REPORT WAS PREPARED SEPTEMBER 10, 2002 BY EARTH SYSTEMS OF SOUTHERN CALIFORNIA. IT WAS THEN UPDATED BY GLOBAL GEO-ENGINEERING, INC. MARCH 26 2003, THEN AGAIN JULY 12 2006, JAN 16, 2007, MAY 16 2008, AND JUNE 4 2008. ADDITIONAL UPDATES WERE PREPARED BY BRUIN GEOTECHNICAL SERVICES INC. ON NOV 16 2016 AND UPDATED JUNE 13 2017, JULY 2 2019, JULY 9 2019, AND FEBRUARY 4 2021. THESE REPORTS ARE ON FILE IN THE OFFICE OF THE CITY ENGINEER.

SIGNATURE OMISSION NOTES

THE SIGNATURE OF THE COUNTY OF LOS ANGELES, OWNER OF EASEMENT FOR PUBLIC ROAD AND HIGHWAY AND INCIDENTAL PURPOES AS DISCLOSED BY DOCUMENT RECORDED OCTOBER 26, 1973 AS INSTRUMENT NO. 3909., MAY BE OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (a)(3)(A)(i-viii) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

SCALE: 1" = 200'

TRACT NO. 54058-3

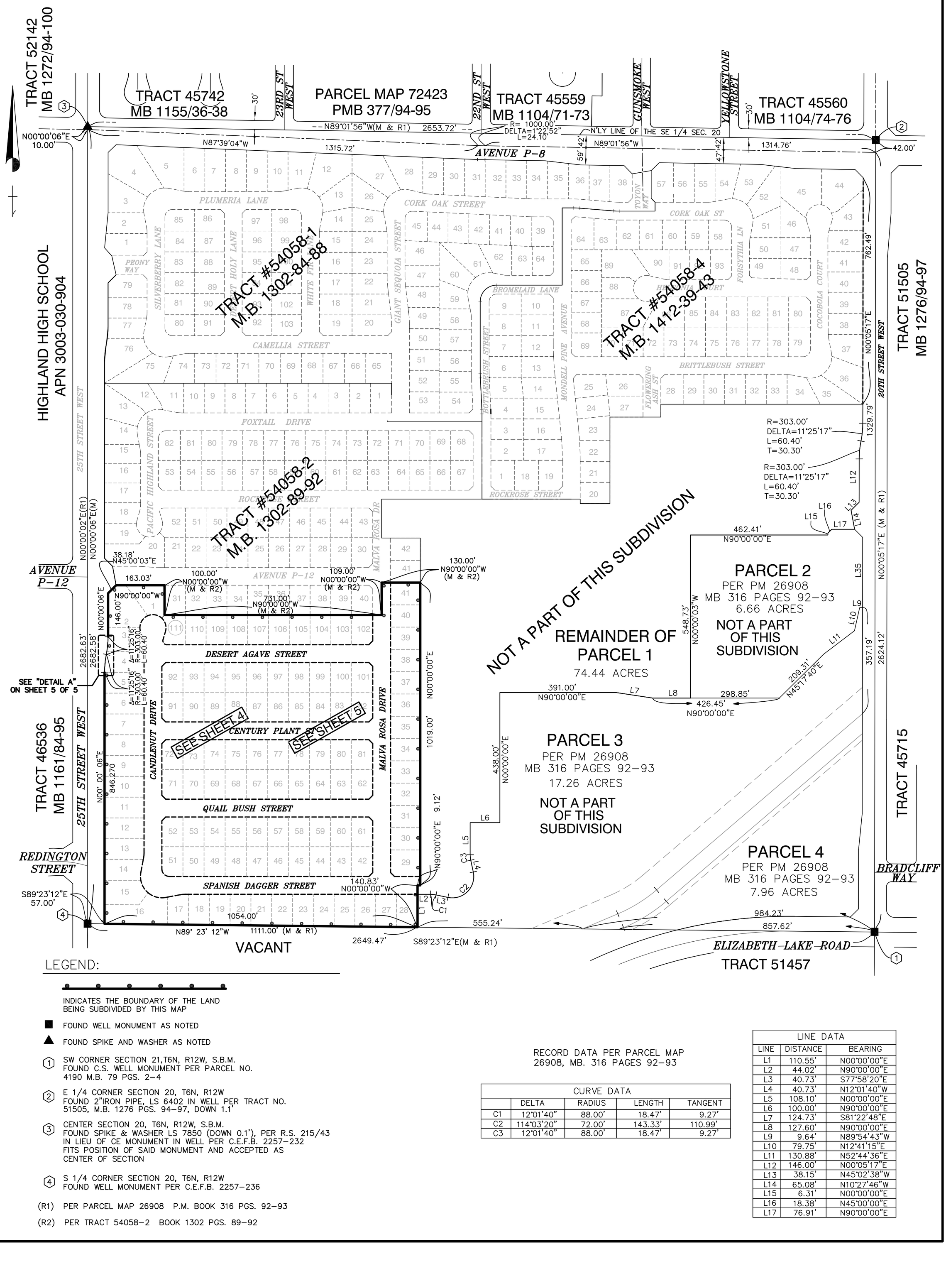
SHEET 3 OF 5 SHEETS

IN THE CITY OF PALMDALE,
COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA

111 LOTS

26.20 ACRES

ELIAS CHAIJ L.S. 8908



LEGEND:

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP

■ FOUND WELL MONUMENT AS NOTED

▲ FOUND SPIKE AND WASHER AS NOTED

(1) SW CORNER SECTION 21,T6N, R12W, S.B.M.
FOUND C.S. WELL MONUMENT PER PARCEL NO. 4190 M.B. 79 PGS. 2-4

(2) E 1/4 CORNER SECTION 20, T6N, R12W
FOUND 2"IRON PIPE, LS 6402 IN WELL PER TRACT NO. 51505, M.B. 1276 PGS. 94-97, DOWN 1.1'

(3) CENTER SECTION 20, T6N, R12W, S.B.M.
FOUND SPIKE & WASHER LS 7850 (DOWN 0.1'), PER R.S. 215/43
IN LIEU OF CE MONUMENT IN WELL PER C.E.F.B. 2257-232
FITS POSITION OF SAID MONUMENT AND ACCEPTED AS CENTER OF SECTION

(4) S 1/4 CORNER SECTION 20, T6N, R12W
FOUND WELL MONUMENT PER C.E.F.B. 2257-236

(R1) PER PARCEL MAP 26908 P.M. BOOK 316 PGS. 92-93

(R2) PER TRACT 54058-2 BOOK 1302 PGS. 89-92

RECORD DATA PER PARCEL MAP 26908, MB. 316 PAGES 92-93

CURVE DATA				
	DELTA	RADIUS	LENGTH	TANGENT
C1	12°01'40"	88.00'	18.47'	9.27'
C2	114°03'20"	72.00'	143.33'	110.99'
C3	12°01'40"	88.00'	18.47'	9.27'

LINE DATA		
LINE	DISTANCE	BEARING
L1	110.55'	N00°00'00"E
L2	44.02'	N90°00'00"E
L3	40.73'	S77°58'20"E
L4	40.73'	N12°01'40"W
L5	108.10'	N00°00'00"E
L6	100.00'	N90°00'00"E
L7	124.73'	S81°22'48"E
L8	127.60'	N90°00'00"E
L9	9.64'	N89°54'43"W
L10	79.75'	N12°41'15"E
L11	130.88'	N52°44'36"E
L12	146.00'	N00°05'17"E
L13	38.15'	N45°02'38"W
L14	65.08'	N10°27'46"W
L15	6.31'	N00°00'00"E
L16	18.38'	N45°00'00"E
L17	76.91'	N90°00'00"E

SCALE: 1" = 60'

TRACT NO. 54058-3

SHEET 4 OF 5 SHEETS

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

111 LOTS

ELIAS CHAIJ L.S. 8908

26.20 ACRES



LINE TABLE		
LINE	LENGTH	BEARING
L1	18.38	N45°00'00"E
L2	28.97	N16°32'16"E
L3	30.00	N16°32'16"E
L4	13.90	N00°00'00"E
L5	5.78	N10°39'09"E
L6	44.22	N10°39'09"E
L7	5.67	N79°20'51"E
L8	11.17	N90°00'00"E
L9	14.05	N42°14'00"E
L10	0.16	N05°42'44"E
L11	9.12	N90°00'00"E
L12	44.33	N79°20'51"E
L13	18.38	N45°00'00"W

CURVE TABLE				
CURVE	LENGTH	RADIUS	TANGENT	DELTA
C1	24.17	13.00	17.42	106°32'16"
C2	49.41	44.00	27.68	64°20'19"
C3	50.45	44.00	28.41	65°41'45"
C4	51.31	44.00	29.02	66°48'34"
C5	12.46	44.00	6.27	16°13'54"
C6	25.40	88.00	12.79	16°32'16"
C7	16.36	88.00	8.20	10°39'09"
C8	26.70	72.00	13.50	21°14'42"
C9	49.06	72.00	25.52	39°02'24"
C10	64.11	72.00	34.36	51°01'12"
C11	16.36	88.00	8.20	10°39'09"
C12	39.27	25.00	25.00	90°00'00"
C13	86.39	55.00	55.00	90°00'00"

LEGEND:

- ■ — FOUND MONUMENT AS NOTED
- ● — FOUND S&W TAGGED RCE 21893 PER TR. NO. 54058-2, MB 1302/89-92
- ⊙ — S&W TO BE SET TAGGED L.S. 8908

INDICATES THE BOUNDARY OF THE LAND BEING SUB-DIVIDED BY THIS MAP.

