



AGENDA

EL SEGUNDO CITY COUNCIL
REGULAR MEETING
TUESDAY, SEPTEMBER 7, 2021

4:00 PM CLOSED SESSION
6:00 PM OPEN SESSION

MEETING ID: 964 5963 7962
PIN: 730770

CITY COUNCIL CHAMBER
350 MAIN STREET, EL SEGUNDO, CA 90245

***PUBLIC ADVISORY:
THE CITY COUNCIL CHAMBER AND/OR LOBBY WILL ONLY BE OPEN TO THE
PUBLIC FOR PUBLIC COMMUNICATIONS.
(Face masks/coverings are required to be worn inside City facilities)***

**Drew Boyles, Mayor
Chris Pimentel, Mayor Pro Tem
Carol Pirsztuk, Councilmember
Scot Nicol, Councilmember
Lance Giroux, Councilmember**

Tracy Weaver, City Clerk
Matthew Robinson, City Treasurer

Executive Team

Scott Mitnick, City Manager
Barbara Voss, Deputy City Manager
Jaime Bermudez, Interim Police Chief
Michael Allen, Development Services Dir.
Elias Sassoon, Public Works Director
Melissa McCollum, Community Svcs. Dir.

Mark Hensley, City Attorney
Joe Lillio, Chief Financial Officer
Deena Lee, Acting Fire Chief
Rebecca Redyk, HR Director
Charles Mallory, Info. Tech. Director

MISSION STATEMENT:

“Provide a great place to live, work, and visit.”

VISION STATEMENT:

“A hub for innovation where big ideas take off.”

How Can Members of the Public Observe and Provide Public Comments?

- Residents can watch the meeting live via Spectrum Channel 3, AT&T U-Verse Channel 99 and/or El Segundo TV at YouTube.com. Access remotely via Zoom from a PC, Mac, iPad, iPhone, or Android device or by phone. Use URL <https://zoom.us/j/96459637962> and enter PIN: 730770 or visit www.zoom.us on device of choice, click on “Join a Meeting” and enter meeting ID and PIN.
- Join by phone at 1-669-900-9128 and enter meeting ID and PIN. **Your phone number is captured by the Zoom software and is subject to the Public Records Act. Dial *67 BEFORE dialing in to remain anonymous.**
- For Public Communications, members of the public may provide comments in the Lobby and/or Council Chamber or via Zoom. For in person comments, please fill out a Speaker Card located in the Chamber Lobby and for Zoom comments, notify meeting host by raising your virtual hand (see hand icon at bottom of screen) and you will be invited to speak. (If you do not wish for your name to appear on the screen, then use the drop-down menu and click on “rename” to rename yourself “anonymous”) Please note that you will be placed in a “listen only” mode and your video feed will not be shared with City Council or members of the public.
- Do not simultaneously use a microphone through Zoom and a cellphone/telephone, this combination results in audio problems.
- For written communication, submit to ALLELECTEDOFFICIALS@elsegundo.org by 3:00 PM to be uploaded to the Website. Emails received after 3:00 PM will be posted the next day.
- For Public Hearings, public communication will be via zoom only.
- Speaker cards and attendees information captured by Zoom software will be considered public documents subject to possible posting on the City’s Website and are subject to disclosure under the Public Records Act.

Additional Information:

The City Council, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Any writings or documents given to a majority of City Council regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the City Clerk’s Office during normal business hours. Such documents may also be posted on the City’s website at www.elsegundo.org and additional copies will be available at the City Council meeting. Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the jurisdiction of the City Council and/or items listed on the agenda during the Public Communications portions of the Meeting. Additionally, members of the public can comment on any Public Hearing item on the agenda during the Public Hearing portion of such item. The time limit for comments is five (5) minutes per person.

Before speaking to the City Council, please state: your name, residence, and organization/group you represent, if desired. Please respect the time limits.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk’s Office at 310-524-2305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

4:00 PM CLOSED SESSION – CALL TO ORDER / ROLL CALL

PUBLIC COMMUNICATION – (RELATED TO CITY BUSINESS ONLY – 5-MINUTE LIMIT PER PERSON, 30-MINUTE LIMIT TOTAL) *Individuals who have received value of \$50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing City Council. Failure to do so shall be a misdemeanor and punishable by a fine of \$250. While all comments are welcome, the Brown Act does not allow City Council to take action on any item not on the agenda. City Council and/or City Manager will respond to comments after Public Communications is closed.*

SPECIAL ORDERS OF BUSINESS

RECESS INTO CLOSED SESSION: City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for purposes of conferring with City’s Real Property Negotiator; and/or conferring with City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with City’s Labor Negotiators.

CONFERENCE WITH LEGAL COUNSEL

Initiation of litigation pursuant to Government Code §54956.9(c): -1- matter.

6:00 PM – CONVENE OPEN SESSION – CALL TO ORDER / ROLL CALL

INVOCATION – Pastor Scott Tannehill, The Bridge Church

PLEDGE OF ALLEGIANCE – Council Member Nicol

PUBLIC COMMUNICATIONS – (RELATED TO CITY BUSINESS ONLY – 5 MINUTE LIMIT PER PERSON, 30 MINUTE LIMIT TOTAL) *Individuals who have received value of \$50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of \$250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.*

SPECIAL PRESENTATIONS

1. Community Services Commendations for Summer Staff
2. COVID-19 Update

CITY MANAGER FOLLOW-UP COMMENTS – (Related to Public Communications)

A. PROCEDURAL MOTIONS

Read all ordinances and resolutions on the Agenda by title only.

Recommendation - Approval

B. CONSENT

3. **City Council Meeting Minutes**

Recommendation -

Approve Regular City Council Minutes of August 17, 2021 and Special City Council Meeting Minutes of August 23, 2021, August 24, 2021 and August 31, 2021.

4. **Warrants Demand Register for August 1, 2021 through August 12, 2021**

Recommendation -

Ratify Payroll and employee benefit checks; Checks released early due to contracts or agreement; Emergency disbursements and/or adjustments; and, Wire transfers. Approve the following Warrant Demand Register numbers 3B and 4A: Warrant numbers 3036882 through 3037043, and 9002123 through 9002158.

5. **Police Department Women's Bathroom Remodel Project**

Recommendation -

1. Adopt a resolution to approve plans and specifications for the Police Department Women's Bathroom Remodel Project No. PW 22-02.
2. Authorize staff to advertise the project for bids.

6. **Recreation Park Checkout Building Restrooms Rehabilitation Project and Three Civic Center Maintenance and Repair Projects**

Recommendation -

1. Authorize staff to amend the design contract for the Recreation Park Checkout Building Restrooms Rehabilitation Project.
2. Adopt resolution to approve Plans and Specifications for three Civic Center Maintenance and Repair Projects.
3. Authorize staff to advertise for three Civic Center Maintenance and Repair construction bids.

7. **Second Amendment to Agreement No. 5611 with LandCare USA, LLC for the City's Landscape Maintenance Services**

Recommendation -

Approve the second amendment to the agreement No. 5611 with LandCare USA, LLC for an additional \$177,918 for Landscape Maintenance Services and authorize the City Manager to execute the amended agreement.

8. **Metro Open Streets Grant Application to Bring CicLAvia (One Day Event that Includes Activities and Temporary Street Closures to Encourage Biking and Pedestrian use of Public Space) to El Segundo**

Recommendation -

Authorize Metro Open Streets Grant application to bring CicLAvia to El Segundo and submit a Letter of Support from City Council.

9. Use of City Property and Street Closures for the Kiwanis 2021 Fair on Richmond Street on Saturday, October 9, 2021

Recommendation -

Authorize use of city property as central venues, permit operation of a beer garden on public property, and approve closure of Main Street (Pine Street to El Segundo Boulevard) and portions of Holly Street, Grand Avenue, and Franklin Avenue for the 2021 Fair on Richmond Street pending approval of all permits and insurance.

10. Recommended Affordable Housing Services Provider

Recommendation -

Approve an Affordable Housing Services Consulting Agreement with Many Mansions, which includes a Right of First Refusal for City Affordable Housing Projects.

C. PUBLIC HEARINGS

D. STAFF PRESENTATIONS

11. Proposed Cannabis Initiative Petition and Possible Cannabis Tax Measure

Recommendation -

1. Receive and file update on Proposed Cannabis Initiative Petition and Potential Cannabis Tax Measure.
2. Direct staff to study the impact of Proposed Cannabis Initiative on the City of El Segundo.

12. Hyperion Incident Update and Request for Air Quality Management District (AQMD) to Install and Maintain An Additional Air Quality Monitoring System

Recommendation -

Authorize staff to reach out to AQMD and request installation and maintenance of an additional air quality monitoring system in the City of El Segundo within close proximity to the Hyperion plant.

E. COMMITTEES, COMMISSIONS AND BOARDS PRESENTATIONS

13. Smoking Ban in all Outdoor Public Areas and Certain Common/Open Spaces

Recommendation -

Request Council to provide direction to staff regarding a citywide smoking ban in all outdoor public areas as well as common/open spaces of multi-unit (3 or more) residential complexes.

14. Announce Appointments to the Arts and Culture Advisory Committee

Recommendation -

Announce the appointees.

F. REPORTS - CITY CLERK

G. REPORTS - CITY TREASURER

H. REPORTS - COUNCIL MEMBERS

COUNCIL MEMBER GIROUX

COUNCIL MEMBER NICOL

COUNCIL MEMBER PRISZTUK

MAYOR PRO TEM PIMENTEL

MAYOR BOYLES

I. REPORTS - CITY ATTORNEY

J. REPORTS/FOLLOW-UP - CITY MANAGER

CLOSED SESSION

The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City's Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City's Labor Negotiators.

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

MEMORIALS

ADJOURNMENT

POSTED:

DATE: September 2, 2021

TIME: 6:30PM

BY: Tracy Weaver, City Clerk

Commendation

City of El Segundo, California

WHEREAS, Recreation and Library facilities and programs are an integral part of the El Segundo community and are vitally important to establishing and maintaining quality of life, ensuring the physical and emotional health of all citizens; and providing opportunities for children, teens, and adults to connect with nature, books, art, and each other; and

WHEREAS, Community Services staff acted quickly and thoughtfully to maintain access to recreational and educational facilities and provide beloved and reimagined experiences during a time of great challenge; and

WHEREAS, between June-August 2021, over 9000 people attended the Summer Concert Series, 915 played, learned, and made friends at day camps, 4100 celebrated July 4th at Rec Park, 635 participated in the Summer Reading Program with 263,949 minutes read, over 19,000 visited the library, 3435 shopped at the Farmer's Market, 19,973 reserved lanes for lap swim, 2539 reserved courts for tennis and pickleball, 459 competed on 29 Adult Softball League teams, 351 participated in outdoor storytimes, a small fairy garden arose outside of the Children's Library, eight poets and artists interacted with residents and visitors during the City's first Art + Dine series, and the Aquatics Center hosted the Olympic Gold Medalist USA Women's National Water Polo Team vs the Bronze Medalist Hungarian National Team as well as the USA Water Polo National Junior Olympics.

NOW, THEREFORE, on this 7th day of September, 2021, the Mayor and Members of the City Council of the City of El Segundo, California, hereby commend all of our Community Services staff for their significant contributions to community wellbeing this summer.



Mayor Drew Boyles

Mayor Pro Tem Chris Pimentel
Council Member Lance Giroux

Council Member Scot Nicol
Council Member Carol Pirsztuk



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Procedural Motions

Item Number:

TITLE:

Read all ordinances and resolutions on the Agenda by title only.

RECOMMENDATION:

FISCAL IMPACT:

BACKGROUND:

DISCUSSION:

CITY STRATEGIC PLAN COMPLIANCE:

PREPARED BY:

Tracy Weaver, City Clerk

REVIEWED BY:

Tracy Weaver, City Clerk

APPROVED BY:

ATTACHED SUPPORTING DOCUMENTS:

None

MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 17, 2021

CLOSED SESSION – Cancelled

OPEN SESSION – Mayor Boyles called to order at 6:02 PM

INVOCATION – Pastor Wes Harding, The Bridge Church

PLEDGE OF ALLEGIANCE – Council Member Giroux

ROLL CALL

Mayor Boyles	-	Present
Mayor Pro Tem Pimentel	-	Present
Council Member Pirsztuk	-	Present
Council Member Nicol	-	Present
Council Member Giroux	-	Present

SPECIAL PRESENTATIONS:

1. Commendation read by Mayor Boyles recognizing LA Giltinis Rugby Team. Adam Freier accepted the Commendation on behalf of the Giltinis.
2. Commendation read by Mayor Boyles, recognizing Coach Skip Jones. Mr. Jones accepted his Commendation.
- 3a. Council recognized Theresa O'Brien, resident, for her efforts regarding the Hyperion and notifying the General Manager when a problem arises.
- 3b. Hyperion Recovery Update by Barbara Romero, LASAN Director and General Manager, Tim Dafeta, LASAN Hyperion Executive Plant Manager, Traci Minamide, Chief Operating Officer, Lisa Mowery, LASAN Chief Financial Officer.

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5-minute limit per person, 30-minute limit total)

In Chamber

John C Thomas, resident, commented on sewage extension pipe near his home on Sierra Place.

Lisa Lappin, resident, commented on the Hyperion situation and confusion regarding reimbursement times for AC units and hotel stays. Disappointed with AQMD regarding their monitoring of the air quality, suggested LASAN purchase air purifiers and begin loaning to residents unable to purchase their own units, commented on the lack of information in the Herald Newspaper and would like to see more extensive air quality testing.

Shannon Magid, resident, commented on the item #D14, stop sign at Hillcrest at Pine Avenue.

Avery Smith, resident, commented on the Hyperion Spill and how it has affected lower income families, elderly, and disabled residents, asked Hyperion to visit El Segundo and its residents to see how this situation is affecting the City, suggested direct billing for El Segundo residents at local hotels and requested more accountability from Hyperion.

Nikia Gonzales, resident, commented on the timeline of reporting the spill and lack of reporting to El Segundo residents in a timely manner, suggested the use of Nixle and stated most residents are suffering from the spill. How will the Hyperion handle a situation like this in the future?

Rudy Vargas, resident, commented on the lack of a timely reporting of the spill to the residents of El Segundo. The method of reporting needs to change.

Tamara Kcehowski, resident, thanked Council for their efforts regarding the Hyperion spill, commented on health compromised residents and asked what the residents are inhaling, what's being released into the air, mentioned the one size fits all isn't working, AC/purifier units should fit each residents needs.

Via Zoom

Sherry Shih, resident, asked the Hyperion team to let residents know when and what is releasing into the air.

Recessed at 8:00 PM

Reconvened at 8:06 PM

CITY MANAGER FOLLOW-UP COMMENTS:

Council addressed comments presented to the Hyperion team, see video for questions asked and answers from Hyperion team.

A. Read all Ordinances and Resolutions on the Agenda by Title Only.

MOTION by Mayor Pro Tem Pimentel, SECONDED by Council Member Nicol to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

B. CONSENT:

4. Approve Regular Meeting Minutes of June 16, 2021 and Special Meeting Minutes of June 29, 2021.

5. Approve Warrants Demand Register for June 6, 2021 through July 29, 2021, numbers 18A, 18B, 19A, 19B, 1A, 2A, 2B, and 3A and warrant numbers 3036082 through 3036881, and 9002069 through 9002122. Ratify Payroll and employee benefit Checks; Checks released early due to contracts or agreement; Emergency disbursements and/or adjustments; and, Wire transfers.

(Fiscal Impact: \$8,531,424.49 (\$4,787,774.47 in check warrants and \$3,743,650.02 in wire warrants)

6. Accept as Complete Water Main Improvements on Indiana Street by Cedro Construction, Inc. and authorize the City Clerk to file a Notice of Completion with the County Recorder's Office. Project No. PW 20-04.

(Fiscal Impact: \$634,845.97)

7. Receive and file Administrative Use Permit to allow the sale of beer, wine and distilled spirits for onsite consumption at Richmond Bar and Grill, located at 15 Richmond Street.
(Fiscal Impact: None)
8. Adopt Resolution No. 5271 approving plans and specifications for FY 21/22 Concrete Improvements Project to repair defective sidewalks, driveway approaches, curbs and gutters, and ramps throughout the City and authorize staff to advertise the project for construction bids. Project No. PW 21-10.
(Fiscal Impact: \$200,000)
9. Approve the El Segundo Senior Citizens Housing Corporation Board's decision to increase the rental rate for new incoming tenants at Park Vista from 50 percent of market rate to 60 percent of market rate, effective July 1, 2021.
(Fiscal Impact: An increase in annual rental revenue of approximately \$30,000 per year. Over the next twenty years, this policy change is anticipated to generate approximately \$1 million)
10. Authorize use of city property as central venue, permit operation of a beer garden on public property, and approve closure of Eucalyptus Drive (Franklin to Grand) for the August 28, 2021 El Segundo Art Walk.
(Fiscal Impact: \$ 20,000)
11. Waive second reading and adopt Ordinance No. 1628 repealing the City's campaign contribution limits in favor of state law's campaign contributions to be enforced by the Fair Political Practices Commission (FPPC) effective January 1, 2021.
(Fiscal Impact: None)

MOTION by Council Member Giroux, SECONDED by Council Member Pirsztuk, approving Consent Agenda items 4, 5, 6, 7, 8, 9, 10 and 11. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

PULLED ITEM:

C. PUBLIC HEARING:

12. Adopt a Resolution certifying the 2020 Urban Water Management Plan (UWMP).
(Fiscal Impact: None)

Mayor Boyles stated this was the time and place for a public hearing regarding adopting a resolution certifying the 2020 Urban Water Management Plan (UWMP).

Clerk Weaver stated that proper notice had been given in a timely manner and that no written communication had been received in the City Clerk's office.

Elias Sassoon, Public Works Director, Ryan Bray, Risk Management Professionals Consultant reported on the item and answered Council's questions.

EL SEGUNDO CITY COUNCIL MEETING MINUTES
AUGUST 17, 2021
PAGE 3

Public Input: None

MOTION by Council Member Pirsztuk, SECONDED by Council Member Giroux to close the hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Council discussion

Mark Hensley, City Attorney, read the Resolution by title only.

RESOLUTION NO. 5272

A RESOLUTION ADOPTING THE CITY OF EL SEGUNDO'S 2020 URBAN WATER MANAGEMENT PLAN

MOTION by Mayor Pro Tem Pimentel, SECONDED by Council Member Giroux adopting Resolution No. 5272. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

D. STAFF PRESENTATIONS:

13. Covid-19 Update and Ratify City Manager's Amendment to Administrative Order No. 1 dated June 29, 2021.
(Fiscal Impact: None)

Deena Lee, Acting Fire Chief reported on Covid-19

Council discussion

Council consensus to receive and file the report.

MOTION by Council Member Giroux, SECONDED by Council Member Nicol ratifying the City Manager's Amendment to Administrative Order No. 1 dated June 29, 2021. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

14. Conversion of Two-way Stop Signs to Four-way Stop Signs at the Intersection of Hillcrest Street at West Pine Avenue.
(Fiscal Impact: Installation of four-way stop signs at this intersection is estimated to cost \$500. This cost can be absorbed via City's adopted FY 2021-2022 Annual Budget)

Elias Sassoon, Public Works Director gave a presentation.

Council Discussion

MOTION by Council Member Pirsztuk, SECONDED by Council Member Nicol to convert a two-way stop sign to a four-way stop sign assuming 60% of residents within 300 feet of the intersection agree. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

E. COMMITTEES, COMMISSIONS AND BOARDS PRESENTATIONS

15. Conclusion of the City's Technology Committee
(Fiscal Impact: None)

Charles Mallory, Information Technology Services Director reported on the item.

MOTION by Council Member Nicol, SECONDED by Council Member Giroux approving the conclusion of the Technology Committee.

- F. REPORTS – CITY CLERK – Stated for the September 14, 2021 Recall Election, the City's Ballot Box is now open for drop off. The City of El Segundo was not selected to host a Voting Center. Residents can mail in their ballots, drop off on the corner of Holly and Main to our ballot box or visit local Voting Centers located at Dockweiler Youth Center, City of Del Aire or City of Manhattan Beach. LAVote.net is an excellent resource for all election information, as is our Website or call the City Clerk's office for assistance.

- G. REPORTS – CITY TREASURER – Not present

- H. REPORTS – COUNCIL MEMBERS

Council Member Giroux – Congratulated El Segundo Little League 9-10 All-Stars on winning the Southern California State Championships. This is the first time in ESLL history.

Council Member Nicol – Hopes the residents feel the sentiments from the dais regarding the Hyperion spill, thanked staff for their efforts and advocacy for our residents during this situation, reminded residents of the El Segundo Car Show Saturday, August 21st and the Art Walk on Saturday, August 28th.