[XX] — INDICATES BEARING AND DISTANCE PER PACEL MAP 26908

SCALE: 1" = 60'

TRACT NO. 54058-3

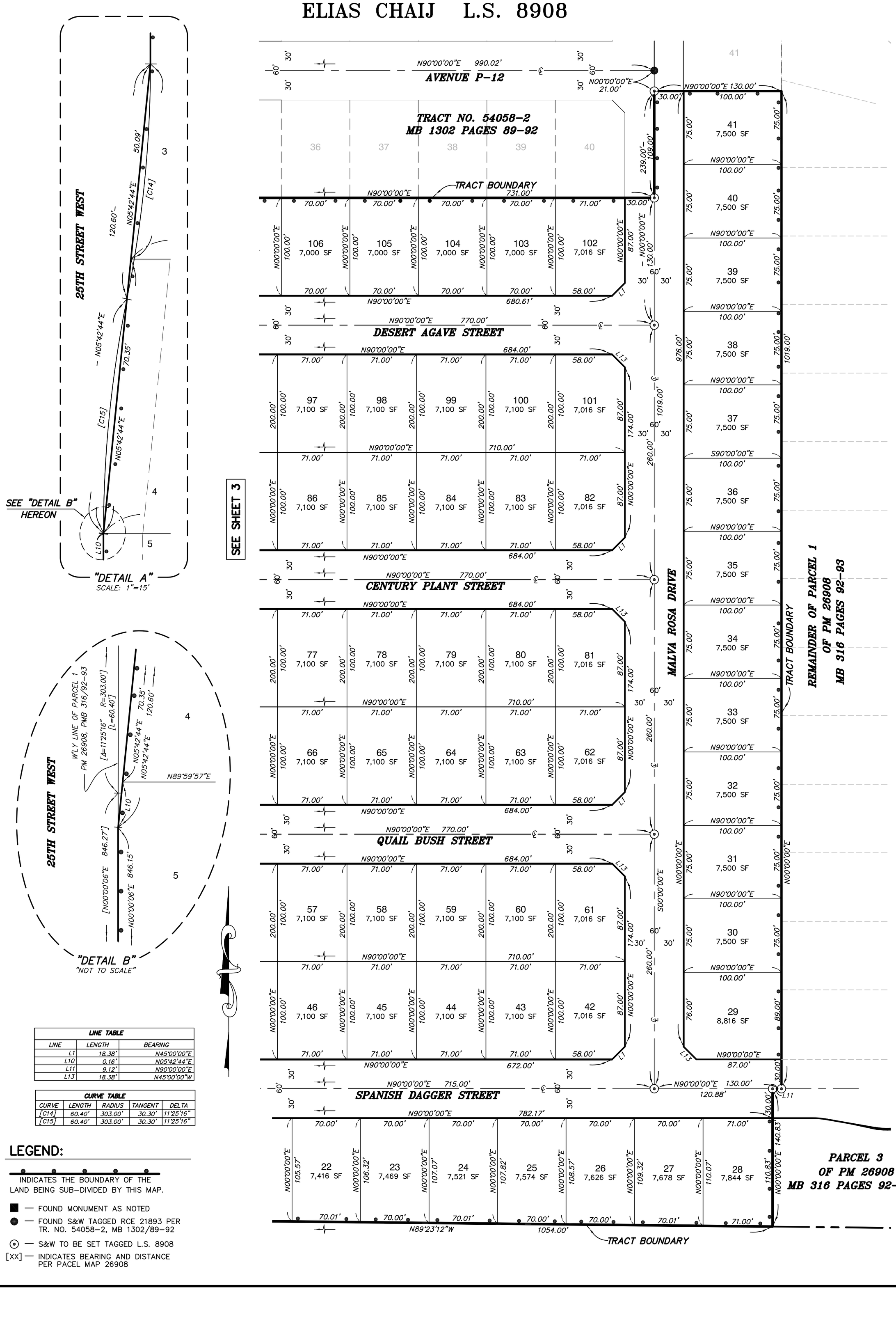
SHEET 5 OF 5 SHEETS

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

111 LOTS

26.20 ACRES

ELIAS CHAIJ L.S. 8908



LINE TABLE		
LINE	LENGTH	BEARING
L1	18.38'	N45°00'00"E
L10	0.16'	N05°42'44"E
L11	9.12'	N90°00'00"E
L13	18.38'	N45°00'00"W

CURVE TABLE				
CURVE	LENGTH	RADIUS	TANGENT	DELTA
[C14]	60.40'	303.00'	30.30'	11°25'16"
[C15]	60.40'	303.00'	30.30'	11°25'16"

LEGEND:

INDICATES THE BOUNDARY OF THE LAND BEING SUB-DIVIDED BY THIS MAP.

■ — FOUND MONUMENT AS NOTED

● — FOUND S&W TAGGED RCE 21893 PER TR. NO. 54058-2, MB 1302/89-92

⊙ — S&W TO BE SET TAGGED L.S. 8908

[XX] — INDICATES BEARING AND DISTANCE PER PACEL MAP 26908

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-092, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ORDERING THE VACATION OF PORTIONS OF 5TH STREET WEST, AUTO CENTER DRIVE, AND TRADE CENTER DRIVE AND THE RESERVATION OF UTILITY EASEMENTS THEREIN**

ISSUE

Adopt Resolution No. CC 2021-092, a Resolution of the City Council of the City of Palmdale ordering the vacation of portions of 5th Street West, Auto Center Drive, and Trade Center Drive and the reservation of utility easements therein.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2021-092, a resolution ordering the vacation of portions of 5th Street West, Auto Center Drive, and Trade Center Drive and reserving the utility easements therein.

BACKGROUND

On July 29, 2021, the Engineering Division received an application from the engineer representing AG Palmdale Owner, LLC (DAX Amazon Distribution Facility) requesting the vacation of existing portions of right-of-way surrounding their development located at 600 West Technology Drive in Palmdale. The application has been submitted in conjunction with the project site development plans (GD 20-01) and as a part of the conditions of approval. The project was approved through Site Plan Review (SFR) 10-96-1, Major Modification No. 1 and it was determined to cause no substantial changes to the original Environmental Impact Report (EIR) 90-1 certified by City Council May 24, 1990.

On August 25, 2021, notices were sent out to all utility providers informing them of the proposed street vacation. Several of the utilities responded that they had facilities in the area of the proposed vacation and requested a reservation of easement. However, no objections to the proposed vacation were received.

On November 3, 2021, the City Council of the City of Palmdale adopted Resolution No. CC 2021-091 declaring its intent to conduct a public hearing on the proposed vacation and set the date, time, and location for said hearing as December 1, 2021.

On November 10, 2021, Public Works staff notified the utility companies of the public hearing date via certified mail in accordance with Street and Highway Code (SHC) section 8347.

On November 18, 2021, Notices for the public hearing were posted along the proposed vacated portions of 5th Street West, Auto Center Drive, and Trade Center Drive in accordance with SHC section 8323.

DISCUSSION

The DAX Amazon Distribution Facility development is located within the Palmdale Trade and Commerce Center Specific Plan. The property was previously part of a proposed development that recorded Parcel Map No. 67620. This development was required to provide and dedicate new turn lanes at the site entries as a condition of approval. The proposed development associated with Parcel Map 67620 never materialized and the turn lane improvements were never constructed. As the Amazon project was undergoing entitlement, it was determined that their development would no longer require the turn lanes previously dedicated on PM 67620. Therefore, those previously dedicated turn lanes are now the subject of this street right-of-way vacation process. The vacation process before Council will remove the turn lane dedications that are no longer necessary for the current DAX Amazon Distribution Facility.

The Palmdale Trade and Commerce Center Specific Plan Environmental Impact Report (EIR 90-1) was certified by the City Council of the City of Palmdale (Resolution No. CC 90-142) on May 24, 1990. This document was prepared to analyze the potential impacts from buildout of the Specific Plan area. The significant impacts identified included direct impacts to land use (loss of open space), local and regional air quality, off-site noise, water services, sewer services, and aesthetics (change to visual character), and cumulative impacts to traffic (lowered levels of service), utilities (increased water and sewer service demand), off-site noise, and local and regional air quality impacts.

A Statement of Overriding Considerations was adopted by the City Council for these impacts in compliance with the provisions of the California Environmental Quality Act (CEQA) guidelines. All other impacts were found to be mitigatable to a level of insignificance through the imposition of the mitigation measures contained within EIR 90-1.

Staff has reviewed EIR 90-1 and the Mitigation Monitoring and Reporting Program to determine whether the vacation of portions of 5th Street West, Auto Center Drive and Trade Center Drive triggered any of the conditions described in Sections 15162, 15163 or 15164 of the CEQA Guidelines, which require the preparation of a subsequent,

supplemental or addendum to the EIR. ln accordance with Public Resources Code Section 21166 and State CEQA Guidelines Sections 15162, 15163 and 15164, the Amazon Distribution Facility located at 600 Technology Way does not require the preparation of a subsequent, supplemental or addendum to the EIR since: 1) the project will cause no substantial changes in any portion of the project which was described in EIR 90-1, which would require major revisions to EIR 90-1 due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects because the project is not modifying the scope or intent of the Specific Plan; 2) no substantial changes have occurred with respect to the circumstances under which the project is undertaken which will require major revisions to said EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified environmental effects, because no significant development adjacent to the project area which impacts the infrastructure, services, or development potential within the City's boundaries has occurred; and 3) no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, has been provided with respect to the Specific Plan.

Pursuant to Streets and Highway Code (SHC) section 8320, the local agency processing the street vacation under General Vacation Procedure shall be required to initiate the proceedings by setting a date, hour, and place for the public hearing, followed by posting and publishing of notices prior to the hearing in accordance with section 8322 of the SHC.

Pursuant to SHC section 8322(a), notices of the public hearing were published in the Antelope Valley Press for two successive weeks on November 20th and November 28, 2021.

Following the public hearing, staff will present Resolution No. CC 2021-092 for the City Council's consideration ordering the vacation of portions of 5th street West, Auto Center Drive, and Trade Center Drive with the reservation of utility easements therein, which makes the final order of the vacation as described in Exhibits "A" and shown in Exhibit "B".

Any utility which does not hold an existing easement and has not reserved an easement as described in Resolution No. CC 2021-092 will not be able to use the right-of-way being vacated without first obtaining an easement from the property owner.

The street vacation proceedings are not complete until Resolution No. CC 2021-092 has been recorded with the Los Angeles County Registrar-Recorders Office pursuant to SHC section 8325.

FISCAL IMPACT

There are no fiscal impacts to the City as a result of this action.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-092
2. Exhibit “A” and Exhibit “B”

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-092

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ORDERING THE VACATION OF PORTIONS OF 5TH STREET WEST, AUTO CENTER DRIVE, AND TRADE CENTER DRIVE AND THE RESERVATION OF THE UTILITY EASEMENTS THEREIN

WHEREAS, The Engineering Division received an application from the property owners of the commercial development located at 600 Technology Way requesting the City vacate portions of 5th Street West, Auto Center Drive, and Trade Center Drive and reserve the utility easements therein; and

WHEREAS*,* The proposed vacation will not negatively impact the general public and has been found to be consistent with the Circulation Element of the City's General Plan; and

WHEREAS*,* The proposed improvements within the right of way to be vacated were never constructed nor were they deemed necessary for the current commercial development; and

WHEREAS*,* The current development was approved through Site Plan Review (SPR) 10-96-1 Major Modification No. 1 and the Palmdale Trade and Commerce Center Specific Plan Environmental Impact Report (EIR 90-1) was certified by the City Council (resolution No. CC 90-142) on May 24, 1990; and

WHEREAS, The current project was determined not to cause any substantial changes in any portion which would require revisions to EIR 90-1.

WHEREAS, The City Council of the City of Palmdale has adopted Resolution No. CC 2021-091 declaring its intent to conduct a public hearing on the proposed vacation, setting the date, time, and location for said hearing on December 01, 2021; and

WHEREAS, Notices were sent to utility companies and the public in accordance with the Street and Highway Code Sections 8322, 8323, and 8347.

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

SECTION 1. The City Council of the City of Palmdale hereby orders the vacation of portions of 5th Street West, Auto Center Drive, and Trade Center Drive, located within the City of Palmdale, as described in Exhibit "A" and shown in Exhibit "B".

SECTION 2. The City Council, in vacating the portion of said streets described in Exhibit "A", elects to proceed under and in accordance with the provisions of the "Public Streets, Highways, and Service Easements Vacation Law" Division 9, Part 3, Chapter 3 of the Streets and Highways Code of the State of California.

SECTION 3. Nothing in this Resolution shall in any way affect or disturb any existing easement for public utility purposes belonging either to the City of Palmdale or to any other public entity.

A. There is hereby specifically reserved for the CITY OF PALMDALE, an easement and right at any time, or from time to time, to construct, maintain, operate, replace, remove, and renew sanitary sewers and storm drains and appurtenant structures in, upon, over, and across the entire area proposed to be vacated and, pursuant to any existing franchise or renewals thereof, or otherwise, to construct, maintain, operate, replace, remove, renew, and enlarge lines of pipe, conduits, cables, wires, poles, and other convenient structures, equipment, and fixtures for the operation of gas pipelines, telegraphic, and telephone lines, railroad lines, and for the transportation or distribution of electric energy, petroleum and its products, ammonia, and water, and for incidental purposes, including access to protect these works from all hazards in, upon, and over across the entire area proposed to be vacated, including the right of ingress and egress thereto.

B. There is hereby specifically reserved for SOUTHERN CALIFORNIA EDISON, its successors, heirs and assigns, an easement in, upon, over, and across the entire area proposed to be vacated, with the necessary rights to use, maintain, operate, repair, replace, remove, or renew the existing and future facilities (overhead and underground), used and useful for the Transmission/Distribution of electric energy and for the transmitting intelligence by electric means to the public, and necessary fixtures and appurtenances and said easement shall include the rights of ingress and egress thereto.

C. There is hereby specifically reserved for Pacific Bell Telephone Company, dba AT&T California, its successors, heirs and assigns, an easement in, upon, over, and across the entire area proposed to be vacated, with the necessary rights to from time to time construct, maintain, operate, replace, remove, and renew such aerial and underground communication facilities (including ingress thereto and egress therefrom) consisting of poles, anchors, guys, cables, wires, crossarms, conduit, manholes, handholes, markers, pedestals, terminal equipment cabinets, electrical conductors and necessary fixtures and appurtenances.

SECTION 4. The City Council finds the vacation of portions of 5th Street West, Auto Center Drive, and Trade Center Drive is consistent with the City of Palmdale General Plan because it conforms to the goals, objectives, and policies of the General Plan. More specifically, the project is consistent with Circulation Element Policy C1.1.5: Improve the existing street network based upon the adopted Circulation Plan, through implementation of the Capital Improvement Program, and through requirements placed upon new development approvals.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution. The City Clerk is also authorized to cause a certified copy of this Resolution to be filed with the Los Angeles County Registrar-Recorder's office to finalize the vacation process.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Steven D. Hofbauer, Mayor

Approved as to form:

ATTEST:

_____
Christopher L. Beck
City Attorney

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the _____ day of _____, 20___ by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

EXHIBIT "A"

VACATION OF ROAD EASEMENT

LEGAL DESCRIPTION

TO VACATE THOSE PORTIONS OF THE ROAD EASEMENT DEDICATED FOR PUBLIC USE PER PARCEL MAP NO. 67620, BOOK 362 PAGES 29-33, IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING THE SOUTHERLY PORTION OF THE WESTERLY RIGHT-OF-WAY OF 5TH STREET WEST, TOGETHER WITH THE NORTHERLY RIGHT-OF-WAY OF AUTO CENTER DRIVE AND THE SOUTHERLY PORTION OF THE EASTERLY RIGHT-OF-WAY OF TRADE CENTER DRIVE, OF PARCEL A, RECORDED IN LOT MERGER NO. 180, INSTRUMENT NO. 20200385294, DATED 04/06/2020, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, PREVIOUSLY COMPRISED FROM LOTS 21 THROUGH 24 OF TRACT MAP NO. 49556, BOOK 1179, PAGES 15-20, IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ELIMINATE ALL COURSES PROPOSED ON SAID PARCEL MAP NO. 67620 AND RE-ESTABLISH PREVIOUS RIGHT-OF-WAY DEDICATIONS SHOWN AROUND LOTS 21 THROUGH 24 ON SAID TRACT MAP NO. 49556, ALSO SHOWN ON EXHIBIT "B" ATTACHED HEREON AND MADE A PART OF THIS LEGAL DESCRIPTION HERETO AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FROM A POINT SOUTHERLY ALONG THE CENTERLINE OF TRADE CENTER DRIVE FROM THE INTERSECTION TECHNOLOGY DRIVE, SOUTH 00°38'33" EAST A DISTANCE OF 465.79 FEET; THENCE,

LEAVING SAID CENTERLINE NORTH 89°21'27" EAST, TO A POINT WHICH IS PARALLEL WITH AND DISTANT 40.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF TRADE CENTER DRIVE, ALSO BEING THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE,

1) *NORTH 89°21'27" EAST A DISTANCE OF 2.00 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 42.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF TRADE CENTER DRIVE; THENCE,*

2) *SOUTH 00°38'33" EAST A DISTANCE OF 91.97 FEET; THENCE,*

3) *SOUTH 45°38'40" EAST A DISTANCE OF 16.97 FEET TO A POINT WHICH IS PARALLEL WITH AND 54.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF TRADE CENTER DRIVE; THENCE,*

4) *SOUTH 00°38'33" EAST A DISTANCE OF 258.05 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY WITH A RADIUS OF 554.00 FEET, SAID POINT SHALL BE REFERENCED HEREON AS **POINT A**; THENCE,*

5) *SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°25'24", WITH AN ARC LENGTH OF 110.45 FEET; THENCE,*

6) *TANGENT TO SAID CURVE, SOUTH 10°46'51" WEST, A DISTANCE OF 101.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY WITH A RADIUS OF 446.00 FEET; THENCE,*

7) *SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°25'14", WITH AN ARC LENGTH OF 88.90 FEET, TO THE BEGINNING OF A NON-TANGENT REVERSE CURVE CONCAVE*

WESTERLY, WITH A RADIUS OF 305.00 FEET AND A RADIAL LINE OF NORTH 89°21'37" EAST TO SAID POINT; THENCE,

8) *SOUTHERLY ALONG LAST SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 11°16'17", WITH AN ARC LENGTH OF 60.00 FEET, TO THE BEGINNING OF A TANGENT REVERSE CURVE CONCAVE EASTERLY WITH A RADIUS OF 310.00 FEET AND A RADIAL LINE OF NORTH 79°22'06" WEST; THENCE,*

9) *SOUTHERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 10°01'15", WITH AN ARC LENGTH OF 54.22 FEET; THENCE,*

10) *SOUTH 45°17'04" EAST A DISTANCE OF 33.10 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 54.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF AUTO CENTER DRIVE; THENCE,*

11) *SOUTH 89°55'46" EAST A DISTANCE OF 920.99 FEET, SAID POINT SHALL BE REFERENCED HEREON AS **POINT B**; THENCE,*

12) *SOUTH 83°02'14" EAST A DISTANCE OF 100.00 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 42.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF AUTO CENTER DRIVE; THENCE,*

13) *SOUTH 89°55'46" EAST A DISTANCE OF 26.83 FEET; THENCE,*

14) *NORTH 44°43'53" EAST A DISTANCE OF 35.53 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 62.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF 5TH STREET WEST; THENCE,*

15) *NORTH 00°36'27" WEST A DISTANCE OF 57.00 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY WITH A RADIUS OF 938.00 FEET; THENCE,*

16) *NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16°43'03", WITH AN ARC LENGTH OF 273.68 FEET, SAID POINT SHALL BE REFERENCED HEREON AS **POINT C**; THENCE,*

17) *TANGENT TO SAID CURVE, NORTH 17°19'30" WEST, A DISTANCE OF 253.20 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY WITH A RADIUS OF 1,062.00 FEET; THENCE,*

18) *NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°52'45", WITH AN ARC LENGTH OF 220.19 FEET; THENCE,*

19) *SOUTH 89°55'32" EAST A DISTANCE OF 12.06 FEET TO A POINT ON A CURVE WHICH IS PARALLEL WITH AND DISTANT 50.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF 5TH STREET WEST, WITH A RADIUS OF 1,050.00 AND A RADIAL LINE OF SOUTH 84°29'29" WEST TO SAID POINT; THENCE,*

20) *SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°48'59", WITH AN ARC LENGTH OF 216.55 FEET; THENCE,*

21) *TANGENT TO SAID CURVE, SOUTH 17°19'30" EAST, A DISTANCE OF 253.20 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY WITH A RADIUS OF 950.00 FEET; THENCE,*

22) *SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16°43'03", WITH AN ARC LENGTH OF 277.19 FEET; THENCE,*

23) *TANGENT TO SAID CURVE, SOUTH 00°36'27" EAST, A DISTANCE OF 57.09 FEET; THENCE,*

24) SOUTH 44°43'53" WEST A DISTANCE OF 38.42 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 40.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF AUTO CENTER DRIVE; THENCE,

25) NORTH 89°55'46" WEST A DISTANCE OF 1,055.70 FEET; THENCE,

26) NORTH 45°17'04" WEST A DISTANCE OF 37.97 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 40.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF TRADE CENTER DRIVE; THENCE,

27) NORTH 00°38'23" WEST A DISTANCE OF 124.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY WITH A RADIUS OF 460.00 FEET; THENCE,

28) NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°25'14", WITH AN ARC LENGTH OF 91.69 FEET; THENCE,

29) TANGENT TO SAID CURVE, NORTH 10°46'51" EAST, A DISTANCE OF 101.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY WITH A RADIUS OF 540.00 FEET; THENCE,

30) NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°25'24", WITH AN ARC LENGTH OF 107.66 FEET; THENCE,

*31) TANGENT TO SAID CURVE, NORTH 00°38'33" WEST, A DISTANCE OF 362.05 FEET TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION.*

CONTAINING 33,094.66± SQ. FT. GROSS
32,298.20± SQ. FT NET

EXCEPTING THEREFROM THOSE PORTIONS GRAPHICALLY SHOWN AS DETAILS "A-1", "B-1" & "C-1" ON SAID EXHIBIT "B" AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

DETAIL "A-1"

EXCEPTING THEREFROM A PORTION OF THE EASTERLY RIGHT-OF-WAY ALONG TRADE CENTER DRIVE, DESCRIBED AS FOLLOWS:

COMMENCING FROM ***POINT A*** (AS REFERENCED IN COURSE 4 ABOVE) BEING PARALLEL AND DISTANT 54.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF TRADE CENTER DRIVE; THENCE,

SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 06°39'45", WITH AN ARC LENGTH OF 64.42 FEET, TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE,

LEAVING SAID CURVE WESTERLY ALONG A RADIAL LINE OF SAID CURVE, NORTH 83°58'48" WEST, A DISTANCE OF 14.00 FEET, TO A POINT ON A CURVE WHICH IS PARALLEL WITH AND DISTANT 40.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF TRADE CENTER DRIVE, HAVING A RADIUS OF 540.00 FEET; THENCE,

SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°04'06", WITH AN ARC LENGTH OF 19.49 FEET; THENCE,

LEAVING SAID CURVE ALONG A RADIAL LINE, SOUTH 81°54'42" EAST, A DISTANCE OF 14.00 FEET, TO A POINT ON FIRST SAID CURVE, HAVING A RADIUS OF 554.00 FEET; THENCE,

NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°04'06", WITH AN ARC LENGTH OF 20.00 FEET, TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION.

CONTAINING 276.46± SQ. FT.

DETAIL "B-1"

ALSO **EXCEPTING** THEREFROM A PORTION OF THE NORTHERLY RIGHT-OF-WAY LINE ALONG AUTO CENTER DRIVE, DESCRIBED AS FOLLOWS:

COMMENCING FROM ***POINT B*** (AS REFERENCED IN COURSE 11 ABOVE) BEING PARALLEL AND DISTANT 54.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF AUTO CENTER DRIVE; THENCE,

NORTH 89°55'46" WEST, A DISTANCE OF 152.51 FEET, TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE,

CONTINUING WESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, NORTH 89°55'46" WEST, A DISTANCE OF 20.00 FEET; THENCE,

LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE, SOUTH 00°04'14" WEST, A DISTANCE OF 14.00 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 40.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF AUTO CENTER DRIVE; THENCE,

EASTERLY ALONG SAID LAST LINE, SOUTH 89°55'46" EAST, A DISTANCE OF 20.00 FEET; THENCE,

LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE, NORTH 00°04'14" EAST, A DISTANCE OF 14.00 FEET, TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION.

CONTAINING 280.00± SQ. FT.

DETAIL "C-1"

ALSO **EXCEPTING** THEREFROM A PORTION OF THE WESTERLY RIGHT-OF-WAY LINE ALONG 5TH STREET WEST,

COMMENCING FROM ***POINT C*** (AS REFERENCED IN COURSE 16 ABOVE) BEING PARALLEL AND DISTANT 62.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF 5TH STREET WEST; THENCE,

NORTHWESTERLY ALONG A TANGENT LINE OF SAID CURVE, NORTH 17°19'30" WEST, A DISTANCE OF 33.39 FEET, TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE,

CONTINUING NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE, NORTH 17°19'30" WEST, A DISTANCE OF 20.00 FEET; THENCE,

LEAVING SAID WESTERLY RIGHT-OF-WAY LINE, NORTH 72°40'30" EAST, A DISTANCE OF 12.00 FEET TO A POINT WHICH IS PARALLEL WITH AND DISTANT 50.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE; THENCE,

SOUTH 17°19'30" EAST, A DISTANCE OF 20.00 FEET; THENCE,

LEAVING LAST SAID RIGHT-OF-WAY LINE SOUTH 72°40'30" WEST, A DISTANCE OF 12.00 FEET, TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION.

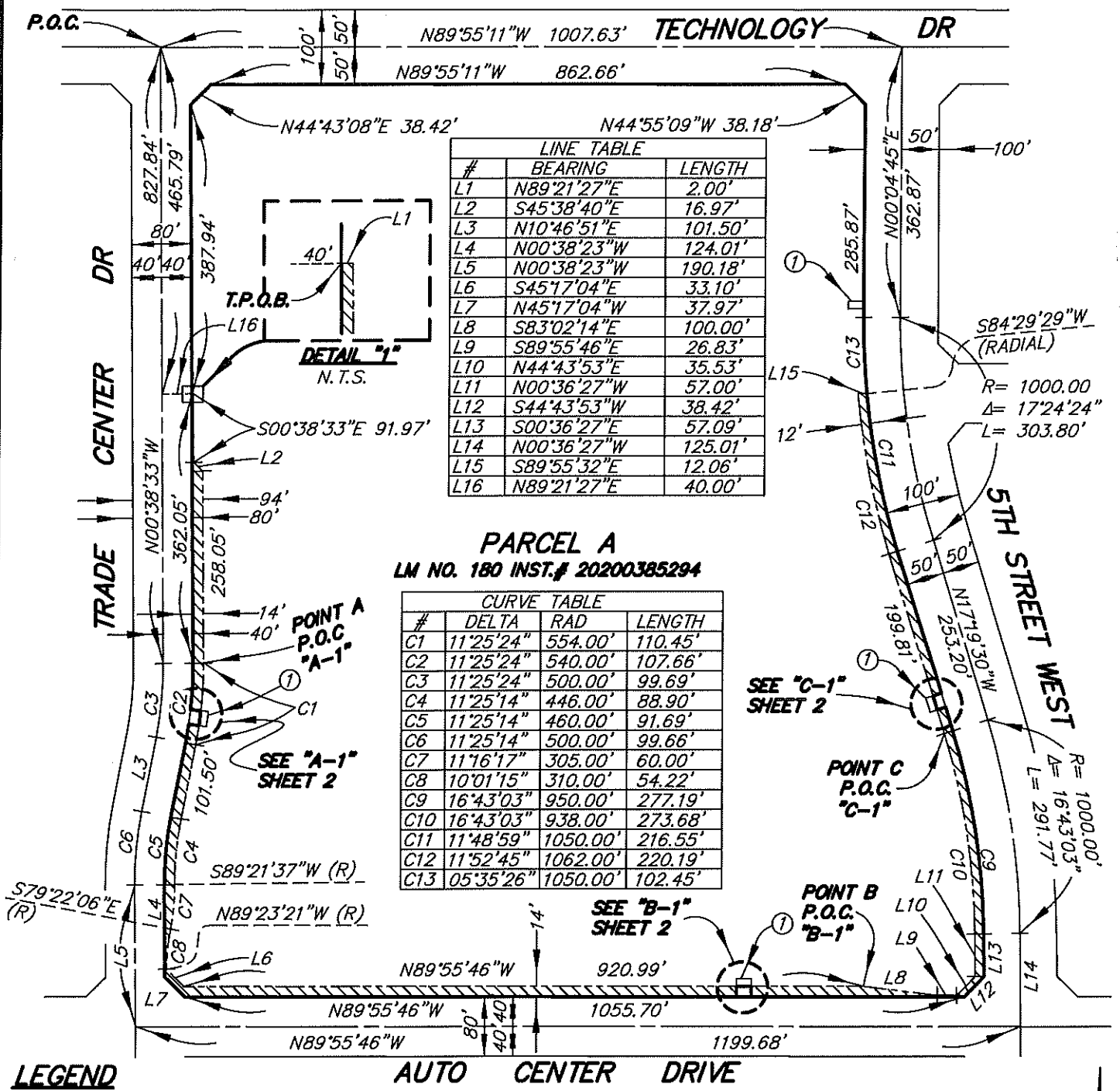
CONTAINING 240.00± SQ. FT.



Brian D. Glidden 7/1/2021

Brian D. Glidden PLS 7727 Date

EXHIBIT "B"
VACATION OF ROAD EASEMENT



LINE TABLE		
#	BEARING	LENGTH
L1	N89°21'27"E	2.00'
L2	S45°38'40"E	16.97'
L3	N10°46'51"E	101.50'
L4	N00°38'23"W	124.01'
L5	N00°38'23"W	190.18'
L6	S45°17'04"E	33.10'
L7	N45°17'04"W	37.97'
L8	S83°02'14"E	100.00'
L9	S89°55'46"E	26.83'
L10	N44°43'53"E	35.53'
L11	N00°36'27"W	57.00'
L12	S44°43'53"W	38.42'
L13	S00°36'27"E	57.09'
L14	N00°36'27"W	125.01'
L15	S89°55'32"E	12.06'
L16	N89°21'27"E	40.00'

PARCEL A
LM NO. 180 INST.# 20200385294

CURVE TABLE			
#	DELTA	RAD	LENGTH
C1	11°25'24"	554.00'	110.45'
C2	11°25'24"	540.00'	107.66'
C3	11°25'24"	500.00'	99.69'
C4	11°25'14"	446.00'	88.90'
C5	11°25'14"	460.00'	91.69'
C6	11°25'14"	500.00'	99.66'
C7	11°16'17"	305.00'	60.00'
C8	10°01'15"	310.00'	54.22'
C9	16°43'03"	950.00'	277.19'
C10	16°43'03"	938.00'	273.68'
C11	11°48'59"	1050.00'	216.55'
C12	11°52'45"	1062.00'	220.19'
C13	05°35'26"	1050.00'	102.45'

LEGEND

= RIGHT-OF-WAY PER PM 67620 TO BE ABANDONED.
= R.O.W. PER TR 49556 TO BE REESTABLISHED
= EXISTING EASEMENT LINE
= R.O.W. - TO BE ABANDONED

GRAPHIC SCALE
200' 0' 100' 200'
1" inch = 200' feet

① EXISTING EASEMENT TO LOS ANGELES COUNTY, WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY, TO REMAIN.