Council Member Pirsztuk – Reminded residents submitting receipts for reimbursement from LASAN that the date has been extended to August 26, 2021, thanked staff for all their work on the Concerts in the Park series this summer, asked residents to pay attention to SB 9 and SB 10 and to reach out to our elected officials to voice your concerns and reminded residents school starts next week and to slow down at school intersections.

Mayor Pro Tem Pimentel – Mentioned SB9 and SB10 are in front of the Assembly therefore make your opinion known to Assemblywoman Autumn Burke, ongoing public comment for the 405-freeway possible pay HOV lane and public comment continues for improvements of the corridor to Orange Co. Attending the Sanitation meeting this week.

Mayor Boyles – Commented on the Council's recent summer recess and that although Council is on recess, they still continue to attend various meetings, briefings and events.

- I. REPORTS – CITY ATTORNEY – Passed
- J. REPORTS/FOLLOW-UP – CITY MANAGER – Will follow-up with Hyperion requests/questions and stated the next City Council meeting is September 7, 2021

MEMORIALS – None

ADJOURNED at 10:23 PM

Tracy Weaver, City Clerk

SPECIAL MEETING MINUTES OF THE EL SEGUNDO CITY COUNCIL
MONDAY, AUGUST 23, 2021 – 2:00 PM

CALL TO ORDER- Virtually by Mayor Boyles at 2:04 PM

ROLL CALL

Mayor Boyles - Present via teleconferencing
Mayor Pro Tem Pimentel - Present via teleconferencing
Council Member Pirsztuk - Present via teleconferencing
Council Member Nicol - Present via teleconferencing
Council Member Giroux - Present via teleconferencing

PUBLIC COMMUNICATION – (Related to City Business Only – 5-minute limit per person, 30-minute limit total) None

Council Member Pirsztuk announced candidate Joanna Bowe is a direct report.

SPECIAL ORDER OF BUSINESS:

1. Conduct Arts and Culture Advisory Committee Interviews

Council conducted interviews via Zoom. The following candidates were appointed to the Arts and Culture Advisory Committee, Joan Palmer, Eva Sweeney, Jane Burrell, Tanya Taylor, Joanna Bowe, Neal Von Flue and Brian Mitchell. The appointments will be announced at the 6:00 PM, September 7, 2021 City Council meeting.

ADJOURNMENT at 3:33 PM

Tracy Weaver, City Clerk

SPECIAL CLOSED SESSION MINUTES
EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 24, 2021 – 5:30 PM

CALL TO ORDER / ROLL CALL – Virtually by Mayor Boyles at 5:32 PM

Mayor Boyles - Present via teleconferencing
Mayor Pro Tem Pimentel - Present via teleconferencing
Council Member Pirsztuk - Present via teleconferencing
Council Member Nicol - Present via teleconferencing
Council Member Giroux - Present via teleconferencing

PUBLIC COMMUNICATION – (Related to City Business Only – 5-minute limit per person, 30-minute limit total) None

SPECIAL ORDER OF BUSINESS

RECESS INTO CLOSED SESSION

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CONFERENCE WITH CITY'S LABOR NEGOTIATOR CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -2- matters

1. Employee Organizations: Firefighters' Association (FFA) and Police Officers' Association (POA).

Agency Designated Representatives; City Manager, Scott Mitnick, Human Resources Director, Rebecca Redyk and Irma Moisa Rodriguez

ADJOURNMENT at 6:50 PM

Tracy Weaver, City Clerk

SPECIAL CLOSED SESSION
EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 31, 2021 – 4:30 PM

CALL TO ORDER - Virtually by Mayor Boyles at 4:34 PM

ROLL CALL

Mayor Boyles	-	Present via teleconferencing
Mayor Pro Tem Pimentel	-	Present via teleconferencing
Council Member Pirsztuk	-	Present via teleconferencing
Council Member Nicol	-	Present via teleconferencing
Council Member Giroux	-	Present via teleconferencing

PUBLIC COMMUNICATION (Virtually only) – (Related to City Business Only – 5-minute limit per person, 30-minute limit total) None

SPECIAL ORDER OF BUSINESS

RECESS INTO CLOSED SESSION

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1. Conference with Legal Counsel – Initiation of Litigation

Initiation of litigation pursuant to Government Code §54956.9(c): -1- matter.

ADJOURNMENT at 6:21 PM

Tracy Weaver, City Clerk

CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

3036882 - 3036961
9002123 - 9002150

DATE OF APPROVAL: AS OF 8/17/21

REGISTER # 3B

001	GENERAL FUND	170,994.93
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	-
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORFEITURE FUND	1,711.75
110	MEASURE "R"	-
111	COMM. DEVEL. BLOCK GRANT	-
112	PROP "A" TRANSPORTATION	-
114	PROP "C" TRANSPORTATION	-
115	AIR QUALITY INVESTMENT PROGRAM	-
116	HOME SOUND INSTALLATION FUND	-
117	HYPERION MITIGATION FUND	597.14
118	TDA ARTICLE 3 - SB 821 BIKEWAY FUND	-
119	MTA GRANT	-
120	C.O.P.S. FUND	10,885.38
121	FEMA	-
122	L.A.W.A. FUND	-
123	PSAF PROPERTY TAX PUBLIC SAFETY	-
124	FEDERAL GRANTS	18,320.00
125	STATE GRANT	261.90
126	A/P CUPA PROGRAM OVERSIGHT SURCHARGE	59,222.26
128	SB-1	301,169.01
129	CERTIFIED ACCESS SPECIALIST PROGRAM	11.40
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	-
202	ASSESSMENT DISTRICT #73	-
301	CAPITAL IMPROVEMENT FUND	-
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	92,712.36
502	WASTEWATER FUND	80.56
503	GOLF COURSE FUND	-
505	SOLID WASTE FUND	-
601	EQUIPMENT REPLACEMENT	-
602	LIABILITY INSURANCE	69,377.49
603	WORKERS COMP. RESERVE/INSURANCE	-
701	RETIRED EMP. INSURANCE	-
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	1,119.85
703	EXPENDABLE TRUST FUND - OTHER	2,000.00
704	CULTURAL DEVELOPMENT	-
708	OUTSIDE SERVICES TRUST	-
TOTAL WARRANTS		<u>\$ 728,464.03</u>

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Information on actual expenditures is available in the Director of Finance's office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

CODES:

R = Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations

For Ratification:

A = Payroll and Employee Benefit checks

AP - U = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.

H = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

CHIEF FINANCIAL OFFICER

Joseph Loto
8-10-2021

CITY MANAGER

Bonhau Vess
8/13/21

DATE:

DATE:

VOID CHECKS DUE TO ALIGNMENT:
N/A

VOID CHECKS DUE TO INCORRECT CHECK DATE:

VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR:

NOTES

**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 08/02/21 THROUGH 08/08/21**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
8/5/2021	Manufacturers & Traders	63,832.62	457 payment Vantagepoint
8/5/2021	Manufacturers & Traders	1,130.77	401(a) payment Vantagepoint
8/5/2021	Manufacturers & Traders	550.00	IRA payment Vantagepoint
8/6/2021	ExpertPay	1,763.42	EFT Child support payment
8/6/2021	Cal Pers	200.00	Admin Fee - Late Payroll Reporting
8/6/2021	Cal Pers	200.00	Admin Fee - Late Payroll Reporting
07/26/21-08/01/21	Workers Comp Activity	40,862.23	SCRMA checks issued
07/26/21-08/01/21	Liability Trust - Claims	(103.00)	Claim checks issued/(voided)
07/26/21-08/01/21	Retiree Health Insurance	11,301.75	Health Reimbursement checks issued
		<u>119,737.79</u>	

**DATE OF RATIFICATION: 08/09/21
 TOTAL PAYMENTS BY WIRE:**

119,737.79

Certified as to the accuracy of the wire transfers by:

Simon Mason *SD* 8/9/21
 Treasury & Customer Services Manager Date

Joseph Peto 8-10-2021
 Chief Financial Officer Date

Burlan Vass for 8-13-21
 City Manager Date

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.

CITY OF EL SEGUNDO
 WARRANTS TOTALS BY DEPARTMENT
 AS OF 8/17/21
 REGISTER # 3B

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	5,167.06
1201	City Treasurer	1,040.00
1300	City Clerk	6,990.27
2101	City Manager	2,953.13
2102	Communications	80.00
2201	City Attorney	
2401	Economic Development	1,491.01
2402	Planning	804.00
2500	Administrative Services	62,941.06
2601	Government Buildings	3,661.70
2700	Community Outreach/Planning	
2900	Nondepartmental	3,514.36
6100	Library	7,075.05
		95,717.64
PUBLIC SAFETY		
3100	Police	16,456.88
3200	Fire	31,236.16
2403	Building Safety	153.25
2404	Plng/Bldg Sfty Administration	527.65
		48,373.94
PUBLIC WORKS		
4101	Engineering	5,087.00
4200	Streets/Park Maintenance	6,258.47
4300	Wastewater	80.56
4601	Equipment Maintenance	1,994.48
4801	Administration	632.57
		14,053.08
COMMUNITY DEVELOPMENT		
5100,5200	Recreation & Parks	12,275.30
5400	Centennial	
		12,275.30
EXPENDITURES		
CAPITAL IMPROVEMENT		
ALL OTHER ACCOUNTS		
		558,044.07
TOTAL WARRANTS		
		728,464.03



CITY OF EL SEGUNDO
WARRANTS TOTALS BY FUND

3036962 - 3037043

DATE OF APPROVAL: AS OF 9/7/21

REGISTER # 4A

001	GENERAL FUND	300,332.86
104	TRAFFIC SAFETY FUND	-
106	STATE GAS TAX FUND	4,239.55
108	ASSOCIATED RECREATION ACTIVITIES FUND	-
109	ASSET FORFEITURE FUND	4,291.00
110	MEASURE "R"	-
111	COMM. DEVEL. BLOCK GRANT	-
112	PROP "A" TRANSPORTATION	-
114	PROP "C" TRANSPORTATION	-
115	AIR QUALITY INVESTMENT PROGRAM	-
116	HOME SOUND INSTALLATION FUND	-
117	HYPERION MITIGATION FUND	-
118	TDA ARTICLE 3 - SB 821 BIKEWAY FUND	-
119	MTA GRANT	-
120	C.O.P.S. FUND	9,081.32
121	FEMA	-
122	L.A.W.A. FUND	-
123	PSAF PROPERTY TAX PUBLIC SAFETY	-
124	FEDERAL GRANTS	-
125	STATE GRANT	769.39
126	A/P CUPA PROGRAM OVERSIGHT SURCHARGE	204.09
128	SB-1	-
129	CERTIFIED ACCESS SPECIALIST PROGRAM	-
130	AFFORDABLE HOUSING	-
131	COUNTY STORM WATER PROGRAM	-
202	ASSESSMENT DISTRICT #73	-
301	CAPITAL IMPROVEMENT FUND	17,415.14
302	INFRASTRUCTURE REPLACEMENT FUND	-
405	FACILITIES MAINTENANCE	-
501	WATER UTILITY FUND	611.36
502	WASTEWATER FUND	11,223.52
503	GOLF COURSE FUND	-
505	SOLID WASTE FUND	84,878.10
601	EQUIPMENT REPLACEMENT	-
602	LIABILITY INSURANCE	39.30
603	WORKERS COMP. RESERVE/INSURANCE	74.54
701	RETIRED EMP. INSURANCE	253.00
702	EXPENDABLE TRUST FUND - DEVELOPER FEES	2,426.45
703	EXPENDABLE TRUST FUND - OTHER	500.00
704	CULTURAL DEVELOPMENT	1,237.44
708	OUTSIDE SERVICES TRUST	-
TOTAL WARRANTS		<u>\$ 437,577.06</u>

\$ 437,577.06

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Information on actual expenditures is available in the Director of Finance's office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

CODES:

R = Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations

For Ratification:

A = Payroll and Employee Benefit checks

AP - U = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or when a situation arises that the City Manager approves.

H = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

CHIEF FINANCIAL OFFICER

Joseph Lillo

CITY MANAGER

[Signature]

DATE:

8-17-2021

DATE:

8/17/2021

VOID CHECKS DUE TO ALIGNMENT:

N/A

VOID CHECKS DUE TO INCORRECT CHECK DATE:

VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR:

NOTES

**CITY OF EL SEGUNDO
 PAYMENTS BY WIRE TRANSFER
 08/09/21 THROUGH 08/15/21**

<u>Date</u>	<u>Payee</u>		<u>Description</u>
8/9/2021	IRS	287,477.85	Federal 941 Deposit
8/9/2021	Employment Development	5,551.74	State SDI payment
8/9/2021	Employment Development	66,494.30	State PIT Withholding
8/9/2021	Cal Pers	577,398.84	EFT Health Insurance Payment
8/10/2021	West Basin	1,899,846.52	H2O payment
08/02/21-08/08/21	Workers Comp Activity	22,182.60	SCRMA checks issued
08/02/21-08/08/21	Liability Trust - Claims	26,197.90	Claim checks issued/(voided)
08/02/21-08/08/21	Retiree Health Insurance	0.00	Health Reimbursement checks issued
		<u>2,885,149.75</u>	

**DATE OF RATIFICATION: 08/13/21
 TOTAL PAYMENTS BY WIRE:**

2,885,149.75

Certified as to the accuracy of the wire transfers by:

Joseph Marson *EM* 8/13/21
 Treasury & Customer Services Manager Date

Joseph Roca 8-17-2021
 Chief Financial Officer Date

[Signature] 8-17-2021
 City Manager Date

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.

CITY OF EL SEGUNDO
 WARRANTS TOTALS BY DEPARTMENT
 AS OF 9/7/21
 REGISTER # 4A

DEPT#	NAME	TOTAL
GENERAL FUND DEPARTMENTAL EXPENDITURES		
GENERAL GOVERNMENT		
1101	City Council	9.13
1201	City Treasurer	
1300	City Clerk	573.33
2101	City Manager	1,963.93
2102	Communications	
2201	City Attorney	
2401	Economic Development	13.80
2402	Planning	2,351.75
2500	Administrative Services	102,453.84
2601	Government Buildings	28,025.92
2700	Community Outreach/Planning	800.00
2900	Nondepartmental	3,142.64
6100	Library	1,520.23
		140,854.57
PUBLIC SAFETY		
3100	Police	52,633.20
3200	Fire	27,056.10
2403	Building Safety	
2404	Plng/Bldg Sfty Administration	392.51
		80,081.81
PUBLIC WORKS		
4101	Engineering	4,299.82
4200	Streets/Park Maintenance	52,207.18
4300	Wastewater	10,983.71
4601	Equipment Maintenance	17.37
4801	Administration	
		67,508.08
COMMUNITY DEVELOPMENT		
5100,5200	Recreation & Parks	22,497.67
5400	Centennial	
		22,497.67
EXPENDITURES		
CAPITAL IMPROVEMENT		
ALL OTHER ACCOUNTS		
		126,634.93
TOTAL WARRANTS		
		437,577.06 ✓



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Consent

Item Number: B.5

TITLE:

Police Department Women's Bathroom Remodel Project

RECOMMENDATION:

1. Adopt a resolution to approve plans and specifications for the Police Department Women's Bathroom Remodel Project No. PW 22-02.
2. Authorize staff to advertise the project for bids.

FISCAL IMPACT:

Included in Adopted FY 2021/22 Budget

Amount Budgeted: \$250,000

Additional Appropriation: None

Account Number(s): 109-400-3105-XXXX (Asset Forfeiture Fund - specific account to be assigned by Finance)

BACKGROUND:

This project was approved as part of the FY2021/22 budget and is funded by Police Department Development Impact fees and Asset Forfeiture fees. Women account for a growing percentage of police officers (12.8% nationally, up from just 3% in the 1970s). The number of women police officers in the El Segundo Police Department has increased over the years, and the aged bathrooms, shower and locker rooms are in need of improvement to accommodate this growth. Currently, the facility only has only one shower stall, two toilet stalls, and two locker rooms. The proposed upgrades will bring the facility into compliance with the American with Disabilities Act (ADA) and California Building Code (CBC) requirements.

DISCUSSION:

The goal of this project is to remove the existing smaller locker room and utilize the

ESPD Women's Bathroom Remodel Project

September 7, 2021

Page 2 of 2

space for adding one more shower stall, maintain the two existing toilet stalls, and upgrade the facility to current ADA and CBC requirements. The larger locker room will remain at its current location.

With Council authorization, the anticipated schedule for the shower and bathroom remodel is as follows:

September 2021	Advertising and Bid Process
November 2021	Contract Award
January 2022	Begin Construction
March 2022	Project Completion

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Objective 1A: El Segundo Provides unparalleled service to internal and external customers.

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an appealing, safe and effective community.

PREPARED BY:

Arianne Bola, Sr. Engineer Associate

REVIEWED BY:

APPROVED BY:

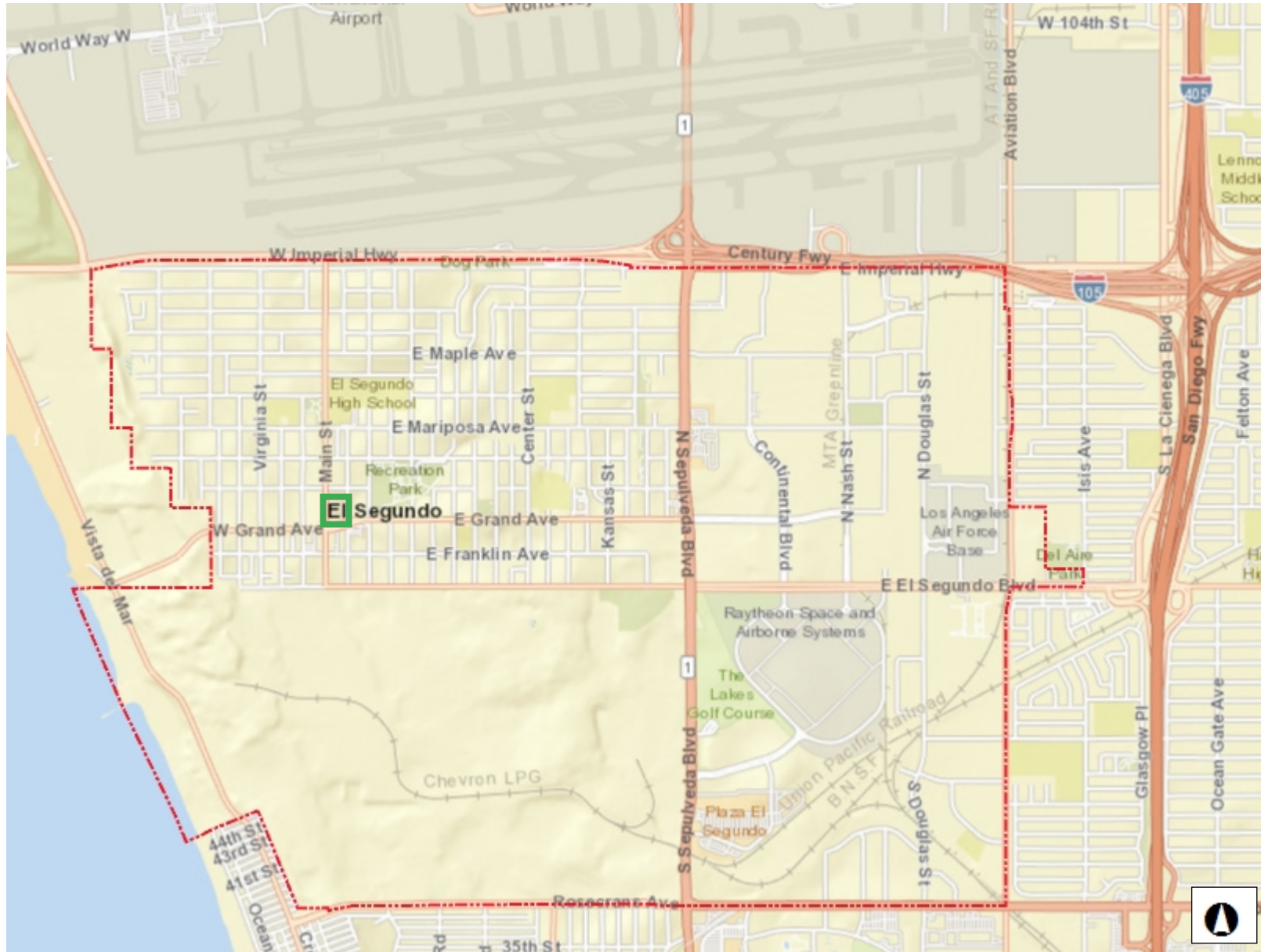
Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Attachment 1 Vicinity Map
2. Attachment 2 Location Map
3. Attachment 3 Resolution



PW 22-02 Police Department Women's Bathroom Remodel Project Vicinity Map



6,018.7 0 3,009.33 6,018.7 Feet

WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.