AESI

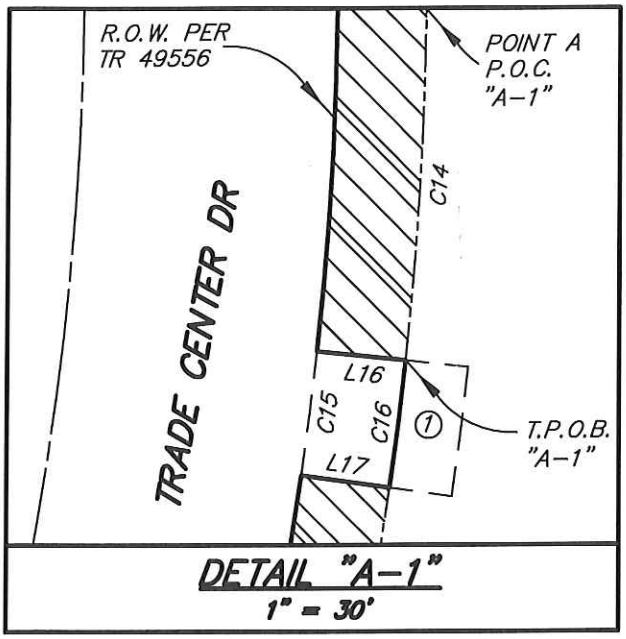
COPYRIGHT © ARROW ENGINEERING SERVICES, INC.

(R) = RADIAL
P.O.C. = POINT OF COMMENCEMENT
T.P.O.B. = TRUE POINT OF BEGINNING
R.O.W. = RIGHT-OF-WAY

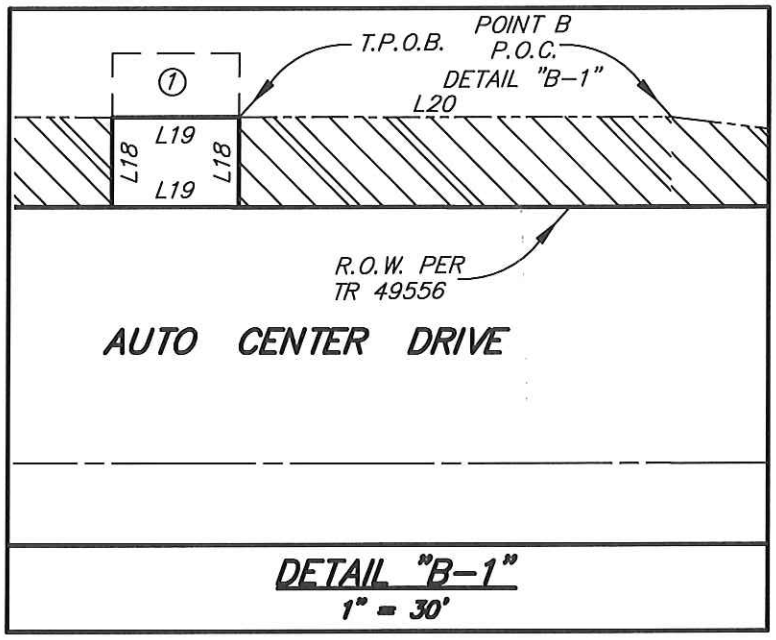
42140 TENTH STREET WEST
LANCASTER, CA 93534

NOTE: ALL BEARINGS AND DIMENSIONS SHOWN HEREON ARE OF RECORD VALUES PER PARCEL MAP NO. 67620, BK. 362 PGS 29-33, LA. CO.

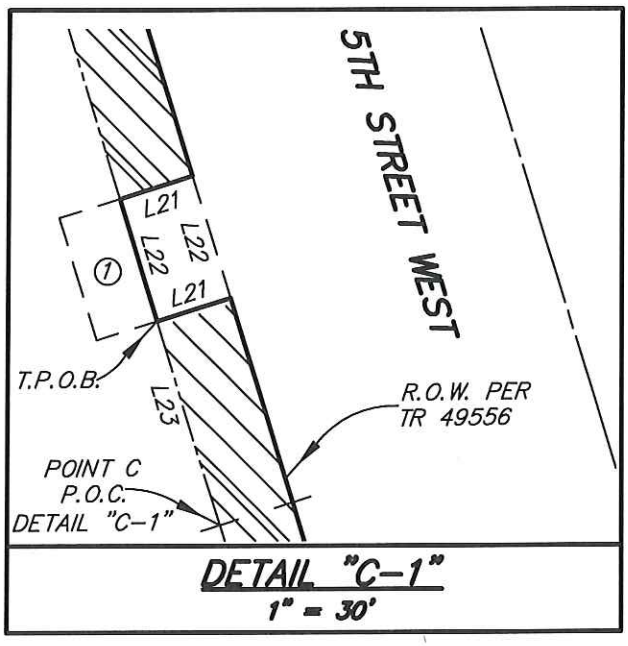
EXHIBIT "B"
VACATION OF ROAD EASEMENT



DETAIL "A-1"
1" = 30'



DETAIL "B-1"
1" = 30'



DETAIL "C-1"
1" = 30'

LEGEND

- = RIGHT-OF-WAY PER PM 67620 TO BE ABANDONED.
- = R.O.W. PER TR 49556 TO BE REESTABLISHED
- = EXISTING EASEMENT LINE
- = R.O.W. – TO BE ABANDONED
- ① = EXISTING EASEMENT TO LOS ANGELES COUNTY, WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY, TO REMAIN.

(R) = RADIAL
P.O.C. = POINT OF COMMENCEMENT
T.P.O.B. = TRUE POINT OF BEGINNING
R.O.W. = RIGHT-OF-WAY

CURVE TABLE			
#	DELTA	RAD	LENGTH
C14	06°39'44"	554.00'	64.42'
C15	02°04'06"	540.00'	19.49'
C16	02°04'06"	554.00'	20.00'

LINE TABLE		
#	BEARING	LENGTH
L16	N83°58'48"W (R)	14.00'
L17	S81°54'42"E (R)	14.00'
L18	N00°04'14"E	14.00'
L19	N89°55'46"W	20.00'
L20	N89°55'46"W	152.51'
L21	N72°40'30"E	12.00'
L22	N17°19'30"W	20.00'
L23	N17°19'30"W	33.39'

NOTE: ALL BEARINGS AND DIMENSIONS SHOWN HEREON ARE OF RECORD VALUES PER PARCEL MAP NO. 67620, BOOK 362 PAGES 29-33, LA. CO.

GRAPHIC SCALE
30' 0' 15' 30'
1" inch = 30' feet

PROFESSIONAL LAND SURVEYOR
BRIAN D. GLIDDEN
LS 7727
STATE OF CALIFORNIA

SIGNATURE: Brian D Glidden
DATE: 7/1/2021

AESI

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42140 TENTH STREET WEST
LANCASTER, CA 93534

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **3**

SUBJECT: **NOTICE OF COMPLETION – ACCEPT COMPLETED PROJECT WITH HARDY & HARPER INC. THAT PROVIDED PAVEMENT OVERLAY CONSTRUCTION FOR BARREL SPRINGS ROAD FROM 32ND STREET EAST TO THE INTERSECTION OF PEARBLOSSOM HIGHWAY**

ISSUE

Notice of Completion – Accept completed project with Hardy & Harper Inc. that provided pavement overlay construction for Barrel Springs Road from 32nd Street East to the intersection of Pearblossom Highway.

RECOMMENDATION

Staff recommends that the City Council:

1. Accept completed project with Hardy & Harper Inc**.** that provided pavement overlay construction for Barrel Springs Road from 32nd Street East to the intersection of Pearblossom Highway, in association with a Los Angeles County Public Cooperative Paving Project, Agreement No. A-7553 and;

2. Authorize the City Manager or his designee to execute and file a Notice of Completion.

BACKGROUND

The City of Palmdale and Los Angeles County regularly partner on split jurisdiction roadways and accordingly worked together on a cooperative pavement rehabilitation project along Barrel Springs Road, with the original limits being from the City Boundary at 32nd Street East to Cheseboro Road. The County-led work effort included cold milling the existing pavement, applying an asphalt concrete leveling course followed by an asphalt-rubber hot mix cap, and then grading the roadway shoulders. The City agreed to fund street improvement work within their jurisdiction, which is the southern half of Barrel Springs Road from 47th Street East to approximately 32nd Street East. The cost of the original work in City jurisdiction under the County Service Request No. 268893 was approximately $252,000 and was completed by Hardy & Harper Inc. under the County's job order contract.

Staff's review of the remaining western portion of Barrel Springs Road that is solely within the City's limits (from 32nd Street East to Pearblossom Hwy), determined that the street section was in equally poor condition and needed similar rehabilitation. The City contracted directly with Hardy & Harper Inc. (Agreement No. A-7553; July CC approval) to improve the City's jurisdictional portion under the same specification, mobilization and unit pricing as the County project. This cost-effective and expeditious approach allowed for the street improvement work on Barrel Springs Road to be continuous instead of starting a new City project.

DISCUSSION

All construction work for this project has been completed. To release funds being held as retention (five percent of each progress payment), it is necessary for the City Council to accept the project and for a Notice of Completion to be filed.

FISCAL IMPACT

This project was funded through Article 8 (207) funds, which have been allocated in Account No. S0062, County Pavement Project. The budget for the additional street resurfacing work on Barrel Springs Road from 32nd Street East to Pearblossom Hwy was $251,700 based on contractor proposal, and the final cost per verified field quantities was $234,574.70. This represents a $17,125.30 savings from the original budget. Thirty-five (35) days after the Notice of Completion is filed, retention in the amount of $11,728.74 will be released.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

Notice of Completion

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 Sierra Highway, Suite C
Palmdale, CA 93550

Space Above This Line for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: Fee (Barrel Springs Road from 32nd Street East to the intersection of Pearblossom Highway.)
5. A work of improvement on the property hereinafter described was completed on October 15, 2021
6. The work done was: "Pavement Overlay Construction".
7. The name of the Contractor for such work of improvement: Hardy & Harper, Inc.
8. The property on which said work of improvement was completed is in the City of Palmdale, State of California, and is described as City of Palmdale additional pavement overlay construction for Barrel Springs Road.
9. The address of said property is: Barrel Springs Road from 32nd Street East to the intersection of Pearblossom Highway.