PW 22-02 Police Department Women's Bathroom Remodel Project Location Map



376.2 0 188.08 376.2 Feet

WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.

RESOLUTION NO. __

A RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR POLICE DEPARTMENT WOMEN'S BATHROOM REMODEL, PROJECT NO. PW 22-02, PURSUANT TO GOVERNMENT CODE § 830.6 AND ESTABLISHING A PROJECT PAYMENT ACCOUNT.

The City Council of the City of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

- A. The City Engineer prepared plans and specifications for PW 22-02, Police Department Women's Bathroom Remodel ("Project") to add one shower room and upgrade bathroom to current ADA standards. These plans and specifications are complete. Services related to the Project may begin;
- B. The City Council wishes to obtain the immunities set forth in Government Code § 830.6 with regard to the plans and construction of the Project.

SECTION 2: *Design Immunity; Authorization.*

- A. The design and plans for the Project are determined to be consistent with the City's standards and are approved.
- B. The design approval set forth in this Resolution occurred before actual work on the Project construction commenced.
- C. The approval granted by this Resolution conforms with the City's General Plan.
- D. The City Engineer, or designee, is authorized to act on the City's behalf in approving any alterations or modifications of the design and plans approved by this Resolution.
- E. The approval and authorization granted by this Resolution is intended to avail the City of the immunities set forth in Government Code § 830.6.

SECTION 3: *Project Payment Account.* For purposes of the Contract Documents administering the Project, the City Council directs the City Manager, or designee, to establish a fund containing sufficient monies from the current fiscal year budget to pay for the Project ("Project Payment Account"). The Project Payment Account is the sole source of funds available for the Contract Sum, as defined in the Contract Document administering the Project.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution.

SECTION 5: This Resolution will become effective immediately upon adoption.

PASSED AND ADOPTED this ____ day of _____, 2021.

Drew Boyles, Mayor

ATTEST:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:

_____ for
Mark D. Hensley
City Attorney



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Consent

Item Number: B.6

TITLE:

Recreation Park Checkout Building Restrooms Rehabilitation Project and Three Civic Center Maintenance and Repair Projects

RECOMMENDATION:

1. Authorize staff to amend the design contract for the Recreation Park Checkout Building Restrooms Rehabilitation Project.
2. Adopt resolution to approve Plans and Specifications for three Civic Center Maintenance and Repair Projects.
3. Authorize staff to advertise for three Civic Center Maintenance and Repair construction bids.

FISCAL IMPACT:

Funding for these capital improvement projects was included in the Adopted FY 2021-2022 General Fund Capital Improvement Program Budget. Additional funding is not requested at this time.

BACKGROUND:

Recreation Park Checkout Building Restrooms Rehabilitation Project

On June 15, 2021, City Council adopted the FY 2021-2022 Capital Improvement Program (CIP) Budget. Included in this budget was a \$200,000 line-item budget for the Recreation Park Checkout Building Restroom Rehabilitation Project. Attached are vicinity and location maps for this project.

Civic Center Maintenance and Repair Projects

On June 15, 2021, the City Council adopted FY 2021-2022 Capital Improvement Program (CIP) Budget included \$850,000 for the following three Civic Center capital improvement projects: 1) Development Services/Public Works "One Stop Customer Permit Center;" 2) Human Resources Department Office Relocation Project; and, 3) West Conference Room Rehabilitation Project. Attached are vicinity and location maps for the Civic Center.

Rec. Park Restroom Rehab. & Civic Center Maintenance & Repairs

September 7, 2021

Page 2 of 4

DISCUSSION:

Recreation Park Checkout Building Restrooms Rehabilitation

The estimated cost of the expanded project is \$500,000 (\$60,000 for design and \$440,000 for construction). This represents a \$300,000 increase from the adopted FY 2021-2022 CIP budget of \$200,000 for this project. If, after the bids come in, City Council decides to approve construction of this project, staff would recommend using American Rescue Plan Act (ARPA) funds that the City received in July 2021 for the additional cost (up to \$300,000).

Civic Center Maintenance and Repair Projects

The estimated cost of the three following Civic Center capital improvement projects:

1. Development Services/Public Works One Stop Customer Permit Center: \$500,000
2. Human Resources Department Office Relocation Project: \$200,000
3. West Conference Room Rehabilitation Project: \$150,000

As described in the Adopted FY 2021-2022 CIP Budget, City Hall is an aging facility with the original building constructed in 1955 and the building which houses Development Services and Public Works constructed in the mid-1970s. In order to better serve the public, rehabilitation improvements were identified by staff and recommended by the Capital Improvement Program Advisory Committee (CPAC) as part of the FY 2021-2022 CIP Budget preparation process.

These improvements include the main entry area to Development Services/Public Works, Building Division staff seating area, and two public counters to accommodate the newly implemented Building Permits software program. The Human Resources Department relocation into the current West Garden Basement area will allow for increased privacy, professionalism, and support recruitment of job candidates. The West Conference Room Rehabilitation project is needed to upgrade and reconfigure an aging, deteriorated, inefficient and heavily-used conference room.

Once completed, these three projects will ensure full ADA and CBC compliance, as well as reduced heating and air conditioning expenses due to enhanced energy efficiencies. There will also be improved technology and security benefits.

Rec. Park Restroom Rehab. & Civic Center Maintenance & Repairs

September 7, 2021

Page 3 of 4

NEXT STEPS:

If authorized by City Council, the next steps will be as follows:

Recreation Park Checkout Building Restrooms Rehabilitation

- Project Design & Plan Review: September to December 2021
- Authorization to Solicit Project Construction Bids by City Council: January 2022
- Project Construction Contract Award by City Council: February 2022
- Project Construction: March to June 2022
- Project Completed: July 2022

Civic Center Maintenance and Repair Projects

- Project Construction Contract Award by City Council: October/November 2021
- Project Construction: November 2021 to March 2022
- Project Completed: April 2022

CITY STRATEGIC PLAN COMPLIANCE:

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an appealing, safe and effective community.

PREPARED BY:

James Rice, Associate Engineer

REVIEWED BY:

Elias Sassoon, Public Works Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Vicinity Map

Rec. Park Restroom Rehab. & Civic Center Maintenance & Repairs

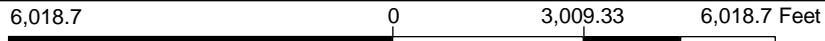
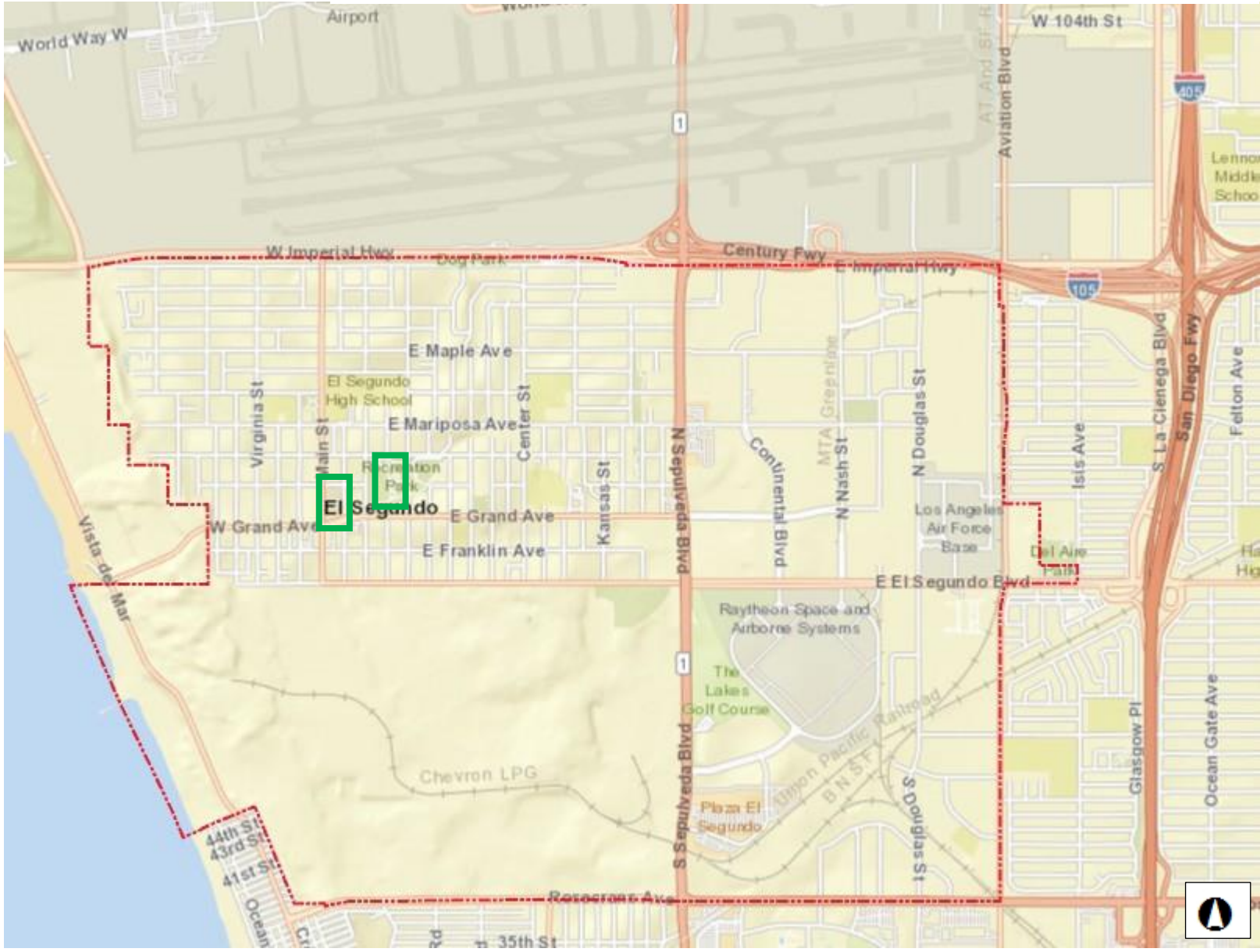
September 7, 2021

Page 4 of 4

2. Checkout Building Restroom Location Map
3. Civic Center Project Location Map
4. Checkout Building Restroom Rec. & Park Commission Staff Report
5. Resolution for Civic Center Project Plan Adoption



Vicinity Map Civic Center Maintenance and Repair Project & Checkout Building Restroom Project



WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.



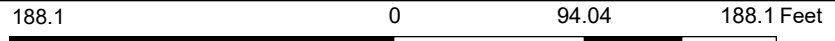
Location Map Checkout Building Restroom Improvements



Legend

- City Boundary
- Project Location

Notes



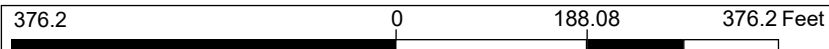
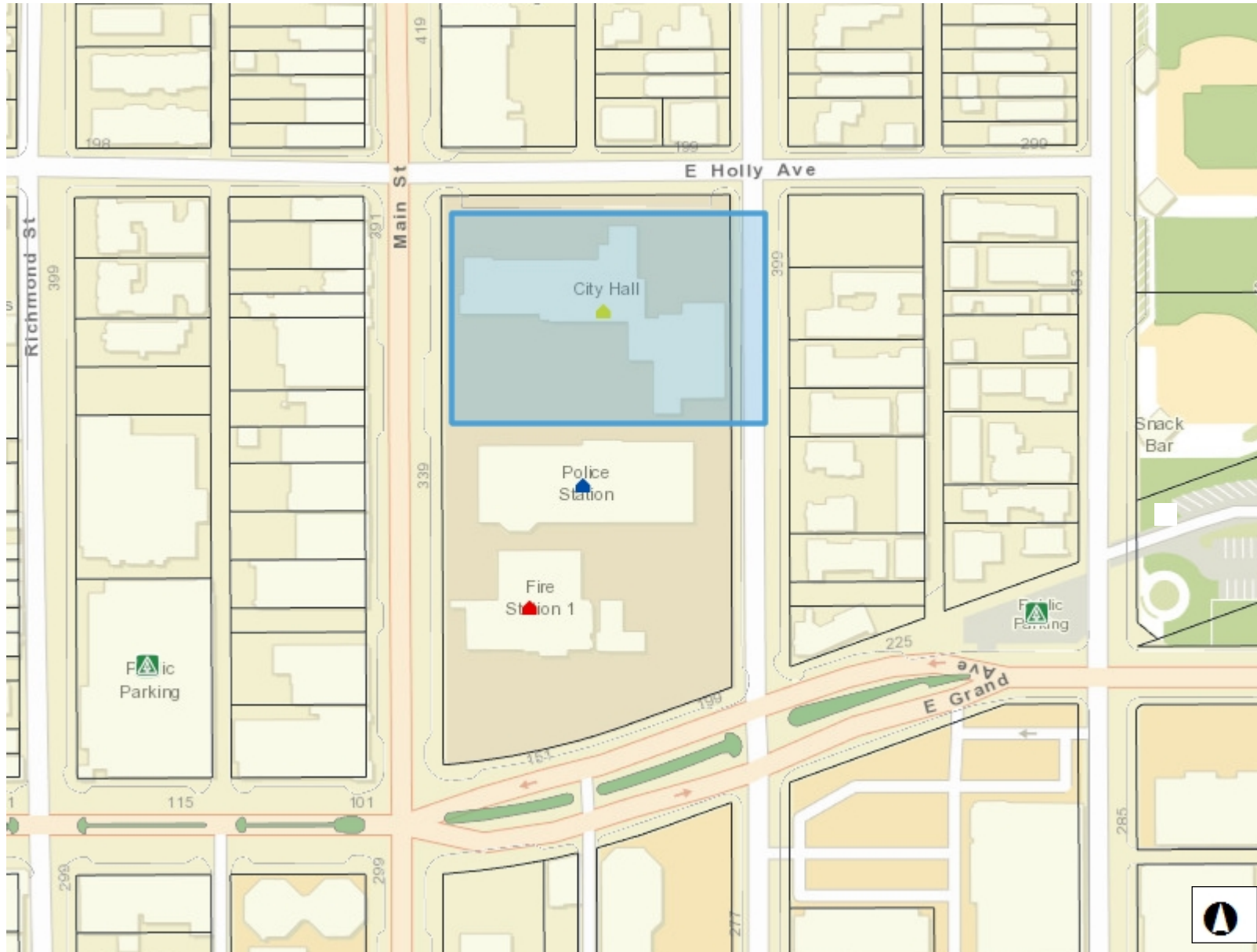
WGS_1984_Web_Mercator_Auxiliary_Sphere

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PW 21-11 Location Map

Civic Center Maintenance and Repair Project



WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.

Recreation and Parks Agenda Statement

Meeting Date: August 18, 2021

Agenda Heading: New Business

TITLE:

Potential expansion of the Checkout Building Restroom Improvement Project.

RECOMMENDATION:

1. Review proposed options and provide a recommendation to City Council to move forward for the Checkout Building Restroom Improvements Project.

BACKGROUND:

Constructed in the late 1950's, the Checkout Building is one of the most active buildings in Recreation Park, supplying visitors with equipment to use on the park's various courts and in its baseball fields. Its public restrooms serve the entire park, are used frequently, and need updating to comply with current accessibility standards. City Council directed Public Works to upgrade the existing restrooms with a \$200,000 project budget.

DISCUSSION:

Public Works Department retained Omnis Consulting Inc., to design the project. Designs would also remove accessibility barriers and provide ADA compliance. During design review, it was apparent that removing accessibility barriers in the existing restrooms would significantly decrease user capacity with reduced number of available toilet stalls and sinks due to ADA compliance requirement.

Public Works Buildings Maintenance staff offered a solution to this issue. The north part of the building is currently used for storage. However, they were once restrooms with shower stalls for the court areas, and their water/sewer connections are still in place. Public Works staff has spoken to Community Services staff and the items stored there could be moved elsewhere. There are two scope-of-work options are now available for the Checkout Building's restroom improvements:

- Option 1 (recommended) would remove accessibility barriers to upgrade the existing restrooms as Family/ADA-compliant restrooms, and then convert the north portion of the Checkout Building into additional restrooms for general public use. This will almost triple the existing restroom area for the checkout building. A Baby changing table can be added to each Family rest room. The building's mechanical room would also have to be modified to move electrical panels into it and to install a new water heater to accommodate a greater volume of water.
- Option 2 (the original proposal) would remove accessibility barriers only in the existing restrooms, making them ADA-compliant restrooms with significantly reduced capacity.

Estimated costs for each option are shown below:

	Option 1 Family Restroom and Restroom Expansion	Option 2 Improve Existing Restrooms Only	Estimated Cost Difference
Design	\$60,000	\$ 24,880	\$35,120
Construction	\$ 440,000	\$170,000	\$270,000
TOTAL ESTIMATE	\$500,000	\$194,880	\$305,120

Anticipated schedules for bidding and construction of both options are:

- Option 1
 - Project design, plan review – August to December 2021
 - Project bid – January/February 2022
 - Project award and contract processing – March 2022
 - Phased project construction – April to October 2022

- Option 2
 - Project bid – August/September 2021
 - Project award and contract processing – October 2021
 - Project construction – November 2021 to February 2022

Option 1 would serve more people, which would better accommodate Community Services events that draw large crowds. It would also provide family amenities that Option 2 cannot. Construction would be phased so that the Family/ADA compliant restrooms would be usable while work occurs on the north area. In the future, should repair work occur in one restroom that would render it temporarily closed, the public would still have restrooms to use.

Staff therefore recommends that the Recreation and Parks Commission endorse Option 1 to City Council to expand the Checkout Building Restroom Improvements Project.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement and Communication; Embrace Diversity, Equity and Inclusion

Objective A: El Segundo provides unparalleled service to internal and external customers.

Goal 4: Develop Quality Infrastructure and Technology

Objective A: El Segundo’s physical infrastructure supports an appealing, safe, and effective City.

PREPARED BY: Floriza Rivera, Principal Engineer
REVIEWED BY: Lifan Xu, City Engineer
APPROVED BY: Elias Sassoon, Public Works Director
Melissa McCollum, Community Services Director

RESOLUTION NO. ___

A RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE CONSTRUCTION OF CIVIC CENTER MAINTENANCE AND REPAIRS PROJECT, PW 21-11. PURSUANT TO GOVERNMENT CODE § 830.6 AND ESTABLISHING A PROJECT PAYMENT ACCOUNT.

The City Council of the City of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

- A. The City retained Kardent (“Consultant”) as the engineer to design and prepare the plans for PW 21-11 Civic Center Maintenance and Repairs Project (“Project”);
- B. The Consultant informed the City Engineer that these plans are complete and that construction of the Project may begin;
- C. The City Engineer reviewed the completed design and plans for the Project and agrees with the Consultant that the plans are complete and the Project may be constructed;
- D. The City Council wishes to obtain the immunities set forth in Government Code § 830.6 with regard to the plans and construction of the Project.

SECTION 2: *Design Immunity; Authorization.*

- A. The design and plans for the Project are determined to be consistent with the City’s standards and are approved.
- B. The design approval set forth in this Resolution occurred before actual work on the Project construction commenced.
- C. The approval granted by this Resolution conforms with the City’s General Plan.
- D. The City Engineer, or designee, is authorized to act on the City’s behalf in approving any alterations or modifications of the design and plans approved by this Resolution.
- E. The approval and authorization granted by this Resolution is intended to avail the City of the immunities set forth in Government Code § 830.6.

SECTION 3: *Project Payment Account.* For purposes of the Contract Documents administering the Project, the City Council directs the City Manager, or designee, to establish a fund containing sufficient monies from the current fiscal year budget to pay for the Project (“Project Payment Account”). The Project Payment Account is the sole

source of funds available for the Contract Sum, as defined in the Contract Document administering the Project.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution.

SECTION 5: This Resolution will become effective immediately upon adoption.

PASSED AND ADOPTED this 7th day of September, 2021.

Drew Boyles, Mayor

ATTEST:

Tracy Weaver, City Clerk

APPROVED AS TO FORM:

_____for
Mark D. Hensley
City Attorney



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Consent

Item Number: B.7

TITLE:

Second Amendment to Agreement No. 5611 with LandCare USA, LLC for the City's Landscape Maintenance Services

RECOMMENDATION:

Approve the second amendment to the agreement No. 5611 with LandCare USA, LLC for an additional \$177,918 for Landscape Maintenance Services and authorize the City Manager to execute the amended agreement.

FISCAL IMPACT:

Included in Adopted FY 2021/22 Budget

Fiscal impact for the 6 month contract extension with Landcare will be \$177,918

Amount Budgeted: \$260,000

Additional Appropriation: None

Account Number(s): 001-400-4203-6206 (Professional Services)

BACKGROUND:

The current landscape maintenance agreement was initiated for FY 2018/2019 and awarded to LandCare. This agreement was for an initial term of three years. The current agreement is due to expire September 30, 2021. This agreement includes a clause which allows an extension if mutually agreed upon by the City and LandCare. Staff reached out to the vendor and obtained a quote to extend this agreement. This obtained quote reflected an almost 40% increase over the original price. Due to this substantial increase, staff recommends a formal Request for Proposal (RFP) process to determine the best price for these services.

DISCUSSION:

The Public Works Department is in the process of releasing a formal RFP for landscape

Landcare Extension

September 7, 2021

Page 2 of 2

maintenance services. While the RFP process takes place, a six-month extension is required to avoid an interruption in landscape maintenance services. Staff recommends awarding LandCare a six-month contract extension for an amount of \$177,918.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Objective 1 B: El Segundo's engagement with the community ensures excellence.

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an appealing, safe and effective community.

PREPARED BY:

Christopher Hentzen, Park Maintenance Superintendent

REVIEWED BY:

Elias Sassoon, Public Works Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Attachment 1, LandCare Contract 5611
2. Attachment 2, LandCare First Amendment Contract 5611A
3. Attachment 3, LandCare Proposed 2nd Amendment



**MAINTENANCE AGREEMENT NO.
BETWEEN
THE CITY OF EL SEGUNDO AND
LANDCARE USA, LLC**

THIS MAINTENANCE AGREEMENT ("Agreement") is made and entered into this 25th day of October, 2018, by and between the CITY OF EL SEGUNDO, a general law city and municipal corporation ("CITY") and LANDCARE USA, LLC, a Delaware limited liability company ("CONTRACTOR"). The Parties agree as follows:

1. CONSIDERATION.

- A. As partial consideration, CONTRACTOR agrees to perform the work listed in the SCOPE OF SERVICES, below;
- B. As additional consideration, CONTRACTOR and CITY agree to abide by the terms and conditions contained in this Agreement;
- C. As additional consideration, CITY agrees to pay CONTRACTOR on a monthly basis amount set forth in the attached Exhibit "A," which is incorporated by reference, for CONTRACTOR's services. CITY will pay such amount promptly, but not later than thirty (30) days after receiving CONTRACTOR's invoice.

2. TERM. The term of this Agreement will be from December 1, 2018 to September 30, 2021. The Agreement may be renewed upon mutual written consent of the parties.

3. SCOPE OF SERVICES.

- A. CONTRACTOR will perform services listed in the attached Exhibit A.
- B. CONTRACTOR will, in a workmanlike manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the professional services required of CONTRACTOR by this Agreement.

4. PREVAILING WAGES.

- A. Pursuant to Labor Code § 1720, and as specified in 8 California Code of Regulations § 16000, CONTRACTOR must pay its workers prevailing wages. It is CONTRACTOR's responsibility to interpret and implement any prevailing wage requirements and CONTRACTOR agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws.
- B. In accordance with Labor Code § 1773.2, copies of the prevailing rate of per

diem wages are available upon request from CITY's Engineering Division or the website for State of California Prevailing wage determination at <http://www.dir.ca.gov/DLSR/PWD>. CONTRACTOR must post a copy of the prevailing rate of per diem wages at the job site.

- C. CITY directs CONTRACTOR's attention to Labor Code §§ 1777.5, 1777.6 and 3098 concerning the employment of apprentices by CONTRACTOR or any subcontractor.
- D. Labor Code § 1777.5 requires CONTRACTOR or subcontractor employing tradesmen in any apprenticeship occupation to apply to the joint apprenticeship committee nearest the site of the public works project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate must also fix the ratio of apprentices to journeymen that will be used in the performance of the contract. The ratio of apprentices to journeymen in such cases will not be less than one to five except:
 - i. When employment in the area of coverage by the joint apprenticeship committee has exceeded an average of 15 percent in the 90 days before the request for certificate, or
 - ii. When the number of apprentices in training in the area exceeds a ratio of one to five, or
 - iii. When the trade can show that it is replacing at least 1/30 of its membership through apprenticeship training on an annual basis state-wide or locally, or
 - iv. When CONTRACTOR provides evidence that CONTRACTOR employs registered apprentices on all of his contracts on an annual average of not less than one apprentice to eight journeymen.
 - v. CONTRACTOR is required to make contributions to funds established for the administration of apprenticeship programs if CONTRACTOR employs registered apprentices or journeymen in any apprenticeable trade on such contracts and if other contractors on the public works site are making such contributions.
 - vi. CONTRACTOR and any subcontractor must comply with Labor Code §§ 1777.5 and 1777.6 in the employment of apprentices.
 - vii. Information relative to apprenticeship standards, wage schedules and other requirements may be obtained from the Director of Industrial Relations, ex-officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.
- E. CONTRACTOR and its subcontractors must keep an accurate certified payroll records showing the name, occupation, and the actual per diem wages paid to

each worker employed in connection with this Agreement. The record will be kept open at all reasonable hours to the inspection of the body awarding the contract and to the Division of Labor Law Enforcement. If requested by CITY, CONTRACTOR must provide copies of the records at its cost.

5. FAMILIARITY WITH WORK.

- A. By executing this Agreement, CONTRACTOR represents that CONTRACTOR has
 - i. Thoroughly investigated and considered the scope of services to be performed;
 - ii. Carefully considered how the services should be performed; and
 - iii. Understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.
- B. If services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing the services hereunder. Should CONTRACTOR discover any latent or unknown conditions that may materially affect the performance of the services, CONTRACTOR will immediately inform CITY of such fact and will not proceed except at CONTRACTOR's own risk until written instructions are received from CITY.

6. INSURANCE.

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONTRACTOR will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits (combined single)</u>
Commercial general liability:	\$5,000,000
Business automobile liability	\$5,000,000
Workers compensation	Statutory requirement.

- B. Commercial general liability insurance will meet or exceed the requirements of ISO-CGL Form No. CG 00 01 11 85 or 88. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name City, its officials, and employees as "additional insureds" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by City will be excess thereto. Such insurance will be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to City.

- C. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).
- D. CONTRACTOR will furnish to City duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement, endorsements as required herein, and such other evidence of insurance or copies of policies as may be reasonably required by City from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII." Certificate(s) must reflect that the insurer will provide thirty (30) day notice of any cancellation of coverage. CONTRACTOR will require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.
- E. Should CONTRACTOR, for any reason, fail to obtain and maintain the insurance required by this Agreement, City may obtain such coverage at CONTRACTOR's expense and deduct the cost of such insurance from payments due to CONTRACTOR under this Agreement or terminate.

7. TIME FOR PERFORMANCE. CONTRACTOR will not perform any work under this Agreement until:

- A. CONTRACTOR furnishes proof of insurance as required under Section 6 of this Agreement; and
- B. CITY gives CONTRACTOR a written Notice to Proceed.
- C. Should CONTRACTOR begin work in advance of receiving written authorization to proceed, any such professional services are at CONTRACTOR's own risk.

8. TERMINATION.

- A. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause. Notice of termination will be in writing.
- B. CONTRACTOR may terminate this Agreement upon providing written notice to CITY at least thirty (30) days before the effective termination date.
- C. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
- D. By executing this document, CONTRACTOR waives any and all claims for damages that might otherwise arise from CITY's termination under this Section.

9. INDEMNIFICATION.

- A. CONTRACTOR agrees to indemnify and hold CITY harmless from and

against any claim, action, damages, costs (including, without limitation, reasonable attorney's fees and penalties), injuries, or liability, arising out of this Agreement, or its performance including, without limitation, damages or penalties arising from CONTRACTOR's removal, remediation, response or other plan concerning any Hazardous Waste resulting in the release of any hazardous substance into the environment, except for such loss or damage arising from CITY's sole negligence or willful misconduct. Should CITY be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, CONTRACTOR will defend CITY (at CITY's request and with counsel satisfactory to CITY) and will indemnify CITY for any judgment rendered against it or any sums paid out in settlement or otherwise.

- B. For purposes of this section "CITY" includes CITY's officers, officials, employees, agents, representatives, and volunteers.
- C. CONTRACTOR expressly agrees that this release, waiver, and indemnity agreement is intended to be as broad and inclusive as is permitted by the law of the State of California and that if any portion is held invalid, it is agreed that the balance will, notwithstanding, continue in full legal force and effect.
- D. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.
- E. The requirements as to the types and limits of insurance coverage to be maintained by CONTRACTOR as required by this Agreement, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONTRACTOR pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

10. INDEPENDENT CONTRACTOR. CITY and CONTRACTOR agree that CONTRACTOR will act as an independent contractor and will have control of all work and the manner in which it is performed. CONTRACTOR will be free to contract for similar service to be performed for other employers while under contract with CITY. CONTRACTOR is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONTRACTOR as to the details of doing the work or to exercise a measure of control over the work means that CONTRACTOR will follow the direction of the CITY as to end results of the work only.

11. NOTICES.

- A. All notices given or required to be given pursuant to this Agreement will be in writing and may be given by personal delivery or by mail. Notice sent by mail will be addressed as follows:

To CITY: Attn: Christopher Hentzen
City of El Segundo
350 Main Street
El Segundo, CA 90245

To CONTRACTOR: Attn: David Motschenbacher
Landcare USA, LLC
12822 Yukon Ave
Hawthorne, CA 90250

- B. When addressed in accordance with this paragraph, notices will be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices will be deemed given at the time of actual delivery.
- C. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

12. TAXPAYER IDENTIFICATION NUMBER. CONTRACTOR will provide CITY with a Taxpayer Identification Number.

13. WAIVER. A waiver by CITY of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.

14. CONSTRUCTION. The language of each part of this Agreement will be construed simply and according to its fair meaning, and this Agreement will never be construed either for or against either party.

15. SEVERABLE. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

16. CAPTIONS. The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

17. WAIVER. Waiver of any provision of this Agreement will not be deemed to constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver.

18. INTERPRETATION. This Agreement was drafted in and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

19. AUTHORITY/MODIFICATION. This Agreement may be subject to and conditioned upon approval and ratification by the El Segundo City Council. This Agreement is not binding upon CITY until executed by the City Manager. The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and

to engage in the actions described herein. This Agreement may be modified by written agreement.

20. ACCEPTANCE OF ELECTRONIC SIGNATURES. The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by facsimile or electronic (.pdf) transmission. Such facsimile or electronic signature will be treated in all respects as having the same effect as an original signature.

21. EFFECT OF CONFLICT. In the event of any conflict, inconsistency, or incongruity between any provision of this Agreement, its attachments, the purchase order, or notice to proceed, the provisions of this Agreement will govern and control.

22. CAPTIONS. The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

23. FORCE MAJEURE. Should performance of this Agreement be prevented due to fire, flood, explosion, war, terrorist act, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' control, then the Agreement will immediately terminate without obligation of either party to the other.


24. ENTIRE AGREEMENT. This Agreement and its one exhibit constitute the sole agreement between CONTRACTOR and CITY regarding the services outlined in Exhibit "A." To the extent that there are additional terms and conditions contained in Exhibit "A" that are not in conflict with this Agreement, those terms are incorporated as if fully set forth above. There are no other understandings, terms or other agreements expressed or implied, oral or written.

[SIGNATURES ON FOLLOWING PAGE]

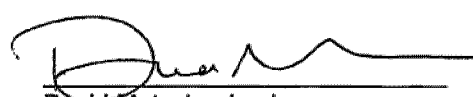
IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first hereinabove written.

CITY OF EL SEGUNDO
a general law city.


LANDCARE USA, LLC



Greg Carpenter,
City Manager



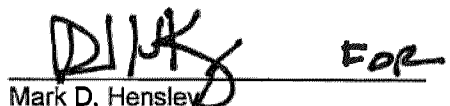
David Molschenbacher
President *Branch Manager*

ATTEST:


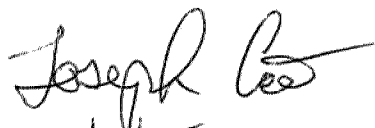
Tracy Weaver,
City Clerk

Taxpayer ID No. 451969151

APPROVED AS TO FORM:



Mark D. Hensley
City Attorney



11/1/18

12822 Yukon Ave, Hawthorne, CA 90250
Branch 202020

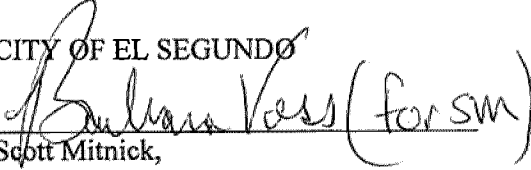
<u>Area of Work Responsibility</u>	<u>Weekly</u>	<u>Bi-Weekly</u>
Acacia Park	<u>\$105.00</u>	<u>\$210.00</u>
Candy Cane Park	<u>\$60.00</u>	<u>\$120.00</u>
Constitution Park	<u>\$200.00</u>	<u>\$400.00</u>
Freedom Park	<u>\$245.00</u>	<u>\$490.00</u>
Hillytop Park	<u>\$220.00</u>	<u>\$440.00</u>
Holly Valley Park	<u>\$20.00</u>	<u>\$40.00</u>
Independence Park	<u>\$120.00</u>	<u>\$240.00</u>
Kansas Park	<u>\$120.00</u>	<u>\$240.00</u>
Library Park	<u>\$275.00</u>	<u>\$550.00</u>
Recreation Park	<u>\$400.00</u>	<u>\$800.00</u>
Sycamore Park	<u>\$125.00</u>	<u>\$250.00</u>
Washington Park	<u>\$220.00</u>	<u>\$440.00</u>
El Segundo Blvd	<u>\$200.00</u>	<u>\$400.00</u>
Continental Median Strip	<u>\$80.00</u>	<u>\$160.00</u>
Douglas Underpass Median Strip	<u>\$20.00</u>	<u>\$40.00</u>
Grand Avenue Median Strip	<u>\$40.00</u>	<u>\$80.00</u>
Hughes Way Median Strip	<u>\$80.00</u>	<u>\$160.00</u>
Maple Avenue Median Strip	<u>\$60.00</u>	<u>\$120.00</u>
Rosecrans Median Strip	<u>\$150.00</u>	<u>\$300.00</u>
Pacific Coast HWY Median Strip	<u>\$185.00</u>	<u>\$370.00</u>
Downtown District	<u>\$1,106.00</u>	<u>\$2,212.00</u>
Imperial Strip	<u>\$390.00</u>	<u>\$780.00</u>
Fire Station #2	<u>\$40.40</u>	<u>\$80.80</u>
City Maintenance Facility	<u>\$20.00</u>	<u>\$40.00</u>
Campus El Segundo	<u>\$50.00</u>	<u>\$100.00</u>
Richmond School Ball Field	<u>\$80.00</u>	<u>\$160.00</u>
Golf Course Parking Lot and Frontage	<u>\$130.00</u>	<u>\$260.00</u>
Hilltop Reservoir	<u>\$120.00</u>	<u>\$240.00</u>
All areas subtotal weekly	<u>\$4,861.40</u>	
All areas total monthly	<u>\$21,066.06</u>	
Grand Total	<u>\$252,792.80</u>	

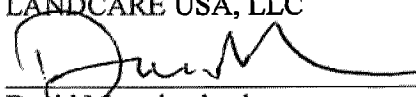
**FIRST AMENDMENT TO
AGREEMENT NO. 5611 BETWEEN
THE CITY OF EL SEGUNDO AND
LANDCARE USA, LLC**


THIS FIRST AMENDMENT ("Amendment") is made and entered into this 15th day of October, 2020, by and between the CITY OF EL SEGUNDO, a general law city and municipal corporation existing under the laws of California ("CITY"), and LANDCARE USA, LLC., a Delaware limited liability company ("CONTRACTOR"). The parties agree as follows:

1. Section 1(C) of the Agreement is amended to increase the amount of the Agreement annually based on the Consumer Price Index not to exceed 2% or five thousand fifty six dollars (\$5,056.00); total contract sum not to exceed two hundred fifty seven thousand eight hundred forty nine dollars (\$257,849) per year for CONTRACTOR'S services.
1. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.
2. Except as modified by this Amendment, all other terms and conditions of Agreement No. 5611 remain the same.


IN WITNESS WHEREOF the parties hereto have executed this Amendment the day and year first hereinabove written.

CITY OF EL SEGUNDO

 Scott Mitnick,
 City Manager

LANDCARE USA, LLC

 David Motschenbacher,
 Branch Manager

ATTEST:

 Tracy Weaver,
 City Clerk

Taxpayer ID No.

APPROVED AS TO FORM:

 Mark D. Hensley, City Attorney

**SECOND AMENDMENT TO
AGREEMENT NO. 5611 BETWEEN
THE CITY OF EL SEGUNDO AND
LANDCARE USA, LLC**

THIS SECOND AMENDMENT (“Amendment”) is made and entered into this 7th day of September, 2021, by and between the CITY OF EL SEGUNDO, a general law city and municipal corporation existing under the laws of California (“CITY”), and LANDCARE USA, LLC, a Delaware limited liability company (“CONTRACTOR”). The parties agree as follows:

1. Section 2 of the Agreement No. 5611 (“Agreement”) is amended to extend the term of the Agreement, so that the Agreement will now expire on March 31, 2022.
2. During this additional six-month term of the Agreement, the City will pay CONTRACTOR on a monthly basis in the amount set forth in the attached Exhibit A, which is incorporated by reference, for CONTRACTOR’s services. In no event may the total amount of the Agreement for the additional, six-month term exceed one hundred seventy-seven thousand nine hundred eighteen dollars (\$177,918.00).
3. This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.
4. Except as modified by this Amendment, all other terms and conditions of Agreement No. 5611 remain the same.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Amendment the day and year first hereinabove written.

CITY OF EL SEGUNDO

LANDCARE USA, LLC

Scott Mitnick,
City Manager

David Motschenbacher, Branch Manager

ATTEST:

Tracy Weaver,
City Clerk

Taxpayer ID No.

APPROVED AS TO FORM:

Mark D. Hensley,
City Attorney

Exhibit A



August 30, 2021

Christopher Hentzen, RLA
Park Maintenance Superintendent
El Segundo Public Works Department - Parks Division

Re: LandCare Landscape Services Extension for Contract 5611A

Dear Christopher:

LandCare agrees to extend Contract 5611A, dated October 15, 2020 by 6 months. This extension will run from October 1, 2021 to March 31, 2022 for a total of \$177,918.00 or \$29,653.00 monthly.

Sincerely,

Don Cully
Regional Vice President
LandCare

Your land. **Our Care.**

California Contractor License #1053238



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Consent

Item Number: B.8

TITLE:

Metro Open Streets Grant Application to Bring CicLAvia (One Day Event that Includes Activities and Temporary Street Closures to Encourage Biking and Pedestrian use of Public Space) to El Segundo

RECOMMENDATION:

Authorize Metro Open Streets Grant application to bring CicLAvia to El Segundo and submit a Letter of Support from City Council.

FISCAL IMPACT:

The projected cost is \$420,000 for the one-day event (\$350,000 from the Metro grant and \$70,000 City matching funds/in-kind contributions). The City's contribution could be covered by an allocation from the Cultural Development Fund in FY 22-23 for the arts and cultural aspects of the event.

BACKGROUND:

CicLAvia is a 501(c)(3) that catalyzes vibrant public spaces, active transportation, and good health through car-free streets. CicLAvia temporarily closes streets to car traffic and opens them to Angelenos to use as a public park. Free for all, CicLAvia connects communities to each other across an expansive city, creating a safe place to bike, walk, skate, roll, and dance throughout Los Angeles County.

Over 1.8 million people have experienced CicLAvia since it began in 2010 with events of over 226 miles in communities, such as Boyle Heights, Chinatown, Culver City, East LA, Historic Downtown LA, Mar Vista, Pasadena, Venice, West Hollywood, Wilshire Boulevard, and more.

The Metro Open Streets Grant Program (Cycle Four) has \$2.5 million in available funds with a \$500,000 maximum grant amount per city/event. Events must be staged by December 31, 2023. The application deadline is September 15, 2021.

Metro Program objectives include:

- Certain streets closed to automobiles
- Open street/route is for walking, riding a bicycle, rollerblading or pushing a stroller in a car-free environment
- Encourage sustainable modes of transportation (bicycling, walking, and public transit)
- Civic engagement to foster the development of the city's multi-modal policies

DISCUSSION:

Open Streets El Segundo: Coast to Rail is envisioned for Sunday, May 7, 2023 with a route from Douglas Station (C Line) to Library Park. The approximately four miles (one-way) proposed route leads from Douglas Street to Maple Avenue, Maple to Nash Street, Nash to Grand Avenue, and Grand to Main Street. The proposed route highlights much-needed regional connectivity from Metro's existing C (Green) Rail Line of public transportation to downtown El Segundo. With the C Line and upcoming opening of the Crenshaw/LAX corridor, the Metro transit regions and existing beach bicycle paths will allow a greater influx of participants to the Open Street event.