Dated: December 1, 2021

City of Palmdale

Chuck Heffernan, Director of Public Works

VERIFICATION

I, the undersigned, say: I am the Director of Public Works, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 1 2021 in the City of Palmdale, California.

Chuck Heffernan, Director of Public Works

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **NOTICE OF COMPLETION – ACCEPT PUBLIC IMPROVEMENTS FOR THE EDWARDS FEDERAL CREDIT UNION LOCATED AT THE SOUTHWEST CORNER OF 10TH STREET WEST AND AVENUE O-8**

ISSUE

Notice of Completion – Accept Public Improvements for The Edwards Federal Credit Union located at the southwest corner of 10th Street West and Avenue O-8.

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completed public improvements for the Edwards Federal Credit Union located at the southwest corner of 10th Street West and Avenue O-8.

2. Authorize the City Manager or his designee to file a Notice of Completion and release the security for the completed public improvements.

BACKGROUND

This project constructed public street improvements on 10th Street West and Avenue O-8. The public improvements have been installed per the approved construction plan, inspected, and approved by City Public Works inspection staff.

DISCUSSION

The required public improvements for the project listed in Exhibit “A” and shown in Exhibit “B” have been completed to the satisfaction of the City Engineer as required in the Development Improvement Agreement between the developer and the City. This Council action will accept the public improvements as complete and will begin a one-year period, thereafter transferring maintenance responsibility of these improvements from the developer to the City of Palmdale. This Council action will also initiate the City’s release of applicable securities posted for this project in accordance with the City’s

subdivision regulations. This action is being taken pursuant to Section 16.110.060 of the City's Municipal Code.

FISCAL IMPACT

The City's maintenance costs will incrementally increase as a result of acceptance of these improvements.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

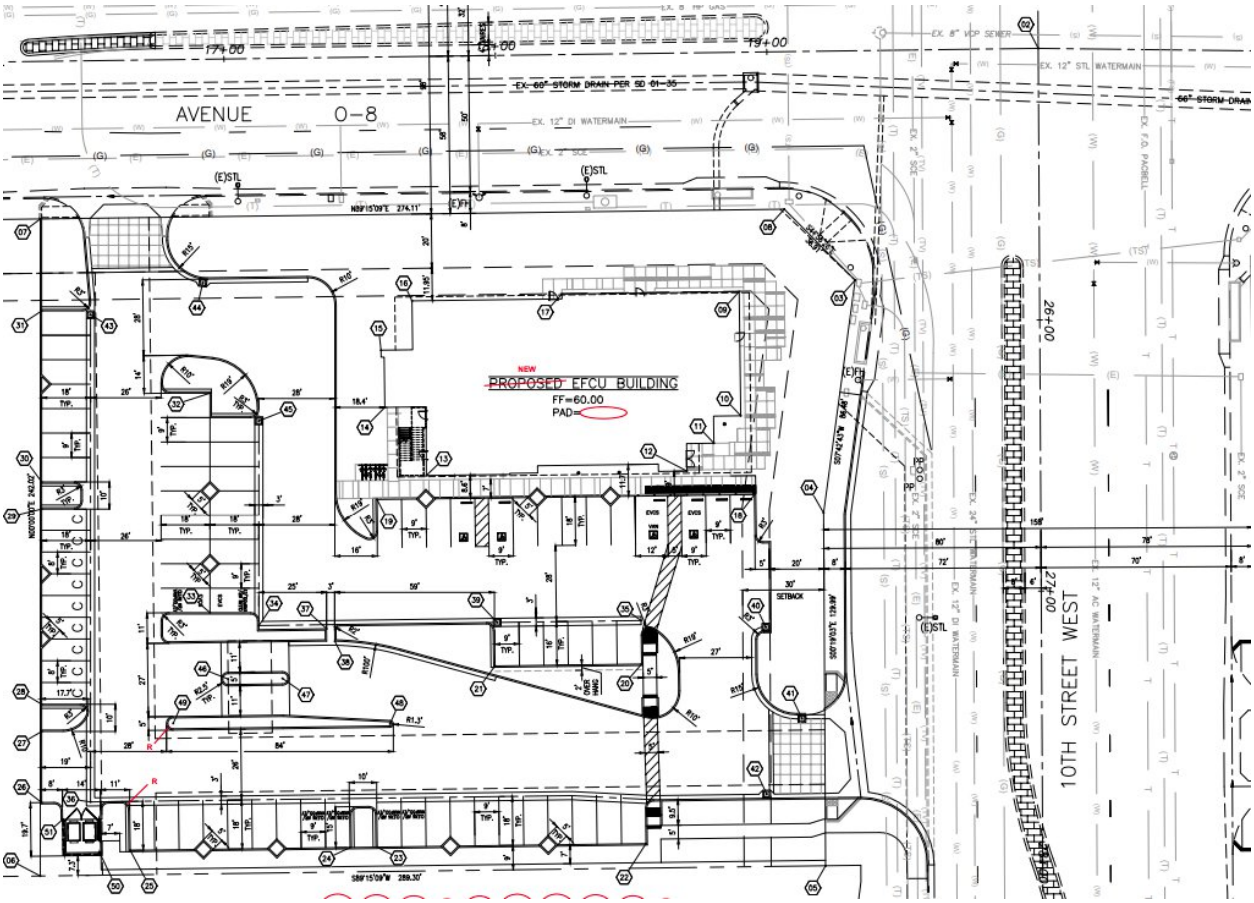
ATTACHMENTS

1. Exhibit A – List of Completed Public Improvements
2. Exhibit B – Site Map Location
3. Notice of Completion – The Edwards Federal Credit Union Street Improvements

EXHIBIT A
LIST OF COMPLETED PUBLIC IMPROVEMENTS

Tract/Project	Plan #	Quantity	Security
Edwards FCU Street Improvements	ST 19-23	231 LF	$77,700

EXHIBIT B
SITE MAP



RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 SIERRA HIGHWAY, SUITE C
PALMDALE, CA 93550

Space above this line is for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: **Street Improvements-Edwards Federal Credit Union.**
5. A work of improvement on the property hereinafter described was completed on **October 18, 2021**
6. The work done was: "**Street Improvements-Edwards Federal Credit Union**",
7. The name of the Contractor for such work of improvement: **Level 5**
8. The property on which said work of improvement was completed is in the City of Palmdale, County of Los Angeles, State of California, and is described as follows: **10th Street West and Avenue O-8**
9. The address of said property is: **39963 10th St. West**

Dated: **December 1, 2021**

CITY OF PALMDALE

Guillermo I. Padilla

Guillermo I. Padilla, City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on **December 1, 2021,** in the City of Palmdale, California.

Guillermo I. Padilla

Guillermo I. Padilla, City Engineer

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE NOMINATION FOR APPOINTMENT TO THE MEASURE AV OVERSIGHT COMMITTEE**

ISSUE

Approve nomination for appointment to the Measure AV Oversight Committee.

RECOMMENDATION

Staff recommends that the City Council ratify Councilmember Carrillo's nomination of the following applicant for appointment to the Measure AV Oversight Committee for a two-year term set to expire in April 2023:

1. Eric Ohlsen

BACKGROUND

At the General Municipal Election held on November 3, 2020, voters approved the enactment of a local ¾ cent transaction and use tax in the City of Palmdale. The measure allowed for local control of sales tax dollars, ensure long-term fiscal sustainability, and allow the City to continue to fund reliable essential services for the community. The revenues and expenditures from the tax are to be regularly reviewed by a citizens advisory committee to ensure the funds collected are expended for the purposes specified in the Measure AV Ballot language and to provide enhanced transparency and public participation. The City Council shall appoint a seven-member committee and by resolution, adopt guidelines for the duties of a citizens oversight committee, later named Measure AV Oversight Committee (Committee").

DISCUSSION

On April 6, 2021, seven (7) Committee members and seven (7) alternate members were appointed to the Committee. The Committee will have an opportunity to review, comment and make recommendations on proposed expenditures which may include, but not be

limited to, receiving semi-annual reports from City staff each fiscal year on revenues and expenditures from the tax imposed by Ordinance No. 1549.

The Committee conducted its kick-off meeting on May 5, 2021. Since that time, the Office of the City Clerk had received notice of resignation from District 4 Committee member Maribel Briseno because of her acceptance of employment with the City, and District 4 Alternate Member Roger Villasenor for personal reasons. The Committee Bylaws allow for moving the District 4 alternate into a full-time committee member without a Council vote. Article II(E)(a). Then the replacement for the alternate would then be recruited and voted on by City Council. Article II(E)(b). However, because we have neither a District 4 member nor an alternate, both vacancies must be filled. Recruitment of a District 4 alternate is ongoing and qualified candidates will be brought back to Council for a scheduled vote at a future meeting.

Councilmember Carrillo nominated Mr. Eric Ohlsen, who applied during the first recruitment process, to fill the District 4 vacancy created by Ms. Briseno. As a previous applicant, Mr. Ohlsen may be brought forth as a recommended replacement for the full-time committee member, requiring a vote by the City Council for final approval.

FISCAL IMPACT

There is no fiscal impact associated with this item, as member positions do not receive compensation for service.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Shanae Smith, City Clerk
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Ordinance No. 1549
2. Measure AV Oversight Committee Bylaws

EXHIBIT A

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO. 1549

AN ORDINANCE OF THE CITY OF PALMDALE ESTABLISHING A ¾ CENT TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, the health and safety of all residents in the City of Palmdale ("the City") is our top priority; and

WHEREAS, the City is committed to strong community partnerships, safe neighborhoods and parks, quality services to support residents, and respectful and responsive city employees to make Palmdale a strong, caring and safe community for all residents; and

WHEREAS, the City has been proactive in its actions to protect residents during the Coronavirus pandemic, to safely reopen businesses and partner with local employers to ensure a strong economic recovery, serving as a model for other cities in Los Angeles County; and

WHEREAS, the City is committed to maintaining quick 911 emergency response times, youth, veteran and senior services, keeping public spaces safe and clean, addressing homelessness, repairing streets, and maintaining other essential city services; and

WHEREAS, like the rest of the State and the country, the City faces serious fiscal challenges due to the fallout of the COVID-19 pandemic with funding for high-priority services threatened as a result; and

WHEREAS, the City currently expects an alarming decrease in revenues that will severely limit its ability to provide these essential City services; and

WHEREAS, the City has taken cost-saving measures, including implementing hiring and salary freezes for existing employees, reduced operating budgets, capital outlay and a workforce reduction by the elimination of vacant positions; and

WHEREAS, despite current expenditure reductions, the City's General Fund revenues are expected to decrease by $9.9 million in Fiscal Year 2020-21 and another $8.8 million in Fiscal Year 2021-22 due to steep declines in sales tax, property tax, and state funding revenues; and

WHEREAS, additional locally-controlled funding is necessary to protect essential city services and keep our community strong, healthy and safe into the future; and

WHEREAS, the City Council proposes to submit to the voters of Palmdale an ordinance to increase the City's Transaction and Use Tax (Sales Tax) by ¾ cent; and

WHEREAS, a local Sales Tax would provide $12,000,000 million annually to maintain essential city services; and

WHEREAS, 100% of funds from a local Sales Tax would remain here in Palmdale, overseen by a community oversight committee, and no funds could be taken by the State or County;

THE PEOPLE OF THE CITY OF PALMDALE DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Recitals. The above recitals are true and correct and, accordingly, are incorporated as a material part of this Ordinance.

SECTION 2. Amendment of Municipal Code. Chapter 3.11 – Transactions and Use Tax is hereby added to the Palmdale Municipal Code to read as follows:

Transactions and Use Tax

3.11.010 Title.

This Ordinance shall be known as the Palmdale Transactions and Use Tax Ordinance. The city of Palmdale hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

3.11.020 Operative Date.

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

3.11.030 Purpose.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

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

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

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

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

3.11.040 Contract with State.

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

3.11.050 Transactions Tax Rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of ¾ of a cent per dollar (0.75%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.11.060 Place of Sale.

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

to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.11.070 Use Tax Rate.

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of ¾ of a cent per dollar (0.75%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.11.080 Adoption of the Provisions of State Law.

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

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

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

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

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

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

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

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption

remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

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

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

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3.11.100 Permit Not Required.

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

3.11.110 Exemptions and Exclusions.

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

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

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

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

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

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

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

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

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

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

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

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

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

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

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

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

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

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

3.11.120 Amendments to State Law.

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

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

3.11.140 Severability.
If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.11.150 Effective Date.
This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

3.11.160 Termination Date. The authority to levy the tax imposed by this ordinance shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law.

SECTION 3. The people of the city of Palmdale desire enhanced transparency and public participation regarding the tax imposed by this Ordinance, and expect the revenues and expenditures from the tax to be regularly reviewed by a Citizen's Advisory Committee. Therefore, the Palmdale Municipal Code is further amended by adding Section 3.11.170 to read as follows:

3.11.170 Oversight. Following adoption of this Ordinance by the voters, the City Council shall appoint, pursuant to Palmdale Municipal Code Section 2.08.030, a five-member Citizen's Advisory Committee. The City Council shall, by resolution, adopt guidelines for the duties of the Citizen's Advisory Committee which shall include, but not be limited to, receiving semi-annual reports from City staff each fiscal year on revenues and expenditures from the tax imposed by this Ordinance and review of proposed spending plans. The revenue from the sales tax shall not be spent by the City until after the Citizen's Advisory Committee has had an opportunity to review and comment on proposed expenditures.

SECTION 4. Severability. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this ordinance or any part thereof. The people of the city of Palmdale hereby declares that they would have passed each section, subsection, subdivision, paragraph,

sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses, or phrases are declared unconstitutional, invalid or ineffective.

SECTION 5. Election Required. This ordinance shall not become effective unless and a until a majority of City voters voting on this measure vote to approve the imposition of a City transactions and use tax (more commonly known as a "sales tax" at the General Municipal Election to be held November 3, 2020.

SECTION 6. Upon approval by the voters, the City Clerk shall certify to the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

PASSED, APPROVED and **ADOPTED** by the voters of the city of Palmdale, State of California, at a municipal election held on November 3, 2020.

Approved as to form:

Noel J. Doran
Interim City Attorney

Steven D. Hofbauer, Mayor

ATTEST:

Rebecca J. Smith, City Clerk

CITY OF PALMDALE

MEASURE AV OVERSIGHT COMMITTEE

BYLAWS

ARTICLE I – ESTABLISHMENT AND PURPOSE

A. Name. Official name of the committee shall be Measure AV Oversight Committee (the "Committee")

B. Compensation. No compensation shall be provided for attendance to Committee meetings. Reimbursement shall only be given for expenses actually incurred in connection to serving on the Committee.

C. Establishment. Measure AV, approved in November 2020, calls for the establishment of a committee to ensure that all funds from the measure are appropriately used.

D. **Purpose.** The purpose of this Committee is set forth in Measure AV. (Protecting Palmdale's long-term financial stability; maintaining essential city services; repairing streets/potholes; addressing homelessness; maintaining 911 emergency response; keeping public areas safe/clean for all; retaining local businesses; protecting local water sources; maintaining veterans, senior, mental health, community programs; by establishing a ¾-cent sales tax; requiring citizen oversight, public spending disclosures; all funds used locally in Palmdale). These Bylaws are specifically made subject to the applicable provisions of Measure AV as to the duties and rights of the Committee. The Committee is subject to the Ralph M. Brown Public Meetings Act of the State of California and shall conduct its meetings in accordance with the provisions thereof.

E. **Administrative Support.** The City shall give all necessary administrative support to the Committee, as is consistent with the Committee's purpose.

F. **Duties.** The duties of this Committee are:

   a. To ensure that all funds from the three-quarters cent sales tax are spent in accordance with Measure AV.

   b. To prepare an annual written report setting forth the purposes for which Measure AV funds were expended in the preceding year and the amount spent in each category.

ARTICLE II – POSITIONS AND TERMS

A. **Committee Members.** Committee Members shall consist of seven (7) members and (7) alternatives.

B. **Committee Additions and Subtractions.** The City Council may, by unanimous decision, vote to add or subtract the number of members on the Committee, but shall not go lower than five (5) total members. The Committee shall always remain at an odd number.

C. **Term Length.** Each member of the Committee shall be appointed for a two (2) year term.

D. **Term Limit.** Committee members are limited to a three (3) term limit for serving on the Committee.

E. **Committee Vacancy.** Should a vacancy arise from a member resigning or other matters the following shall happen:

   a. Replacement will be filled by a Committee alternate member.

b. A Replacement for that alternate shall be picked by the City Council and voted in by majority vote.

c. If a vacancy is filled and there is greater than a year left on the term, it shall count as a full term for the appointed Committee Member's term limit. If less than a year remains on the term, it shall not count towards the Committee Member's term limit.

F. Forfeiture. Should any Committee member miss three (3) consecutive Committee meetings without any prior consent or notice to the Committee, they shall forfeit their membership on the Committee. All forfeited Committee positions shall be subject to Article II, Section E, for the purpose of their vacancy.

G. Chair. The Committee shall appoint one member to serve as the Chair of the Committee by a simple majority vote. The Chair shall preside at all meetings of the Committee. The Chair is responsible for keeping order and decorum during the Committee's meetings.

H. Vice-Chair. The Committee shall appoint one member to serve as the Vice-Chair of the Committee by simple majority vote. The Vice-Chair shall perform the duties of the chair in the absence or incapacity of the Chair, until such time as a new Chair is selected or appointed. Should both the Chair and Vice-Chair be absence or incapacitated, the Committee shall vote by simple majority to appoint an interim Chair and Vice-Chair for the purpose of that current meeting and any subsequent meetings until either the Chair or Vice-Chair are able to return to their duties.

I. **Staff Secretary.** City staff shall appoint one member to serve as the Staff Secretary of the Committee. The Staff Secretary shall keep the minutes of all official meetings of the Committee, which shall be open for inspection by any member of the public. The Staff Secretary shall sign reports and correspondence for the Committee, along with setting meeting dates; providing agendas to each Committee member prior to each official meeting. The Staff Secretary shall inform Committee members of all available data gathered by City staff pertinent to each item on said agenda. The Staff Secretary shall inform Committee members of the time and place of any special meeting. The Staff Secretary shall make available to the Committee all correspondence addressed to the Committee.

ARTICLE III – MEETINGS

A. Rules. All meetings will fall under rules set by the Ralph M. Brown Act (Cal. Gov't Code §54950 et seq.) ("Brown Act").

B. Meeting Dates. Use of set dates and locations shall be established to meet no less than four (4) times a year. These set dates can be changed by resolution as needed.

C. Specials Meetings and Emergency. Special Meetings can be called by the Chair or Vice Chair with five days prior notice. Emergency meetings can be called as needed.

D. Open and Public Meetings. All meetings concerning all Committee actions and deliberations shall be open and allow for anyone in the public to attend.

E. **Closed Sessions.** Closed sessions are allowed during regular or special meeting as is needed by circumstance and permitted by law.

F. **Public Hearings.** Public hearings are to be conducted during regular or special meetings of the Committee.

G. **Agenda.** An agenda shall be published to the public and sent out to each Committee member no less than seventy-two (72) hours before the meeting takes place. All agendas should include time, date, and location that the meetings take place along with the type of meeting (Regular, Special, or Emergency). Any items not on the agenda will be placed in the non-agenda items portion of the meeting.

H. **Minutes.** Minutes of the proceedings of the Committee and all documents received and reports issued shall be a matter of public record and be made available on an Internet website maintained by the Committee.

ARTICLE IV. – CONDUCT OF MEETINGS

A. **Order of Business.** The regular order of business shall be:

1. Call to Order
2. Approval of Prior Meetings Minutes
3. Consideration and Action of Agenda Items
4. Non-Agenda Items
5. Public Comment
6. Adjournment

The order of business can be modified as needed.

B. Parliamentary Procedure. All proceedings before the Committee may be guided by the rules of parliamentary procedure set forth in Robert's Rules of Order, but failure to follow Robert's Rules of Order shall not affect the validity of any action or motion duly taken or adopted by the Committee at any lawfully held meeting.

C. Presentations to the Committee. Any person desiring to address the Committee shall be requested, when recognized by the Chair, to give his or her name and address for the record. The Chair may, in the interest of facilitating the business of Committee, set in advance of the presentation of testimony reasonable time limits for oral presentations. Persons may be required to submit written testimony in lieu of oral testimony if the Chair determines that a reasonable opportunity for oral presentations has been provided, and in such a case, the matter may be continued to a later date to allow a reasonable time for such submittals to occur.

D. Attendance. Members shall be considered present at the Committee meeting if they are there physically, on the phone, or using a video conferencing application.

ARTICLE V. – VOTING AND QUORUM

A. Roll Call Vote. A roll call vote may be required in voting upon any motion of the Committee in the discretion of the Chair.