Crossing the Pacific Coast Highway as part of this event will require a Caltrans permit. If all approvals and permits are not able to be obtained, the route will be altered.

The City's event strategy includes the following:

- Expectation of 10,000-30,000 participants as well as a corresponding increase in daily revenue for local businesses
- Focus on family-driven community with deep-rooted connections
- Uniqueness of El Segundo (quaint Downtown area, commercial corridor, beachside community)
- Accessibility to Metro Rail
- Proximity and access to commercial and retail corridors
- New route (no prior Open Street event in El Segundo)
- Enhance event with music, art, and food experiences along the way
- Build community support (residents and local mom and pop/individually-run businesses)
- Partner with local wellness/sports corporations and service organizations
- Collaboration among City commissions and departments

Metro Open Streets Grant Application for CicLAvia

September 7, 2021

Page 3 of 4

- Marketing plan to attract participants from surrounding communities

- Supports South Bay Bicycle Master Plan's goal of making bicycling in the South Bay a safer, more fun option for everyone, from commuters to recreational riders

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Objective 1A: El Segundo Provides unparalleled service to internal and external customers.

Objective 1 B: El Segundo's engagement with the community ensures excellence.

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

Goal 3: Develop as a Choice Employer and Workforce

Objective: El Segundo is city employer of choice and consistently hires for the future, with a workforce that is inspired, world-class and engaged, demonstrating increasing stability and innovation.

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an appealing, safe and effective community.

Objective 4B: El Segundo's technology supports effective, efficient, and proactive operations.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for business and the community.

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Melissa McCollum, Community Services Director

REVIEWED BY:

Melissa McCollum, Community Services Director

APPROVED BY:

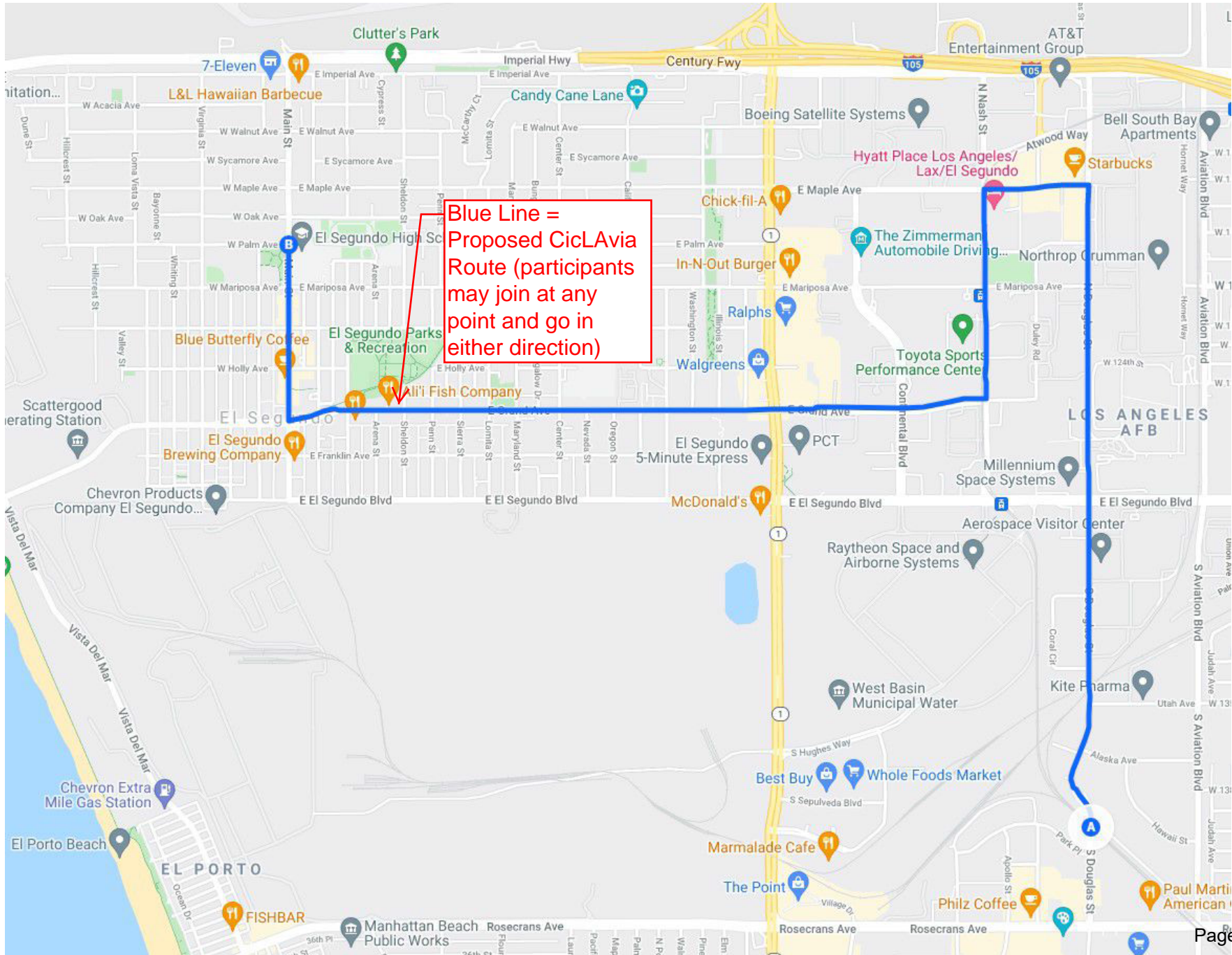
Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. El Segundo CicLAvia Project Vicinity Map



El Segundo CicLAvia Project Vicinity Map





City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Consent

Item Number: B.9

TITLE:

Use of City Property and Street Closures for the Kiwanis 2021 Fair on Richmond Street on Saturday, October 9, 2021

RECOMMENDATION:

Authorize use of city property as central venues, permit operation of a beer garden on public property, and approve closure of Main Street (Pine Street to El Segundo Boulevard) and portions of Holly Street, Grand Avenue, and Franklin Avenue for the 2021 Fair on Richmond Street pending approval of all permits and insurance.

FISCAL IMPACT:

The Fair on Richmond Street is eligible to receive a 75% fee waiver on City services and charges associated with supporting the event. Fees include equipment rentals, banner permits, amplified sound permits, and related staff time. The cost to the City's General Fund associated with the 75% fee waiver is estimated at \$10,000. There is no budget appropriation required. There are sufficient funds in the FY 2021-22 budget.

BACKGROUND:

The Fair on Richmond Street has been an autumn tradition for decades in El Segundo. Several city blocks are closed to attendees to enjoy over 100+ artist booths, street vendors, children's games, a food court, beer garden, and Main Stage for local performers. The event brings out school groups, service organizations, local eateries, sports teams, and more.

Produced by El Segundo Kiwanis, the event also serves as a fundraiser to support children's initiatives throughout El Segundo and the South Bay.

Due to the ongoing closure of portions of Richmond Street for outdoor dining, Kiwanis proposes moving the fair to Main Street for 2021. The Fair is scheduled for Saturday, October 9, 2021 from 9 AM-5 PM.

DISCUSSION:

Organizers request use of the locations identified on the attached map, including the Fire Department's Parking Lot at Main Street and Grand Avenue. This location has been used in the past for the El Segundo Art Walk, and was selected to maintain optimal visibility to the public, accommodate large numbers of attendees, provide access for the El Segundo Police Department and El Segundo Fire Department, and enable easier setup and breakdown.

Kiwanis requests permission to serve alcohol at the central venue in a beer garden setting. El Segundo Municipal Code Section 7-6-8 states that it is unlawful to drink any alcoholic beverage or possess an open container of any alcoholic beverage upon any public street, alley, sidewalk, pathway, parking lot, park, beach, or other public property. Kiwanis is requesting City Council waive the enforcement of Municipal Code Section 7-6-8 and allow the sale and consumption of beer and wine at their event. The alcohol would be restricted to the location; attendees would not be allowed to leave the area while consuming alcohol. The beer garden would also be regulated according to all applicable ABC License requirements and public health codes.

Kiwanis also requests the use of the City Hall Plaza for food vendors and attendees.

The use of public property for the Fair requires Kiwanis to obtain a Special Event Permit, Amplified Sound Permit, and any other permits deemed necessary by the city to ensure a safe event and insurance at a level approved by the City's Risk Manager. Some City staff support services will be required.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Objective 1A: El Segundo Provides unparalleled service to internal and external customers.

Objective 1 B: El Segundo's engagement with the community ensures excellence.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for business and the community.

PREPARED BY:

Melissa McCollum, Community Services Director

REVIEWED BY:

Melissa McCollum, Community Services Director

APPROVED BY:

Action Item
September 7, 2021
Page 3 of 3

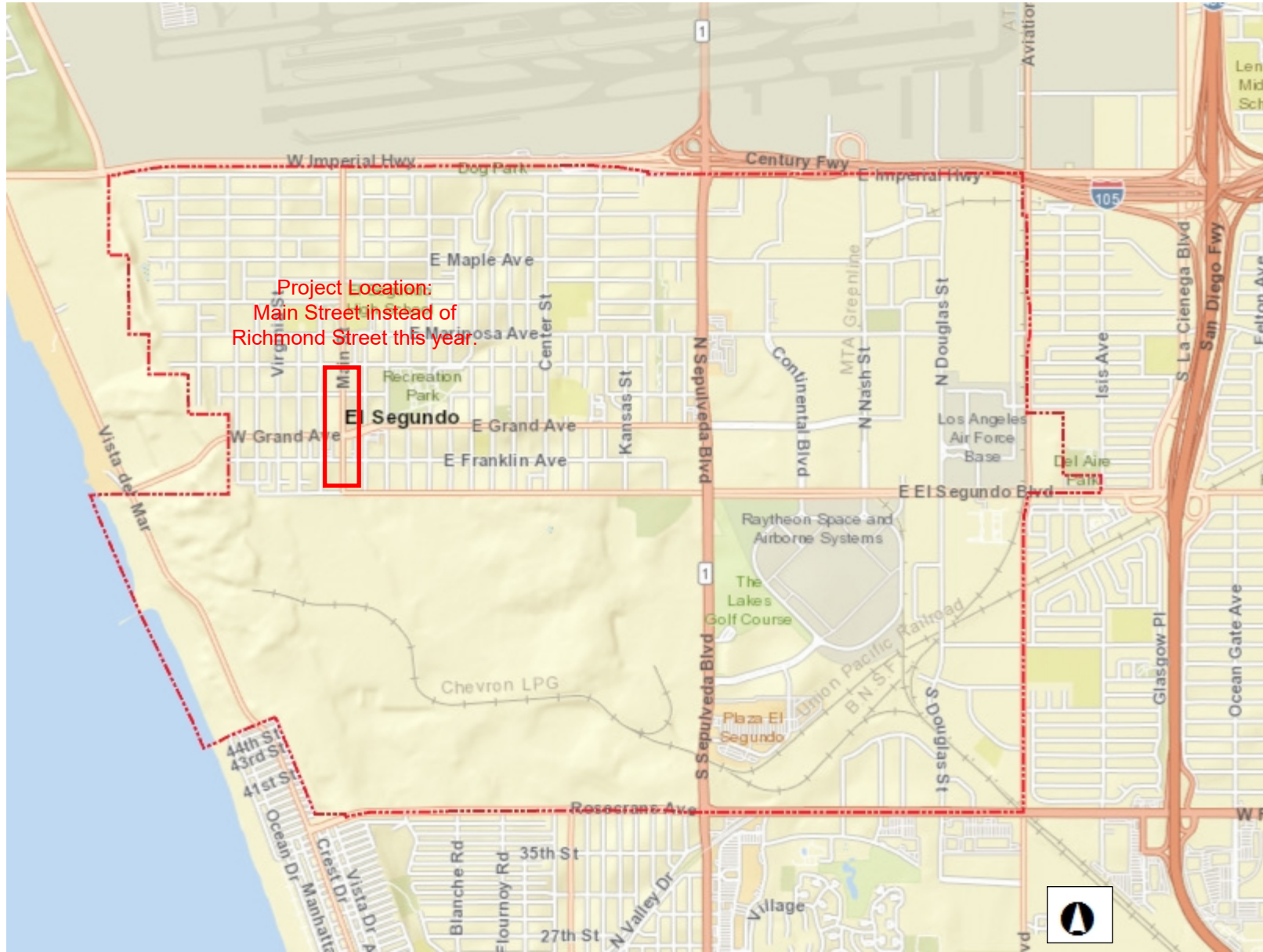
Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. 2021 Fair on Richmond Street Vicinity Map
2. Kiwanis Proposed 2021 Fair on Richmond Street Map



2021 Fair on Richmond Street* Vicinity Map



6,018.7 0 3,009.33 6,018.7 Feet

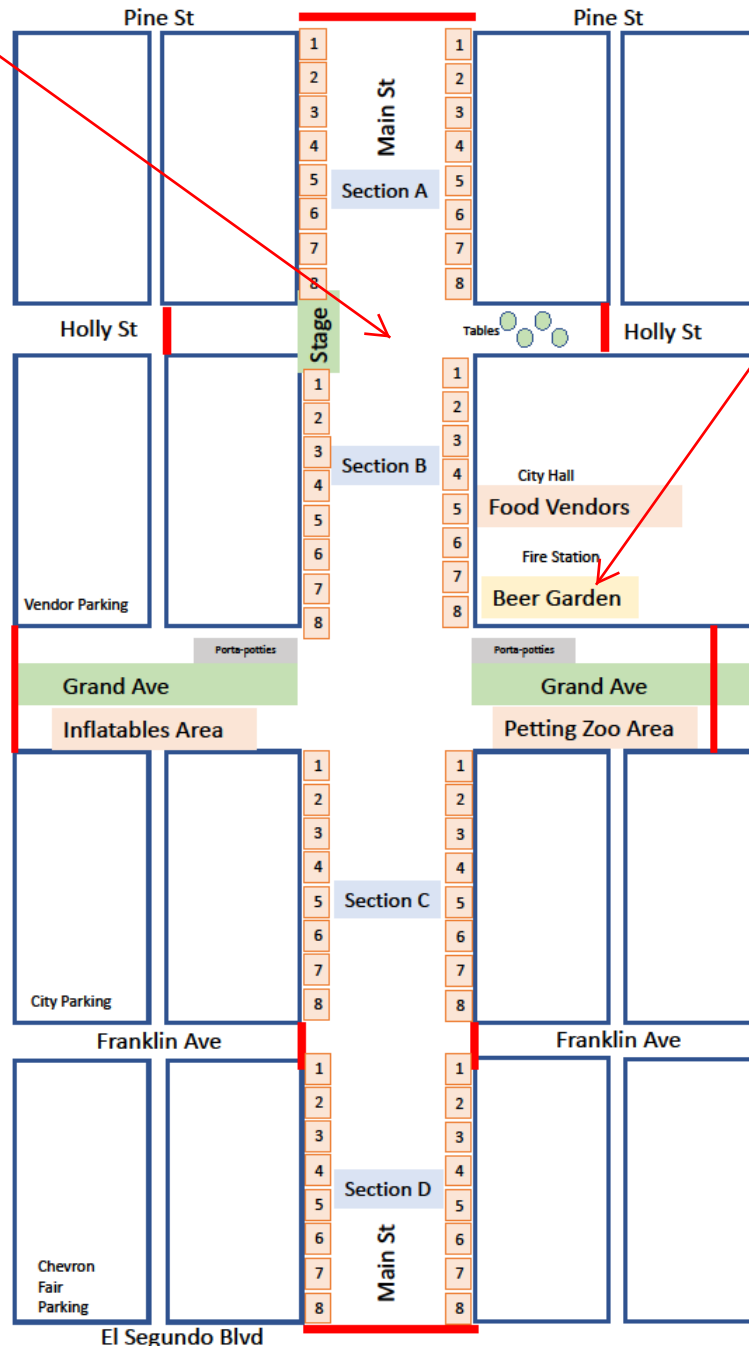
WGS_1984_Web_Mercator_Auxiliary_Sphere

DISCLAIMER: The information shown on this map was compiled from different GIS sources. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. The City of El Segundo will not be held responsible for any claims, losses or damages resulting from the use of this map.



Proposed 2021 Fair on Richmond Street* Map

*Due to ongoing outdoor dining closures on Richmond Street, Kiwanis proposes use of Main Street for the 2021 Fair



Central Venue/
Beer Garden
Request



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Consent

Item Number: B.10

TITLE:

Recommended Affordable Housing Services Provider

RECOMMENDATION:

Approve an Affordable Housing Services Consulting Agreement with Many Mansions, which includes a Right of First Refusal for City Affordable Housing Projects.

FISCAL IMPACT:

No Impact. The agreement provides for Many Mansions to provide consulting services at no cost in exchange for right of first refusal on affordable housing projects.

BACKGROUND:

On June 16, 2020, City Council authorized staff to prepare a RFQ to obtain background information from firms interested in serving as the City's Affordable Housing Services Provider to assist in the development and management of affordable housing units within the City. Staff developed a RFQ which was released on September 8, 2020, with a submittal deadline of November 9, 2020. The City received thirteen proposals in response to the RFQ.

At its February 16th City Council Meeting, Council authorized staff to enter into an agreement with Many Mansions to provide affordable housing consulting services at no cost to the City in exchange for Many Mansions being granted a right of first refusal for City initiated affordable housing projects. This means, City initiated affordable housing projects would go through an RFP process and would have the option of purchasing the projects if they meet the terms offered by another qualified affordable housing provider. The agreement will expire on December 31, 2029, commensurate with the end of the City's current RHNA compliance term. The agreement does provide that there will be a study of the potential of Park Vista ownership being transferred from the City to an affordable housing provider and Many Mansions would have the ability to potentially acquire Park Vista.

Staff understands there are a lot of issues that need to be studied regarding Park Vista

Recommended Affordable Housing Services Provider

September 7, 2021

Page 2 of 3

– including but not limited to the ability to maintain affordability of units for current and future residents as well as keeping the facility properly maintained and managed. Staff is also exploring whether this property can be utilized to assist the City in meeting its housing requirements under the Regional Housing Needs Assessment (RHNA) mandated by the state. Staff requests that Council direct that no other City commission, committee or board, study or agendaize this issue until staff returns to Council with information on this issue and Council directs the involvement of other City commissions, committees or boards.

With over 40 years of expanding experience in affordable housing development and management, Many Mansions' mission aligns with the City's affordable housing program goals. Specifically, this firm identifies, builds, and manages quality, environmentally sustainable affordable housing developments that assist communities to meet the needs of low- and moderate-income residents, at the same time as helping each of their cities to adhere to their RHNA goals and targets.

Many Mansions is vertically integrated with a team of seasoned professionals that includes architects, engineers, financial specialists, construction managers, property managers, and service providers. Many Mansions maintain solid financial fluidity to successfully leverage a variety of funding sources to produce successful and sustainable affordable housing projects. Many Mansions have completed numerous affordable housing projects relevant to El Segundo's size, needs, and characteristics.

For example, Many Mansions is firmly committed to doing the following:

- Develop a formal strategic plan for producing affordable housing units to assist the City in fulfilling its RHNA goals and targets.
- Identify properties with the potential for affordable housing development; and existing rental projects that may be suitable for acquisition, rehabilitation, and conversion to deed-restricted affordable housing units.
- Assist in ongoing administration and management of affordable and/or senior housing units in El Segundo.

Many Mansions currently owns 20 properties with over 600 units and serves as a third-party manager of an additional seven properties with another 205 units, including a 57-unit senior housing complex. Many Mansions have a growing presence in both Ventura County and Los Angeles County, with existing projects in Downtown Los Angeles and new projects under construction in Lake View Terrace, and future projects in Sun Valley and Boyle Heights. Many Mansions will work in partnership with RRM Design Group to help design new construction projects. RRM Design Group has a field office in El Segundo and the team in this office will be assigned to all projects in El Segundo.

DISCUSSION:

Recommended Affordable Housing Services Provider

September 7, 2021

Page 3 of 3

N/A

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Objective 1A: El Segundo Provides unparalleled service to internal and external customers.

PREPARED BY:

Tracy Weaver, City Clerk

REVIEWED BY:

Mark Hensley, City Attorney

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Housing Services Provider Staff Report February 16 2021 Final
2. Many Mansions PSA 9 7 21



TITLE:

Selection of Many Mansions to serve as City's Affordable Housing Services Provider

RECOMMENDATION:

Authorize City Manager to enter into an Exclusive Negotiating Agreement (ENA) with Many Mansions to serve as City's Affordable Housing Services Provider to develop and manage affordable housing units, services, and programs.

FISCAL IMPACT:

Once an Affordable Housing Services Provider is on board, this firm will assume financial responsibility for developing and managing the City's Affordable Housing Program. This will include being responsible for the financial aspects of this program. Eventually, the City's General Fund direct and indirect financial exposure will be shifted to the Affordable Housing Fund and other outside funding sources.

The recommended firm has offered to donate its staff time to work with the City and community throughout the initial strategic planning process. If specific studies are required as part of the process, the firm will invoice its actual cost for the time spent with no mark ups. If there are actual costs for this effort, this would be charged to the Affordable Housing Fund.

The firm selected will be compensated for its work on future affordable housing development projects via outside funding sources, including the customary developer fees, revenue streams, residual receipts, etc. The firm will also be compensated for its property management services, tenant services, and monitoring services provided to affordable housing projects via fee structures that comport with industry standards, including income generated from each project and the City's Affordable Housing Fund.

One of the main goals of this effort is to ensure that each affordable project and program remains financially sustainable over the long run without requiring recurring General Fund subsidies.

BACKGROUND:

Pre-Affordable Housing Program (1917–2019)

Throughout El Segundo's initial 102-year history as an incorporated municipality, the City did not have a formal affordable housing program. The City did not establish its own housing authority nor has it been part of a regional housing authority. The City did not establish a Redevelopment Agency, which would have allowed the City to receive

Recommended Affordable Housing Services Provider

February 16, 2021

Page 2 of 8

Property Tax Increment revenues generated by increases in property tax revenues within each redevelopment project area. Such Property Tax Increment included a required “20% Set-Aside” that was required to be used by cities to produce and manage local affordable housing units. Through the production of such affordable housing units, many California cities were able to comply with their local Regional Housing Needs Allocation (RHNA) goals.

Park Vista Senior Housing Development

In the late 1980s, the City used General Fund dollars to acquire and construct the 97-unit Park Vista senior housing development located at 615 East Holly Avenue next to Recreation Park. This property is owned by the City and managed by a private property management company. City staff is compiling the original acquisition documents and City Council actions related to this project to determine what income and affordability controls were placed on this development.

Commitment to Establish a City Affordable Housing Program (March 2020)

In 2016, City Council approved a residential development (24 single-family units and 34 multi-family units) at the former Imperial Street School located at 540 East Imperial Avenue. Subsequent to this approval, there were several meetings to discuss the number of multi-family units that might be dedicated as “affordable units”. On March 17, 2020, City Council amended the project’s Specific Plan to allow the developer (DR Horton) to pay an “in-lieu” fee of \$5.3 million to the City in place of dedicating and/or producing future affordable housing units.

Before looking to spend any of the \$5.3 million, the City established an Affordable Housing Fund and the money has remained in this fund. In order to manage this fund and pursue future development of affordable housing units, the day-to-day oversight of the City’s housing operations was reassigned from the former Recreation and Park Department to the reconfigured Development Services Department. This reorganization was formally established with the adoption of the FY 2020-2021 Citywide Budget and became effective on October 1, 2020.

Affordable Housing Services Provider Request for Qualifications (RFQ)

On June 16, 2020, City Council authorized staff to prepare a RFQ to obtain background information from firms interested in serving as the City’s Affordable Housing Services Provider to assist in the development and management of affordable housing units and programs. Staff developed the attached comprehensive RFQ (Exhibit D) which was released on September 8, 2020 with a submittal deadline of November 9, 2020. Copies of the RFQ were distributed to several dozen firms and were posted on a variety of websites and social media platforms. As noted in the RFQ, and explained when asked by potential submitters, it was made clear that the City was interested in firms with a proven track record of providing comprehensive affordable housing services, including the following:

Recommended Affordable Housing Services Provider

February 16, 2021

Page 3 of 8

- Strong track record of producing and managing affordable housing units.
- Strong history of preserving and protecting existing affordable housing stock, with minimal displacement of existing tenants.
- Successful history of obtaining and leveraging affordable housing funding from a variety of outside sources, including: Federal, State, and regional governments, Federal/State low income housing tax credits, non-profits, private companies, special interest groups, etc.
- Demonstrated ability to produce and construct affordable housing units on time and within budget.
- Recurring history of rehabilitating existing housing units which were converted to affordable housing units.
- Proven history of on-site management of affordable housing units, civic engagement, provision of an array of residential services to tenants, exemplary customer service, and minimal complaints to the local city's governing board and administrative staff from affordable housing tenants.
- Ability to provide regular updates to the City and maintain a willingness to be "on call" to the City when needed.
- Successful history of assisting local cities adhere to, or at least make notable progress in complying with, their local Regional Housing Needs Assessment (RHNA) goals and requirements.

As noted in the RFQ, the selected Affordable Housing Services Provider may be provided an opportunity to purchase and/or manage the Park Vista property. If the firm is interested in this option, this will be discussed at a later date and will be subject to City Council approval.

DISCUSSION:

13 Affordable Housing Services Provider Responses

A total of 13 responses to the RFQ were received from the following firms (listed in alphabetical order with each firm's headquarters location):

1. Abode Communities (Los Angeles, California)
2. Anton Development (Walnut Creek, California)
3. Century Housing Corporation (Culver City, California)

Recommended Affordable Housing Services Provider

February 16, 2021

Page 4 of 8

4. Chelsea Investment Corporation (Carlsbad, California)
5. Community Corporation of Santa Monica (Santa Monica, California)
6. Nextgen Apartments et.al. (El Segundo and other locations, California)
7. Jamboree Corporation (Irvine, California)
8. Many Mansions (Thousand Oaks, California)
9. McCormack Baron Salazar (Los Angeles, California)
10. National Communities Renaissance (Rancho Cucamonga, California)
11. Related California (Los Angeles, California)
12. Thomas Safran & Associates (TSA) Housing (Los Angeles, California)
13. Venice Community Housing Corporation (Los Angeles, California)

Affordable Housing Services Provider Review Criteria & Process

In addition to using the review criteria listed above, all 13 respondents were evaluated via the following three broad categories:

- Strength and experience of the respondent’s team.
- Team’s capability to manage and operate the City’s Affordable Housing Program.
- Capacity to create new affordable housing while meeting the City’s RHNA goals.

The following point system was assigned to the specific evaluation criteria:

Criteria	Maximum Points
Development Experience	40
Financial Capability	30
Management & Administration Experience	30
Total	100

Recommended Affordable Housing Services Provider

February 16, 2021

Page 5 of 8

The review and selection process consisted of two phases. The first phase identified a short list of five respondents rated highest within the three broad evaluation categories. The second phase consisted of interviews of the top five respondents with the City's evaluation committee, which consisted of the following individuals: City Development Services Director, City Principal Planner, City Land Use Planning Consultant, Keyser-Marston Housing Consultant, and City Community Development Block Grant (CDBG) Consultant.

During the second week of December 2020, interviews were conducted with representatives of the top five firms. Each firm demonstrated experience in developing, managing, and operating quality affordable housing projects and programs. Each firm had experience obtaining outside affordable housing assistance funding, successful community engagement, monitoring and compliance with Federal, State, and local affordable housing occupancy and reporting requirements.

Top Three Affordable Housing Service Providers

The evaluation committee then narrowed the list of five firms to what it considered the three most qualified firms, as follows:

1. Many Mansions
2. Jamboree Corporation
3. Abode Communities

Exhibits A, B, and C contain a copy of each firm's RFQ response. All three firms are well-qualified with proven track records. However, the evaluation team concluded that one firm rated higher for this purpose than the other two firms.

Top Rated Affordable Housing Service Provider – Many Mansions

One firm, Many Mansions, stood out and most closely aligned with each of the City's stated affordable housing service provider goals and objectives. This firm ranked highest overall in both the interview and written responses to the RFQ. It scored very high in all phases of affordable housing development and management; from the start of the process (obtaining funding for a project) to developing/constructing/rehabilitating a housing project to managing a property (including being responsive to tenant needs) to working closely and effectively with the local government. Many Mansions also demonstrated significant experience in assisting jurisdictions manage a wide array of affordable housing projects and programs, including unique special needs populations.

Recommended Affordable Housing Services Provider

February 16, 2021

Page 6 of 8

With over 40 years of expanding experience in affordable housing development and management, Many Mansions' mission most closely aligns with the City's affordable housing program goals. Specifically, this firm identifies, builds, and manages quality, environmentally sustainable affordable housing developments that assist communities to meet the needs of low and moderate income residents while at the same time helping each of their cities adhere to their RHNA goals and targets.

Many Mansions is vertically integrated with a team of seasoned professionals that include architects, engineers, financial specialists, construction managers, property managers, and service providers. Many Mansions maintains solid financial fluidity to successfully leverage a variety of funding sources to produce successful and sustainable affordable housing projects. Many Mansions has completed numerous affordable housing projects relevant to El Segundo's size, needs, and characteristics.

Many Mansions staff have demonstrated experience in working with small, urban parcel types, adaptive-reuse housing, and acquisition/rehabilitation projects. This firm works very well with cities to develop specific plans and housing policies. Its portfolio includes the preservation of "at-risk" housing through re-syndication, renovation, and affordability extension. Many Mansions representatives and employees routinely engage with local community leaders and residents to understand and foster long-standing community relationships. This firm possesses the immediate capacity to administer, manage, and monitor affordable housing units. Throughout the evaluation process, Many Mansions proved to be most qualified to meet the unique needs of the City of El Segundo's affordable housing challenges.

For example, Many Mansions is firmly committed to do the following:

- Develop a formal strategic plan for producing affordable housing units to assist the City in fulfilling its RHNA goals and targets.
- Identify properties with potential for affordable housing development; and existing rental projects that may be suitable for acquisition, rehabilitation, and conversion to deed-restricted affordable housing units.
- Assist in ongoing administration and management of affordable and/or senior housing units in El Segundo.

Many Mansions currently owns 20 properties with over 600 units and also serves as a third-party manager of an additional seven properties with another 205 units, including a 57-unit senior housing complex. Many Mansions has a growing presence in both Ventura County and Los Angeles County, with existing projects in Downtown Los Angeles and new projects under construction in Lake View Terrace, and future projects in Sun Valley and Boyle Heights.

Recommended Affordable Housing Services Provider

February 16, 2021

Page 7 of 8

Many Mansions works in partnership with El Segundo-based RRM Design Group to help design its construction projects. RRM Design Group has a field office in El Segundo and the team in this office will be assigned to all projects in El Segundo. In fact, it was RRM's El Segundo office staff that first made Many Mansions aware of the El Segundo Affordable Housing Services Provider RFQ.

As a growing and expanding affordable housing services provider, Many Mansions has a field office in Downtown Los Angeles (811 Wilshire Blvd) and would like to develop a field office in El Segundo to expand its presence into the South Bay. Many Mansions conveyed that would like to grow its footprint in the community via an office located here.

As a policy, Many Mansions has committed to maintaining on-site staff for each affordable housing project with 16 or more units that it develops and manages within the City. Property management and tenant services for smaller projects will be consolidated to maximize efficiency. It is clear that Many Mansions wants to not just do business with the City of El Segundo. It wants to build on its existing relationship with El Segundo-based RRM Design Group and become part of the community for the long haul.

CONCLUSION & NEXT STEPS:

Staff recommends that City Council authorize the City Manager to enter into an Exclusive Negotiating Agreement (ENA) with Many Mansions to serve as City's Affordable Housing Services Provider to develop and manage affordable housing units, services, and programs. In addition, this firm will play a key role in helping the City comply with its RNHA requirements. If negotiations prove successful with Many Mansions, a development and administrative services agreement will be brought before City Council to review and approve by May 18, 2021. Once approved, work will commence immediately. Staff anticipates working with the new Affordable Housing Services Provider to present a proposed Affordable Housing Strategic Plan to City Council no later than December 7, 2021 (the last scheduled City Council meeting in 2021).

ENVIRONMENTAL CONSIDERATION:

This action is exempt from CEQA pursuant to CEQA Guidelines §15061(b)(3) which is the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment and CEQA does not apply where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

Recommended Affordable Housing Services Provider

February 16, 2021

Page 8 of 8

CITY STRATEGIC PLAN COMPLIANCE:

Goal 5: Champion Economic Development and Fiscal Sustainability.

Objective A: El Segundo promotes economic growth and vitality for business and the community.

Activity 5: Identify areas within the community that are appropriate for housing.

PREPARED BY: Tina Gall, CDBG Consultant

REVIEWED BY: Sam Lee, Director of Development Services

APPROVED BY: Scott Mitnick, City Manager

ATTACHED SUPPORTING DOCUMENTS:

- A. Many Mansions RFQ Response
- B. Jamboree RFQ Response
- C. Abode RFQ Response
- D. El Segundo Affordable Housing Services Provider Request for Qualifications (RFQ)



**PROFESSIONAL SERVICES AGREEMENT
(AFFORDABLE HOUSING SERVICES)
BETWEEN
THE CITY OF EL SEGUNDO AND MANY MANSIONS,
A CALIFORNIA NONPROFIT CORPORATION**

This Agreement is made and entered into this ____ day of September, 2021 (the “Effective Date”), by and between the City of El Segundo, a municipal corporation and general law city (“CITY”) and Many Mansions, a California Nonprofit Corporation, (“CONSULTANT”). The parties agree as follows:

1. CONSIDERATION.

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, below;
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement;
- C. As additional consideration, the CITY agrees to provide the CONSULTANT a right of first refusal to be awarded, purchase, manage, or otherwise work with the CITY at the same price and on the same terms and conditions as those contained in a third party offer that the CITY expressed willingness to accept or at a set price the CITY has agreed to accept under a Request for Qualifications, Request for Proposals or similar offering by the CITY to acquire, build, convert or create City-restricted affordable housing during the 2021-2029 (6th Cycle) Housing Element period, provided the CITY is either an applicant or co-applicant for said affordable housing project and the CITY contributes funding (CITY funds or CITY-obtained grant funds) to the project, and further provided that CONSULTANT meets all of the qualifications set forth in the applicable Request for Proposals.
- D. In the event CITY chooses to convert the Park Vista senior housing property to a deed-restricted affordable senior housing facility, CONSULTANT may be provided an opportunity to purchase and/or manage the Park Vista property after the issue of sale of the facility to an affordable housing is studied and/or a decision is made by the City Council regarding its potential sale. If the CONSULTANT is interested in this option, this will be discussed at a later date and will be subject to City Council approval in its sole discretion.

2. SCOPE OF SERVICES.

- A. CONSULTANT will perform services listed in the attached Exhibit “A,” which is incorporated by reference.

B. Other than the consideration contained in Section 1, CONSULTANT will provide its services under this Agreement without charge throughout the initial affordable housing strategic planning process. CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, vehicles, transportation, office space and facilities, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement. If third-party studies are required as part of the scope of services, CONSULTANT will invoice the CITY its actual cost for the time spent with no mark ups. No such third-party studies will be ordered or commissioned without the prior written consent of CITY.

3. **PAYMENTS.** No payments by CITY to CONSULTANT are anticipated or required for any of CONSULTANT's services provided hereunder. In the event that any third-party studies are authorized by CITY in writing and ordered or commissioned by CONSULTANT, CONSULTANT must submit a detailed invoice to CITY for the completed work. If the information in the invoice is acceptable to CITY, CITY will reimburse CONSULTANT within 45 calendar days after receipt of the invoice.

4. **FAMILIARITY WITH WORK.**

- A. By executing this Agreement, CONSULTANT agrees that it has:
- i. Thoroughly investigated and considered the scope of services to be performed;
 - ii. Carefully considered how the services should be performed; and
 - iii. Understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.

5. **KEY PERSONNEL.**

- A. CONSULTANT's key personnel assigned to perform work under this Agreement and their level of responsibility were included in the CONSULTANT's RFQ response dated November 09, 2020, incorporated herein by this reference.
- B. The resume of each of the individuals identified in this Section were included in the CONSULTANT's RFQ response dated November 09, 2020, and are incorporated herein by this reference.
- C. In the event CITY objects to the continued involvement with this Agreement by any of the persons listed in this Section, CONSULTANT agrees that it will replace such persons with individuals that are agreed to by CITY.

6. PROJECT COORDINATION AND SUPERVISION.

The CITY's Director of Development Services will be the key contact person for the CITY for purposes of this Agreement and the subject matter hereof. CONSULTANT's key personnel as identified in its RFQ response will interface and cooperate with the Director of Development Services when providing services pursuant to this Agreement.

- 7. **TERM.** The term of this Agreement will start on the Effective Date and, unless terminated sooner in accordance with Section 12, will end on December 31, 2029.
- 8. **TIME FOR PERFORMANCE.** CONSULTANT will not perform any work under this Agreement until CONSULTANT furnishes proof of insurance as required under Section 19 of this Agreement.
- 9. **TAXPAYER IDENTIFICATION NUMBER.** CONSULTANT will provide CITY with a Taxpayer Identification Number.
- 10. **PERMITS AND LICENSES.** CONSULTANT, at its sole expense, will obtain and maintain during the term of this Agreement, all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.
- 11. **WAIVER.** CITY's review or acceptance of, or payment for, work product prepared by CONSULTANT under this Agreement will not be construed to operate as a waiver of any rights CITY may have under this Agreement or of any cause of action arising from CONSULTANT's performance. A waiver by CITY of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.
- 12. **TERMINATION.**
 - A. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause. Notice will be in writing at least thirty (30) days before the effective termination date.
 - B. CONSULTANT may terminate this Agreement at any time with or without cause. Notice will be in writing at least thirty (30) days before the effective termination date.
 - C. Upon receiving a termination notice, CONSULTANT will immediately cease performance under this Agreement unless otherwise provided in the termination notice. Except as otherwise provided in the termination notice, any additional work performed by CONSULTANT after receiving a termination notice will be performed at CONSULTANT's own cost; CITY will not be obligated to compensate CONSULTANT for such work.

- D. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
 - E. By executing this document, CONSULTANT waives any and all claims for damages that might otherwise arise from CITY's termination under this Section.
- 13. OWNERSHIP OF DOCUMENTS.** All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this Agreement are CITY's property. CONSULTANT may retain copies of said documents and materials as desired but will deliver all original materials to CITY upon CITY's written notice. CITY agrees that use of CONSULTANT's completed work product, for purposes other than identified in this Agreement, or use of incomplete work product, is at CITY's own risk.
- 14. PUBLICATION OF DOCUMENTS.** Except as necessary for performance of service under this Agreement, no copies, sketches, or graphs of materials, including graphic art work, prepared pursuant to this Agreement, will be released by CONSULTANT to any other person or public CITY without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, will be approved and distributed solely by CITY, unless otherwise provided by written agreement between the parties.
- 15. INDEMNIFICATION.**
- A. CONSULTANT agrees to the following:
 - i. *Indemnification for Damages.* CONSULTANT agrees to indemnify and hold CITY harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of this Agreement, or its performance, except for such loss or damage arising from CITY's sole negligence or willful misconduct. Should CITY be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, CONSULTANT will defend CITY (at CITY's request and with counsel satisfactory to CITY) and will indemnify CITY for any judgment rendered against it or any sums paid out in settlement or otherwise.
 - B. For purposes of this Section, "CITY" includes CITY's officers, officials, employees, agents, attorneys, representatives, and volunteers.
 - C. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.
 - D. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 19, and any approval of said insurance by CITY, are not intended to and will not in any manner

limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

- 16. **ASSIGNABILITY.** This Agreement is for CONSULTANT’s professional services and is not assignable. Any attempt by CONSULTANT to assign the benefits or burdens of this Agreement without CITY’s written approval are prohibited and will be null and void.
- 17. **INDEPENDENT CONTRACTOR.** CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which it is performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.
- 18. **AUDIT OF RECORDS.** CONSULTANT will maintain full and accurate records with respect to all services and matters covered under this Agreement. CITY will have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities. CONSULTANT will retain such financial and program service records for at least three (3) years after termination or final payment under this Agreement.
- 19. **INSURANCE.**

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONSULTANT must procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits</u>
Commercial general liability:	\$2,000,000
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement

- B. Commercial general liability insurance will meet or exceed the requirements of the most recent ISO-CGL Form. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name CITY, its officials, and employees as “additional insureds” under said insurance coverage and to state that such insurance will be deemed “primary” such that any other insurance that may be carried by CITY will be excess thereto. Such endorsement must be reflected on ISO Form No. CG 20 10 11 85 or 88, or equivalent. Such insurance will be

on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon 30 days prior written notice to CITY.

- C. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).
- D. CONSULTANT will furnish to CITY duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement and such other evidence of insurance or copies of policies as may be reasonably required by CITY from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII."
- E. Should CONSULTANT, for any reason, fail to obtain and maintain the insurance required by this Agreement, CITY may obtain such coverage at CONSULTANT's expense and deduct the cost of such insurance from payments due to CONSULTANT under this Agreement or terminate the Agreement immediately by providing written notice in accordance with Section 22.