B. Quorum. A majority of the currently appointed members of the Committee shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other official purposes, except that less than a quorum may adjourn from time to time until a quorum is obtained.

C. Number of Votes Required for Action. All actions require a motion and a second. No action or recommendation of the Committee shall be valid and binding unless a quorum is present and the motion is approved a simple majority of the members present. Each member shall have one vote. No votes may be cast by proxy. Tie votes shall be considered as denial of the motion.

D. Conflicts of Interest. The Committee shall be subject to conflict of interest in accordance with the Fair Political Practices Act. City Councilpersons shall not vote for any person who presents a conflict of interest with them.

E. Motion to Reconsider. The Committee may reconsider a matter during the meeting at which the vote was taken, provided all members who were present when the matter was discussed and voted upon are still present, all persons who addressed the Committee regarding the matter are still present, and the motion to reconsider is made by a member who voted with the prevailing side. A motion for reconsideration shall have precedence over every motion except a motion to adjourn. A final vote on any matter may also be placed on any future agenda for reconsideration by the Committee or any member of the Committee at the meeting at which the actions was taken or at any later time. Any interested person may request that an action be reconsidered, provided that such a request must be in writing and filed with the Palmdale City Clerk within ten calendar days of the action of the Committee.

ARTICLE VI. - AMENDMENTS.

Any amendment to these Bylaws shall be approved by a simple majority vote of the Committee of the entire Committee.

City Council Staff Report

DATE: **DECEMBER 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **PUBLIC HEARING TO ADOPT ORDINANCE NO. 1574, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING PALMDALE MUNICIPAL CODE SECTION 8.04.460(A)(4) RELATING TO FIREWORKS APPLICATION PERMIT FEE**

ISSUE

Adopt Ordinance No. 1574, an ordinance amending Palmdale Municipal Code Section 8.04.460(A)(4) relating to Fireworks Application Permit fee.

RECOMMENDATION

Adopt Ordinance No. 1574, an ordinance amending Palmdale Municipal Code Section 8.04.460(A)(4) relating to Fireworks Application Permit fee.

BACKGROUND

Palmdale Municipal Code 8.04.460(A)(4) states that a $220 fee shall be accompanied annually with the Fireworks Permit application. The intent of changing the Ordinance is to remove the dollar amount in the municipal code to allow for Consumer Price Index (CPI) increase. By changing the wording to “shall be accompanied by a fee as established by resolution of the City Council”, will provide the flexibility needed to increase the fee when necessary.

At the June 15, 2021, City Council meeting the Biennial Operating and Capital Improvement Budget for the Fiscal years 2021-23 was passed and adopted. The resolution approved an increase for this line item and the dollar amount was set at $227.92. However, the amount of the fee resolution conflicts with the identified municipal code. Changing the code by an Ordinance will allow clarity and flexibility.

DISCUSSION

The proposed changes to the Palmdale Municipal Code Section 8.04.460(A)(4) by this Ordinance are as follows:

3308.5. Fireworks Permit – Application – Procedure.

(A) Applications for a permit:

(1) Shall be made in writing and shall be submitted with an approved temporary use permit; and a $300,000 combined single limit liability insurance policy, with a rider attached to the policy designating the City as an additional insured thereunder;

(2) Shall be filed with the Director of Planning or designee based upon the following procedure and shall be approved in the order in which they are received; provided, that there are spaces available as specified in PMC 8.04.500(E):

(a) For organizations which obtained a permit the previous year, applications shall be filed on or after March 15th of each year, but in all cases prior to April 1st of each year;

(b) For those organizations that did not obtain a permit during the previous year or which are making their first application, a preapplication shall be filed on or after March 1st of each year, but in all cases prior to March 15th of each year, to verify eligibility. Subsequently, an application shall be filed on or after March 15th of each year, but in all cases prior to April 1st of each year;

(3) Shall set forth the proposed location of any and all fireworks stands in accordance with the provisions of Chapter 2, Article 27, Section 27.03B.1(e) of the Palmdale zoning ordinance;

(4) Shall be accompanied by a fee ~~of $220.00~~ as established by resolution of the City Council.

(B) Applicants for such permits shall be notified by the Director of Planning or designee of their approval or rejection on or before the first of June of each year.

The Ordinance codified in this section shall take effect 30 days after adoption of this Ordinance.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Janelle Samson, Assistant Finance Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

- Ordinance No. 1574

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO. 1574

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING PALMDALE MUNICIPAL CODE SECTION 8.04.460(A)(4) RELATING TO FIREWORKS APPLICATION PERMIT FEE

WHEREAS, Palmdale Municipal Code 8.04.460(A)(4) states that a $220 fee shall be accompanied annually with the Fireworks Permit application; and

WHEREAS, the fee is fixed by the Palmdale Municipal Code and can only be amended by Ordinance; and

WHEREAS, the fixed fee creates an administrative burden to ensure the fee is appropriately set on an annual basis; and

WHEREAS*,* amending the Palmdale Municipal Code Section 8.04.460(A)(4) will allow for Consumer Price Index (CPI) increases to the fee and allow flexibility to accurately recapture costs going forward.

THE CITY COUNCIL OF THE CITY OF PALMDALE DOES ORDAIN AS FOLLOWS:

SECTION 1. Adopt Ordinance No. 1574 amending Palmdale Municipal Code Section 8.04.460(A)(4) relating to Fireworks Application Permit fee.

SECTION 2. Palmdale Municipal Code Section 8.04.460(A)(4) is amended by this Ordinance to read as follows:

3308.5. Fireworks Permit – Application – Procedure.

(A) Applications for a permit:

(1) Shall be made in writing and shall be submitted with an approved temporary use permit; and a $300,000 combined single limit liability insurance policy, with a rider attached to the policy designating the City as an additional insured thereunder.

(2) Shall be filed with the Director of Planning or designee based upon the following procedure and shall be approved in the order in which they are received; provided, that there are spaces available as specified in PMC 8.04.500(E):

(a) For organizations which obtained a permit the previous year, applications shall be filed on or after March 15th of each year, but in all cases prior to April 1st of each year,

(b) For those organizations that did not obtain a permit during the previous year or which are making their first application, a preapplication shall be filed on or after March 1st of each year, but in all cases prior to March 15th of each year, to verify eligibility. Subsequently, an application shall be filed on or after March 15th of each year, but in all cases prior to April 1st of each year.

(3) Shall set forth the proposed location of any and all fireworks stands in accordance with the provisions of Chapter 2, Article 27, Section 27.03B.1(e) of the Palmdale zoning ordinance.

(4) Shall be accompanied by a fee ~~of $220.00~~ as established by resolution of the City Council.

(B) Applicants for such permits shall be notified by the Director of Planning or designee of their approval or rejection on or before the first of June of each year.

The Ordinance codified in this section shall take effect 30 days after adoption of this Ordinance.

SECTION 3. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that anyone (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective, provided the basic purposes of this Ordinance and the benefits to the City and the public are not substantially impaired.

SECTION 4. The City Clerk shall certify to the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

PASSED, APPROVED and **ADOPTED** this __1st__ day of _December_, _2021_.

_____
Approved as to form: Steven D. Hofbauer, Mayor

ATTEST:

_____ _____
Christopher L. Beck Shanae S. Smith, City Clerk
City Attorney

I, Shanae S. Smith, City Clerk of Palmdale, California, do hereby certify that the foregoing Ordinance was duly introduced, passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the __1st_ day of _December_, 2021_ effective on the _31st_ day of _December, 2021 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-108

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, OPPOSING VACCINE MANDATES AND CONDEMNING UNNECESSARY INTRUSION INTO MUNICIPAL AFFAIRS BY FEDERAL, STATE AND LOCAL GOVERNMENT

WHEREAS, the City of Palmdale values and places the highest priority on public safety and protecting its community; and,

WHEREAS, the City of Palmdale, strives to maintain effective public safety and protection for life, property and the environment, as stated in Goal I of the Strategic Plan; and,

WHEREAS, the City of Palmdale is a charter city as established by the Charter of the City of Palmdale, as approved by the voters on November 3, 2009; and,

WHEREAS, certain actions by the federal, state and county government work to erode the "home rule" provision of Article XI of the California Constitution with regard to the City of Palmdale's supremacy over municipal affairs; and,

WHEREAS, the "home rule" provision of Article XI provides municipalities that have exercised their right to charter, by the voters, plenary authority over municipal affairs, without any additional or undo constraint imposed by general law, subject only to constitutional limitations; and,

WHEREAS, the City of Palmdale has a duty, to the best of their lawful and plenary ability, to ensure equal application of the law to citizens of the city, including those laws promulgated by federal, state or local authorities; and,

WHEREAS, the City of Palmdale considers this resolution to be one step of many to protect the citizens, businesses, and interested parties in the City of Palmdale.

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

SECTION 1. The City of Palmdale denounces vaccine mandates that are applied unevenly, discriminately, and without proper justification or basis.

SECTION 2. The City Council of the City of Palmdale hereby directs staff to monitor existing litigation throughout the nation concerning the legality of mandates issued at the federal, state and local level.

SECTION 3. The City Council of the City of Palmdale hereby further directs staff to monitor the effect of newly proposed legislation nationwide and within Los Angeles County regarding vaccine mandates, including legal challenges to such and the results.

SECTION 4. The City of Palmdale directs staff to ensure that businesses in the City of Palmdale are not disproportionately impacted, inspected, investigated by the Los Angeles County Department of Public Health, including by requesting that the Los Angeles County Department of Public Health provide thirty day (30) written notice to the City of Palmdale of any intended inspections so that City of Palmdale Code Enforcement officials may accompany inspectors.

SECTION 5. The City Council directs staff, on finding that other litigation by a California municipal entity has been successful in contesting vaccine mandates, to present such to the City Council for review and further direction.

SECTION 6. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Steven D. Hofbauer, Mayor

Approved as to form:

ATTEST:

_____
Christopher L. Beck
City Attorney

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the _____by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE
OFFICE OF THE CITY COUNCIL

M E M O R A N D U M

TO: City Clerk

FROM: Laura Bettencourt, Mayor Pro Tem

SUBJECT: Monthly Informational Report – Events and Meetings

DATE: December 1, 2021

During the period November 3, 2021, through November 30, 2021, I attended the following meetings and events:

November 17: City Council Workshop

November 19: League of California Cities Desert Mountain Division, Larry Chimbole Public Service Award Dinner