20. USE OF CONSULTANT. CONSULTANT must obtain CITY's prior written approval to use any consultants while performing any portion of this Agreement. Such approval must approve of the proposed consultant and the terms of compensation.

21. INCIDENTAL TASKS. CONSULTANT will meet or will participate in videoconference calls with CITY on an as-needed basis to provide the status on the project, which will include a schedule update and a short narrative description of progress during the past month(s) for each major task, a description of the work remaining and a description of the anticipated work to be done before the next schedule update.

22. NOTICES. All communications to either party by the other party will be deemed given when sent to the party at its respective name and address as follows:

If to CITY:

Development Services Dept.
350 Main Street
El Segundo, CA 90245
Attention: Director, Development Services

If to CONSULTANT:

Many Mansions
1259 E. Thousand Oaks Blvd.
Thousand Oaks, CA 91362
Attention: Rick Schroeder, President
Phone: 805-496-4948 Ext. 227
Email: rick@manymansions.org

And:

City Clerk
350 Main Street
El Segundo, CA 90245

Any such written communications by mail will be conclusively deemed to have been given to the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery to the address indicated herein. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

23. **CONFLICT OF INTEREST.** CONSULTANT will comply with all conflict of interest laws and regulations including, without limitation, CITY's conflict of interest regulations.
24. **SOLICITATION.** CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement immediately and without liability.
25. **THIRD PARTY BENEFICIARIES.** This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT (or its affiliates) and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's (or its affiliates) or CITY's obligations under this Agreement.
26. **INTERPRETATION.** This Agreement was drafted in and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.
27. **COMPLIANCE WITH LAW.** CONSULTANT agrees to comply with all federal, state, and local laws applicable to this Agreement.
28. **ENTIRE AGREEMENT.** This Agreement, and its Exhibit(s), sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written. This Agreement will bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.
29. **CONSISTENCY.** In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the attached Exhibits; this Agreement supersedes any conflicting provisions. Any inconsistency between the Exhibits will be resolved in the order in which the Exhibits appear below:

Exhibit: A: Scope of Work.

30. **RULES OF CONSTRUCTION.** Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be

construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

31. **SEVERABILITY.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.
32. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified only by written amendment signed by the Parties.
33. **ACCEPTANCE OF ELECTRONIC SIGNATURES.** The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by electronic (.pdf) or facsimile transmission. Such electronic or facsimile signature will be treated in all respects as having the same effect as an original signature.
34. **CAPTIONS.** The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.
35. **FORCE MAJEURE.** Should performance of this Agreement be prevented due to fire, flood, explosion, acts of terrorism, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' reasonable control, then the Agreement will immediately terminate without obligation of either party to the other.
36. **STATEMENT OF EXPERIENCE.** By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

[Signatures on next page]

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first hereinabove written.

CITY OF EL SEGUNDO

CONSULTANT

Scott Mitnick,
City Manager

Rick Schroeder,
President
Taxpayer ID No. 953424516

ATTEST:

Tracy Weaver,
City Clerk

APPROVED AS TO FORM:

Mark D. Hensley,
City Attorney

Exhibit “A”

Scope of Work

1. Meet with the City staff as needed to finalize the City’s affordable goals and objectives (consistent with goals stated in the RFQ released September 08, 2020, and any others).
2. Recommend strategies to remove constraints and/or increase affordable housing production based on industry best practices.
3. Create a list of high priority neighborhoods and/or sites based on the current (or draft) Housing Element, City recommendations, and Consultant’s expertise.
4. Solicit community feedback via a City-approved community engagement plan that includes at least two community workshops.
5. Develop a draft Affordable Housing Strategic Plan (AHSP), with an emphasis on fulfilling the 6th cycle Regional Housing Needs Assessment (RHNA) goals, for City review.
6. Work with City staff to present a proposed Affordable Housing Strategic Plan to City Council no later than June 30, 2022.
7. Utilizing the approved AHSP (if applicable), Consultant will work with the City to identify properties with the potential for affordable housing development and existing rental projects that may be suitable for acquisition, rehabilitation and conversion to City-restricted affordable housing projects.
8. Work with the City to review and revise the AHSP, as needed.
9. Assist City with the ongoing monitoring and administration of affordable and/or senior housing units produced in El Segundo.



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Staff Presentations

Item Number: D.11

TITLE:

Proposed Cannabis Initiative Petition and Possible Cannabis Tax Measure

RECOMMENDATION:

1. Receive and file update on Proposed Cannabis Initiative Petition and Potential Cannabis Tax Measure.
2. Direct staff to study the impact of Proposed Cannabis Initiative on the City of El Segundo.

FISCAL IMPACT:

There will be indirect fiscal impacts to the City's General Fund Budget associated with staff time needed to review the Proposed Cannabis Initiative. Direct fiscal impacts may take place with respect to possible need to hire outside consultants to help review the Proposed Cannabis Initiative. If such consultant assistance is needed, staff may return to City Council for General Fund budget appropriation authority.

BACKGROUND:

On July 20, 2021, City resident Sandra Spiker filed a "Notice of Intent to Circulate Petition" for the purposes of adopting an initiative that would enact provisions regarding the regulation of commercial cannabis activity within the City of El Segundo. Please refer to attached copy of the proposed initiative.

The purpose of this initiative is to place on an upcoming local election ballot a proposed ordinance that amends the El Segundo Municipal Code to repeal the current prohibition on commercial cannabis activities in all areas of the City and instead authorize commercial cannabis retailing "by right" in the General Commercial (C-3) and Smoky Hollow West (SH-W) zones, subject to a City-issued Cannabis Business Permit and any other license required by State law.

Proposed Cannabis Initiative Petition

September 7, 2021

Page 2 of 5

DISCUSSION:

As written, the proposed ordinance would limit the total number of cannabis retailer permits in the City to two and each retailer would not be permitted within 1,000 feet of any school or day care center that is specifically listed in the proposed ordinance or within 600 feet of any youth center that is specifically listed in the proposed ordinance. On July 20, 2021, City resident Sandra Spiker filed a Notice of Intent to Circulate Petition for the purposes of adopting an initiative that would enact provisions regarding the regulation of commercial cannabis activity in the City.

The proposed ordinance would also establish a Commercial Cannabis Business Permit application procedure along with a point-based ranking system pursuant to which each application would be evaluated. Each cannabis business would be required to implement specified security measures and to comply with specified operating and recordkeeping requirements. The delivery of cannabis and cannabis products within the City by City-permitted cannabis retailers would be allowed subject to specified operating requirements.

The proposed ordinance would also authorize the commercial cultivation, manufacturing, distribution, and testing of cannabis within the City subject to a City-issued Cannabis Business Permit. The City Council, in its discretion, would be allowed to determine the total number of Cannabis Business Permits that may be issued for those types of businesses.

Initiative Process and Qualification for Ballot

The next step in the process is circulation of the petition for signatures of registered voters living in the City. Signatures must be filed with the City Clerk within 180 days of July 30, 2021 (the date the initiative title and summary prepared by the City Attorney's Office was provided to Ms. Spiker), which would be January 26, 2022. A copy of initiative title and summary is attached.

If the City Clerk determines, after a facial examination of the signatures, that the petition does not have sufficient signatures or does not satisfy the format requirements imposed by the Elections Code, the petition will be returned to the filer. If the petition is in proper form and appears to have sufficient signatures, the petition will be accepted, and the City Clerk will conduct signature verification to determine if the measure qualifies.

If the initiative petition is signed by not less than 10 percent of the voters of the City (according to the last report of registration by the County Elections Official to the Secretary of State) effective at the time the notice of intent to circulate was published, City Council will be required do one of the following:

- A. Adopt the ordinance, without alteration, at the regular City Council meeting

Proposed Cannabis Initiative Petition

September 7, 2021

Page 3 of 5

at which the certification of the petition is presented, or within 10 days after it is presented.

- B. Submit the ordinance, without alteration, to the voters at the next regular election occurring not less than 88 days after the date of the order of election (which would be the November 2022 general municipal election). Alternatively, City Council may call a special election for the purpose of submitting an initiative measure to the voters before the date on which the initiative measure would appear on the ballot is submitted at the next regular election. If City Council chooses to call a special election, it must be held not less than 88 days nor more than 103 days after the order of election.
- C. Order a report pursuant to Elections Code section 9212 at the regular City Council meeting at which the certification of the petition is presented. When the report is presented to City Council, City Council must either adopt the ordinance within 10 days or order an election pursuant to subdivision (b).
- D. Studies and Information Related to the Initiative.

Studies and Information Related to the Initiative

During the circulation of the petition, or before taking either action described in subdivisions (a) and (b) of Elections Code section 9215 (above), City Council may refer the proposed initiative measure to a City agency or agencies for a report on any or all of the following subjects:

1. Fiscal Impact.
2. Effect on the internal consistency with City's General Plan and Specific Plans, including the Housing Element, consistency between planning and zoning, and the limitations on City actions under Section 65008 of the Government Code and Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title of the Government Code.
3. Effect on land use, impact on the availability and location of housing, and ability to meet City's regional housing needs.
4. Impact on funding for infrastructure of all types, including, but not limited to, transportation, schools, parks, and open space. Report may also discuss whether the measure would likely result in increased infrastructure maintenance for current residents and businesses.
5. Impact on community's ability to attract and retain business and employment.
6. Impact on use of vacant parcels of land.
7. Impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization.

Proposed Cannabis Initiative Petition

September 7, 2021

Page 4 of 5

8. Any other matters of importance to City Council.

Since City Council will have ten days to collect information if it waits to see if the initiative qualifies for an election, staff recommends that City Council use the maximum time available to gather information as allowed under the Elections Code and provide direction to staff at this time. The report must be presented to City Council within the time prescribed by City Council, but no later than 30 days after the Election Official certifies to City Council the sufficiency of the petition.

Potential Tax Measure

Separate from but related to the above initiative process, City staff recommends a review of options for placing a companion local tax on cannabis transactions on the same election as the initiative, if it qualifies for an election, for the sole purpose of taxing the permitted cannabis activities. At a minimum, the City should collect revenues to offset the impacts the new cannabis activities would have on the City's recurring General Fund budget. If directed by City Council, staff will gather information about Cannabis taxes used in other California cities and counties.

Next Steps

If directed, staff will return to City Council within a couple months with cannabis impact study and recommendations. Private party signature-gathers have until January 26, 2022 to file the petition with the City Clerk's Office. If the petition has sufficient signatures, City Council will have until the end of the first week of August 2022 to place a cannabis tax measure on the November 2022 election or approximately 88 days before the date of a special election.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

Goal 4: Develop and Maintain Quality Infrastructure and Technology

Objective 4A: El Segundo's physical infrastructure supports an appealing, safe and effective community.

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5A: El Segundo promotes economic growth and vitality for business and the community.

PREPARED BY:

Proposed Cannabis Initiative Petition

September 7, 2021

Page 5 of 5

Tracy Weaver, City Clerk

REVIEWED BY:

Mark Hensley, City Attorney

APPROVED BY:

Mona Shilling, Deputy City Clerk II

ATTACHED SUPPORTING DOCUMENTS:

1. Initiative Title and Summary
2. Notice of Intent to Circulate Initiative Petition for El Segundo Cannabis Regulation and Public Safety Measure

**TITLE AND SUMMARY
PREPARED BY THE CITY ATTORNEY
PURSUANT TO
ELECTIONS CODE § 9203**

**AN INITIATIVE AMENDING THE EL SEGUNDO MUNICIPAL
CODE TO REPEAL THE CURRENT PROHIBITION ON
COMMERCIAL CANNABIS ACTIVITIES AND INSTEAD
AUTHORIZE COMMERCIAL CANNABIS RETAILING IN
SPECIFIED ZONES WITHIN THE CITY SUBJECT TO A
REGULATORY PERMITTING PROCESS**

The purpose of this initiative is to place on the ballot a proposed ordinance that amends the El Segundo Municipal Code to repeal the current prohibition on commercial cannabis activities in all areas of the city and instead authorize commercial cannabis retailing by right in the General Commercial (C-3) and Smoky Hollow West (SH-W) zones, subject to a city-issued cannabis business permit and any other license required by state law. A cannabis retail business would not be permitted within 1,000 feet of any school or day care center that is specifically listed in the proposed ordinance or within 600 feet of any youth center that is specifically listed in the proposed ordinance.

The proposed ordinance would limit the total number of cannabis retailer permits in the city to two and would establish a commercial cannabis business permit application procedure along with a point-based ranking system pursuant to which each application would be evaluated. Each cannabis business would be required to implement specified security measures and to comply with specified operating and recordkeeping requirements. The delivery of cannabis and cannabis products within the city by city-permitted cannabis retailers would be allowed subject to specified operating requirements.

The proposed ordinance would also authorize the commercial cultivation, manufacturing, distribution, and testing of cannabis within the city subject to a city-issued cannabis business permit, but would allow the city council, in its discretion, to determine the total number of cannabis business permits that may be issued for those types of businesses.

[TITLE AND SUMMARY WORD COUNT: 282]

**NOTICE OF INTENT TO CIRCULATE INITIATIVE PETITION FOR THE
EL SEGUNDO CANNABIS REGULATION AND PUBLIC SAFETY MEASURE**
(Cal. Elect. Code § 9202)

NOTICE OF INTENT TO CIRCULATE PETITION

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the City of El Segundo for the purpose of adopting an initiative that will enact provisions regarding the regulation of commercial cannabis activity in the City.

A statement of the reasons of the proposed action as contemplated in said petition is as follows (up to 500 words):

The purpose and intent of this Measure is to accommodate the needs of medically-ill persons in need of cannabis for medicinal purposes, as advised and recommended by their health care provider(s), and adults over the age of twenty-one (21), and to implement State of California ("State") law, which includes, but is not limited to the provisions of the Medicinal & Adult-Use Cannabis Regulation & Safety Act, as may be amended and augmented under State law, while imposing regulations on the conduct of business and use of land to protect the City of El Segundo's (the "City") neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this Measure to regulate the cultivation, manufacturing, processing, testing, distribution, and retail sale and delivery of cannabis and cannabis products in a manner which is responsible, which protects the health, safety, and welfare of the residents of the City, and which enforces rules and regulations consistent with State law. In part to meet these objectives, a commercial cannabis business permit shall be required to own or to operate a cannabis business within the City. Further, this Measure's requirement for a cannabis business to possess a commercial cannabis business permit is in addition to any other permits, licenses, and approvals which may be required to conduct business in the City, and is in addition to any permits, licenses, and approvals required under State or County of Los Angeles law.

Sandra Spiker

NAME OF PROPONENT

624 Sheldon Street
El Segundo, CA 90245

PROPONENT'S ADDRESS



PROPONENT'S SIGNATURE

July 19, 2021

DATE

RECEIVED *myf*
CITY CLERK'S OFFICE
07-20-21 1:23 PM

July 19, 2021

Ms. Tracy Weaver
City Clerk
City Hall, City of El Segundo
350 Main Street
El Segundo, CA 90245

Dear City Clerk Weaver:

RE: Request for Official Ballot Title and Summary/Statement of Proponent for El Segundo Cannabis Regulation and Public Safety Measure

I, Sandra Spiker, am a proponent of the initiative measure that is attached to this letter. Pursuant to Elections Code section 9203, I request that officials of the City of El Segundo, including the City Attorney, proceed with the process of preparing an Official Ballot Title and Summary with respect to the aforementioned initiative measure.

I hereby appoint the attorneys of the Kaufman Legal Group, Damian A. Martin, and their designees to be my representatives for all purposes and communications related to this effort.

Correspondences regarding initiative process may be sent to:

George M. Yin
Kaufman Legal Group
777 S. Figueroa Street, Ste. 4050
Los Angeles, CA 90017
Phone: (213) 452-6565
Email: gyin@kaufmanlegalgroup.com

Damian A. Martin
6700 Pacific Coast Hwy, Ste. 201
Long Beach, CA 90803
Phone: (757) 652-0460
Facsimile: (323) 978-0996
Email: damian.martin.esq@gmail.com

ACKNOWLEDGMENT
(Per Elections Code § 9608)

I, Sandra Spiker, acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.



Name: Sandra Spiker
Address: 624 Sheldon Street
El Segundo, CA 90245
Tel: (213) 458-3651

Dated this 19th day of July, 2021

THE PEOPLE OF THE CITY OF EL SEGUNDO DO ORDAIN AS FOLLOWS:

SECTION 1. This measure shall be known and may be cited as the El Segundo Cannabis Regulation and Public Safety Measure (the "Measure").

SECTION 2. Purpose and Intent. The purpose and intent of this Measure is to accommodate the needs of medically-ill persons in need of cannabis for medicinal purposes, as advised and recommended by their health care provider(s), and adults over the age of twenty-one (21), and to implement State of California ("State") law, which includes, but is not limited to the provisions of the Medicinal & Adult-Use Cannabis Regulation & Safety Act (hereinafter, "MAUCRSA"), as may be amended and augmented under State law, while imposing regulations on the conduct of business and use of land to protect the City of El Segundo's (the "City") neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this Measure to regulate the cultivation, manufacturing, processing, testing, distribution, and retail sale and delivery of cannabis and cannabis products in a manner which is responsible, which protects the health, safety, and welfare of the residents of the City, and which enforces rules and regulations consistent with State law. In part to meet these objectives, a commercial cannabis business permit shall be required to own or to operate a cannabis business within the City. Further, this Measure's requirement for a cannabis business to possess commercial cannabis business permit is in addition to any other permits, licenses, and approvals which may be required to conduct business in the City, and is in addition to any permits, licenses, and approvals required under State or County of Los Angeles ("County") law.

SECTION 3. Legal Authority. Pursuant to Section 7 of Article XI of the California Constitution, and the provisions of the MAUCRSA, as may be amended and augmented under State law and any subsequent State legislation regarding the same, the City is authorized to adopt ordinances that establish standards, requirements, and regulations for local licenses and permits for commercial cannabis activity. Except as otherwise provided in this Measure, any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the State, or any of its departments or divisions, shall be the minimum standards applicable to commercial cannabis activity in the City.

SECTION 4. Chapter 14 (Marijuana) of Title 4 (Business Regulations and Licensing) of the City Municipal Code is hereby repealed in its entirety and amended to read as follows:

Chapter 14: COMMERCIAL CANNABIS ACTIVITY

4-14-1: Commercial Cannabis Activity Prohibited Unless Specifically Authorized.

- A. Except as specifically authorized by this Chapter 14, to the fullest extent permitted by State law, the City expressly prohibits any and all commercial cannabis activity within the City. In particular and if allowable under State law, the City hereby expressly prohibits the delivery of cannabis and cannabis products within the City except by cannabis retailers based within the City and permitted under this Chapter 14. If the City is required by State law to permit the delivery of cannabis and cannabis products by cannabis retailers not based within the City, such cannabis retailers not based within the City shall be required to comply with the requirements under this Chapter 14, including the City commercial cannabis business permit application and approval processes under Section 4-14-7.

- B. Nothing in this Chapter 14 shall be construed or interpreted to permit the commercial possession, furnishing, manufacture, cultivation, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of industrial hemp.
- C. To the extent expressly authorized in this Chapter 14 and Title 15 of the City Municipal Code, the following types of commercial cannabis activity are permitted in the City, subject to the satisfaction of all requirements set forth in this Chapter 14, Title 15 of the City Municipal Code, MAUCRSA, and all other applicable State and local laws, rules, and regulations:
 - 1. Retail sales
 - 2. Cultivation
 - 3. Manufacturing
 - 4. Distribution
 - 5. Testing laboratory
- D. Microbusinesses are not a type of commercial cannabis activity permitted to be based within the City pursuant to this Chapter 14 and Title 15 of the City Municipal Code.

4-14-2: Compliance with Laws.

It is the responsibility of the owners, managers, officers, employees, and agents of any cannabis business to ensure that it is operating in a manner compliant with all applicable State and local laws and any regulations promulgated thereunder. Nothing in this Chapter 14 shall be construed as in conflict with State law.

4-14-3: Definitions.

When used in this Chapter 14, the following words shall have the meanings ascribed to them as set forth herein. Any reference to State statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

APPLICANT: The person applying for the commercial cannabis business permit under this Chapter 14 (not the owners or the managers of the applicant).

CANNABIS: All parts of the Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" also means marijuana as defined by Section 11018 of the State Health & Safety Code. Cannabis does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this Chapter 14, cannabis does not mean industrial hemp as that

term is defined by Section 81000 of the State Food & Agricultural Code or Section 11018.5 of the State Health & Safety Code.

CANNABIS BUSINESS: A person engaged in commercial cannabis activity.

CANNABIS PRODUCT: Cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

CAREGIVER or PRIMARY CAREGIVER has the same meaning as that term is defined in Section 11362.7 of the State Health & Safety Code.

CHIEF OF POLICE: The Police Chief of the City of El Segundo Police Department or his or her designee(s).

CITY: The City of El Segundo.

CITY ATTORNEY: The City Attorney of the City of El Segundo or his or her designee(s).

CITY COUNCIL: The City Council of the City of El Segundo.

CITY MANAGER: The City Manager of the City of El Segundo or his or her designee(s).

COMMERCIAL CANNABIS ACTIVITY has the same meaning as that term is defined under MAUCRSA and includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis and cannabis products as regulated under this Chapter 14.

COMMERCIAL CANNABIS BUSINESS PERMIT: A regulatory license issued by the City pursuant to this Chapter 14 to a cannabis business and is required before any commercial cannabis activity may be conducted in the City and is made expressly contingent upon the cannabis business's ongoing compliance with all of the requirements of this Chapter 14 and any regulations adopted by the City governing the commercial cannabis activity at issue.

CANNABIS CONCENTRATE: Cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter 14. A cannabis concentrate is not considered food, as defined by Section 109935 of the State Health & Safety Code, or drug, as defined by Section 109925 of the State Health & Safety Code.

COUNTY: The County of Los Angeles.

CULTIVATION: Any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

CULTIVATION SITE: A location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities may occur. Cultivation sites must be licensed by the City and State pursuant to this Chapter 14.

CUSTOMER: A natural person twenty-one (21) years of age or over or a natural person eighteen (18) years of age that is a qualified patient or primary caregiver.

DAY CARE CENTER or CHILDCARE FACILITY: A facility, other than a family day care home, serving infant, toddler, preschool, and school age children licensed by the State Department of Social Services pursuant to Section 1596.951 of the State Health & Safety Code. Pursuant to the authority delegated by the State to the City under Section 26054(b) of the State Business & Professions Code, this definition of “day care center” under this Chapter 14 shall override the definition of “day care center” in MAUCRSA at Section 26001 of the State Business & Professions Code.

DELIVERY: The commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer (or a microbusiness engaging in retail sales).

DISPENSARY or RETAILER: A location where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products.

DISPENSING or RETAIL SALE(S): Any activity involving the retail sale of cannabis or cannabis products from a retailer (or a microbusiness engaging in retail sales).

DISTRIBUTION: The procurement, sale, and transport of cannabis and cannabis products between persons lawfully conducting commercial cannabis activity under this Chapter 14 and State law.

DISTRIBUTOR: a person engaged in the distribution of cannabis and cannabis products, who is based within the City, and licensed by the City and State pursuant to this Chapter 14.

EDIBLE CANNABIS PRODUCT: A cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the State Food & Agriculture Code. An edible cannabis product is not considered food, as defined by Section 109935 of the State Health & Safety Code, or drug, as defined by Section 109925 of the State Health & Safety Code. An edible cannabis product shall not be deemed to be adulterated pursuant to Section 26131 of the State Business & Professions Code solely because it contains cannabis.

EMPLOYEE: Each individual person employed by a cannabis business who is a part-time, full-time, temporary, or permanent employee.

GROSS RECEIPTS: Except as otherwise specifically provided herein, whether designated as a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, and property of any kind or nature) received or payable for sales of goods, wares, or merchandise without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor, or service costs, interest paid or payable, losses, or any other expense whatsoever. However, the following shall be excluded from gross receipts:

- A. Cash discounts where allowed and taken on sales;
- B. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;

- C. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
- D. Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;
- E. Cash value of sales, trades, or transactions between departments or units of the same business;
- F. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a given year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered; and
- G. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar.

LABOR PEACE AGREEMENT: An agreement between a cannabis business and any bona fide labor organization that, at a minimum, protects the City's proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with a cannabis business. This agreement means that the cannabis business has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the cannabis business's employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the cannabis business's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under State law, and terms and conditions of employment.

LICENSING AUTHORITY: A State agency responsible for the issuance, renewal, or reinstatement of State license, or a State agency authorized to take disciplinary action against a State licensee.

LIQUID ASSETS: Assets that can be readily converted into cash. "Liquid assets" include, but are not limited to, the following: funds in checking or savings accounts, certificates of deposit, money market accounts, mutual fund shares, publicly traded stocks, and United States savings bonds. "Liquid assets" does not mean household items, furniture and equipment, vehicles, cannabis or cannabis products, business inventory, or real property and improvements thereto.

LIVE PLANTS: Living cannabis flowers and plants, including seeds, immature plants (including unrooted clones), and vegetative stage plants.

MANAGER: Any individual who will be participating in the direction, control, or management of an applicant or a permittee, including but not limited to, any (i) manager or managing member or other officer of a limited liability company or (ii) president, chief executive officer, secretary, treasurer, chief financial officer, or other officer of a for profit corporation.

MANUFACTURE(ING): To compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

MANUFACTURER: A person that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction.

MANUFACTURING SITE: A location where cannabis or cannabis products, directly or indirectly are produced, prepared, propagated, or compounded by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis.

MARIJUANA means “cannabis” as that term is defined in this Chapter 14.

MAUCRSA: Division 10 (commencing with Section 26000) of the State Business and Professions Code and any regulations promulgated thereunder.

MEASURE: The El Segundo Cannabis Regulation and Public Safety Measure.

MICROBUSINESS: A cannabis business engaged in at least three (3) of the following commercial cannabis activities: cultivation (on areas less than ten thousand (10,000) square feet), manufacturing (without the use of volatile solvents), distribution, or retail sale.

OWNER: Any of the following:

- A. A person owning in the aggregate equity interests representing twenty (20) percent or more of the voting power of all outstanding equity in the applicant or a permittee;
- B. The president, chief executive officer, secretary, or treasurer / chief financial officer of a nonprofit applicant or permittee; or
- C. A member of the board of directors of a nonprofit applicant or permittee.

Notwithstanding the above, every applicant and permittee must have at least one individual person designated as an “owner” for the purpose of compliance with this Chapter 14, including the review and evaluation of any commercial cannabis business permit application.

PANIC BUTTON: An emergency electronic contact device which allows an employee in the event of an ongoing crime, threat, or other emergency to alert a security guard responsible for providing immediate on-scene assistance.

PATIENT or QUALIFIED PATIENT: A person who is entitled to the protections of Section 11362.5 of the State Health & Safety Code and includes a person issued an identification card issued pursuant to Article 2.5 of Chapter 6 of Division 10 of the State Health & Safety Code.

PERMITTEE: The holder of a valid, City-issued commercial cannabis business permit.

PERSON: An individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

PERSON WITH AN IDENTIFICATION CARD shall have the meaning given to that term in Section 11362.7 of the State Health & Safety Code.

PREMISES: The designated structure or structures and land specified in the commercial cannabis business permit application that is owned, leased, or otherwise held under the control of the applicant or permittee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one permittee.

SCHOOL: As evidenced by the State Department of Education school directory, a public school instructing children in grades kindergarten through 12, as authorized by the State Department of Education or a private school instructing children in grades kindergarten through 12 that has filed a verification of private school affidavit with the State Department of Education pursuant to Section 33190 of the State Education Code, excluding any private school in which education is primarily conducted in a private home. Pursuant to the authority delegated by the State to the City under Section 26054(b) of the State Business & Professions Code, this definition of "school" under this Chapter 14 shall override the definition of "school" used in MAUCRSA or Section 11362.768 of the Health & Safety Code.

STATE: The State of California.

STATE LICENSE: A permit or license issued by the State, or one of its departments or divisions, under MAUCRSA and any subsequent State legislation regarding the same to engage in commercial cannabis activity.

TESTING LABORATORY: A laboratory, facility, or entity in the City that offers or performs tests of cannabis or cannabis products and that is both of the following:

- A. Accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the State; and
- B. Licensed by the Bureau of Cannabis Control and is owned and operated by a person issued a valid commercial cannabis business permit for laboratory testing from the City.

TOPICAL CANNABIS: A cannabis product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the State Health & Safety Code.

VOLATILE SOLVENT: A solvent that is or produces a flammable gas vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

YOUTH CENTER: (A) any public or private facility that is primarily used to host recreational or social activities for minors such as private youth membership organizations or clubs, social service teenage club facilities or (B) a park, playground, or recreational area specifically designed to be used by children that may have play equipment installed, including public grounds designed for athletic activities such as baseball, softball, soccer, or basketball or any similar facility located on a public or private school grounds, or on City, County, or State parks. "Youth center" shall not include any private martial arts, yoga, ballet, music, or similar studio of this nature nor shall it

include any private athletic training facility, pizza parlor, restaurant, video arcade, dentist office, or doctor's office primarily serving children. Pursuant to the authority delegated by the State to the City under Section 26054(b) of the State Business & Professions Code, this definition of "youth center" under this Chapter 14 shall override the definition of "youth center" in MAUCRSA at Section 26001 of the State Business & Professions Code.

4-14-4: Commercial Cannabis Business Permit Required.

- A. No person shall operate a cannabis business or engage in commercial cannabis activity within the City unless such business or activity is currently in compliance with all applicable State and local laws, rules, and regulations and the cannabis business has:
 - 1. A valid City business license to conduct such business or activity;
 - 2. A valid commercial cannabis business permit issued by the City pursuant to this Chapter 14 to conduct such business or activity;
 - 3. A valid State license authorizing such business or activity in the City; and
 - 4. A valid certificate of occupancy issued by the City's Building & Safety Division to conduct the commercial cannabis activity at the premises identified in the commercial cannabis business permit.
- B. A separate commercial cannabis business permit shall be required for each type of commercial cannabis activity listed in Section 4-14-1.C whether conducted in or engaged on the same premises or on different premises.

4-14-5: Maximum Number and Type of Authorized Cannabis Businesses Permitted.

- A. The number of commercial cannabis business permits for retailers based within the City shall be no more than two (2).
- B. The number of commercial cannabis business permits for retailers (including microbusinesses engaged in retail sales) based outside the City to engage in delivery within the City shall be zero (0).
- C. The maximum number of commercial cannabis business permits issued for cannabis retailers based within the City or outside the City (including microbusinesses engaged in retail sales) may not be amended by the City Council or regulations promulgated by the City Manager pursuant to this Chapter 14. However, the City Council may and shall increase the maximum number of commercial cannabis business permits issued for retailers based within the City or outside the City (including microbusinesses engaged in retail sales) if ordered to do so by a court of competent jurisdiction as a judicial remedy.
- D. The number of commercial cannabis business permits for cultivation sites, manufacturing sites, distributors, and testing laboratories shall be established by resolution of the City Council, at the sole discretion of the City Council, including the possibility that the number of commercial cannabis business permits for cultivation sites, manufacturing sites, distributors, and testing laboratories may be zero (0).

4-14-6: Location and Design Requirements for Cannabis Businesses.

Pursuant to the authority delegated by the State to the City under Section 26054(b) of the State Business & Professions Code and overriding the location and design requirements contained in Section 26054(b) of the State Business & Professions Code, cannabis businesses in the City shall be subject to the following location and design requirements:

- A. Retailers shall be a permitted use by right subject to this Chapter 14 on property (i) located more than one-thousand (1,000) feet from any school or day care center, (ii) located more than six-hundred (600) feet from any youth center, and (iii) zoned: General Commercial (C-3) or Smoky Hollow West (SH-W)
- B. The location and design requirements for cultivation sites, manufacturing sites, distributors, and testing laboratories shall be established by ordinance of the City Council, at the sole discretion of the City Council, including the possibility that cultivation sites, manufacturing sites, distributors, and testing laboratories may not be types of commercial cannabis activity permitted to be based within the City pursuant to this Chapter 14 and Title 15 of the City Municipal Code.
- C. With the exception of Chevron Park, a youth center located on County Assessor's Identification Number 4138-016-015, the distances specified in this Section 4-14-6 shall be the horizontal distance measured in a straight line from the parcel line of the sensitive use to the closest parcel line of the lot on which the cannabis business is to be located without regard to intervening structures. For Chevron Park, a youth center located on County Assessor's Identification Number 4138-016-015, the distance specified in this Section 4-14-6 shall be the horizontal distance measured in a straight line from the boundary line identified in Exhibit A to the Measure with the buffer radius identified in Exhibit A to the Measure. The People of the City find that measuring the buffer radius for Chevron Park from the parcel line of County Assessor's Identification Number 4138-016-015, a parcel that encompasses approximately 625 acres of which Chevron Park comprises a very small portion, would inhibit the purpose and intent of the Measure.
- D. Each cannabis business shall:
 - 1. Be constructed in a manner that prevents odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties. Odors from the cannabis business shall not be detectable from outside the premises and adequate odor control technology shall be utilized;
 - 2. Be provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage facilities for the intended purpose; and
 - 3. Provide and maintain a neighborhood compatibility plan so the City Manager or designee(s) may find that the cannabis business and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance.

4-14-7: Cannabis Retailer Application Procedure.

- A. Within forty-five (45) days following the effective date of this Chapter, the City Manager, pursuant to Section 4-14-29, shall, as a ministerial duty, make available the necessary

forms, adopt any necessary application rules for the submission, intake, review, and approval of commercial cannabis business permit applications for retailers up to the maximum number of commercial cannabis business permits authorized in Section 4-14-5.

- B. The City Manager shall, as a ministerial duty, cease acceptance of a commercial cannabis business permit application for retailers thirty (30) days after making available the necessary forms and adopting any necessary application rules for the submission, intake, review, and approval of commercial cannabis business permit applications for retailers.
- C. Within thirty (30) days of ceasing the acceptance of commercial cannabis business permit application for retailers, the City Manager shall, as a ministerial duty, review timely submitted retailer applications for the following minimum requirements:
 - 1. Payment of an application fee established by resolution of the City Council within forty-five (45) days following the effective date of this Chapter to cover all costs incurred by the City in the application process;
 - 2. Sufficient evidence of the legal right to use the proposed property for the proposed use, to include a lease, sublease, purchase agreement, assignment of purchase agreement, or lease or purchase option, in the name of the applicant, which may include nominal consideration and be contingent upon issuance of a commercial cannabis business permit or other approvals. The City shall only consider one applicant per property address or County Assessor's Identification Number. In the event that more than one applicant applies for a commercial cannabis business permit application at a given property address or a given County Assessor's Identification Number, the City Manager shall, as a ministerial duty, only accept the commercial cannabis business permit application with the earliest dated evidence of the legal right to use the proposed property for the proposed use in the name of the applicant;
 - 3. Sufficient evidence to demonstrate that the proposed property complies with location and zoning requirements in Section 4-14-6;
 - 4. Proof that an owner or owners of the applicant with an aggregate ownership interest of forty (40) percent or more has served as an owner or owners with an aggregate ownership interest of forty (40) percent or more of (or is an owner as a result of being the chief executive officer of a nonprofit entity of) one or more other cannabis retailers (including microbusinesses with a retail sales component) licensed by a city, county, or state since at least March 1, 2019;
 - 5. Proof of funds showing that the applicant has access and control of over \$400,000.00 in liquid assets, which may be via a binding legal agreement in the name of the applicant such as a promissory note so long as said legal agreement is accompanied by a proof of funds in the name of a party to the agreement. Applicants and permittees shall not be required to show that the applicant or permittee has access and control of over \$400,000.00 in liquid assets except on initial application pursuant to this Section 4-14-7, a change in location application pursuant to Section 4-14-13, or an ownership transfer application pursuant to Section 4-14-14;

6. For an applicant with two (2) or more employees, proof of a labor peace agreement between a bona fide labor organization and the applicant (the applicant shall provide the City with a copy of the labor peace agreement that contains the signatures of the union representative and the cannabis business). For applicants with less than two (2) employees who have not yet entered into a labor peace agreement, the applicant shall provide a notarized statement indicating that the applicant will enter into and abide by the terms of a labor peace agreement within thirty (30) days after employing two (2) employees;
7. A set of plans, including a site development plan, floor plan(s), building elevations (all four (4) sides), and a conceptual landscape plan with the percentage of landscaping in the parking lot, setback areas, and tree size and species;
8. Colored interior and elevation renderings;
9. A completed background check application and receipt for each owner and manager of the applicant pursuant to Section 4-14-21.L; and
10. The following application components: (a) Qualifications of the applicant's owners and managers; (b) business and operations plan; (c) security plan; (d) safety plan; (e) neighborhood compatibility plan; (f) labor and employment plan; and (g) community benefits plan.

The City Manager shall, as a ministerial duty, reject any commercial cannabis business permit application that fails to meet the minimum requirements contained in this Subsection C.

- D. Within sixty (60) days of completing the application review under Subsection C above, the City Manager shall, as a ministerial duty, review and score any complete applications pursuant to the following objective review criteria according to the following quantitative evaluation scale:

1. Qualifications of the applicant's owners and managers – 250 points

The People of the City find that a proven track-record of cannabis retailer operations that successfully generate tax revenue carries out the purpose and intent of the Measure and are, therefore, critical for an applicant to demonstrate the qualifications of the applicant's owners and managers. Accordingly, 150 of the 250 points awardable under this Subsection 1 shall only be awarded, as a ministerial duty, if an owner or owners of the applicant with an aggregate ownership interest of forty (40) percent or more is currently at the time of application submission under this Section an owner or owners with an aggregate ownership interest of forty (40) percent or more of (or is an owner as a result of being the chief executive officer of a nonprofit entity of) a single licensed and lawfully operating commercial cannabis retailer operation (excluding any non-retailer microbusiness, cultivation, manufacturing, distribution, or other non-retailer commercial cannabis operation components) that has generated at least \$3,500,000.00 in gross receipts in a consecutive six-month period in the year immediately preceding the date of the application submission under this Section, as demonstrated by tax payment receipts from, tax filings to, or tax returns filed with a city, county, or state.

The remaining 100 of the 250 points awardable under this Subsection 1 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 50 points – A description of the applicant's owner and manager qualifications detailing any special business or professional qualifications or licenses of the applicant's owner and manager that would add to the quality of services that the cannabis business would provide, including in areas related to cannabis, such as legal, finance, business ownership / administration, real estate development, scientific, or healthcare fields.
- b. Up to 50 points – Documentation that the applicant's owners and managers have experience operating cannabis retailers in any jurisdiction where cannabis retailers are permitted.

2. Plans, renderings, and overall location – 100 points

The People of the City find that the further a cannabis retailer is located away schools and day care centers, the better a cannabis retailer will carry out the purpose and intent of the Measure (in particular the use of land to protect the City's neighborhoods, residents, and businesses from negative impacts) and that the sensitive use buffers contained in Section 4-14-6 are minimums rather than ideal distances to carry out the purpose and intent of the Measure. Accordingly, 50 of the 100 points awardable under this Subsection 2 shall only be awarded, as a ministerial duty, if an applicant's proposed cannabis retailer is located on property located more than one-thousand four-hundred (1,400) feet from any school or day care center identified and measured pursuant to Section 4-14-6 above and Section 10 of the Measure.

The remaining 50 of the 100 points awardable under this Subsection 2 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 10 points – A premise diagram in accordance with Section 5006 of Division 42 of Title 16 of the State Code of Regulations.
- b. Up to 10 points – A site development plan that provides information on existing conditions and proposed improvements to the site and how it meets or will meet the development standards outlined in Title 10 of the City Municipal Code. Information on existing conditions shall include:
 1. Exterior photographs showing all sides of any existing structure(s);
 2. Photographs of existing parking areas, landscaping, trash enclosure, and signage;
 3. Information on existing use on the site, including the addresses, uses, and square footages.
 4. Photographs of the existing site if the site is vacant; and
 5. Photographs of adjacent properties for context.

- c. Up to 10 points – A floor plan showing information on the existing layout and proposed layout of the building interior.
- d. Up to 10 points – Building elevations that provide information on existing conditions and proposed improvements.
- e. Up to 5 points – A conceptual landscape plan with the percentage of landscaping in the parking lot, setback areas, and tree size and species.
- f. Up to 5 points – Colored interior renderings and exterior elevation renderings (for both existing and/or proposed improvements).

3. Business and operations plan – 75 points

The 75 points awardable under this Subsection 3 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 5 points – A written description of the total square footage of the facility with estimated square footage of proposed uses.
- b. Up to 10 points – A schedule for beginning operations, including a narrative outlining any proposed construction improvements and a timeline for completion.
- c. Up to 10 points – A budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operating costs.
- d. Up to 5 points – A description of the sources(s) of capital and use(s) of capital.
- e. Up to 10 points – Pro forma financial statements for at least three (3) years of operation.
- f. Up to 5 points – A description of the type of products to be sold and the estimated quantity and value of product(s) to be sold.
- g. Up to 5 points – A description of marketing procedures and tactics.
- h. Up to 5 points – A description of day-to-day operations that should acknowledge both state and local laws and should be consistent with industry best practices.
- i. Up to 5 points – A description of hours of operation and opening procedures.
- j. Up to 5 points – A description of cash handling procedures.
- k. Up to 5 points – A description of inventory control procedures to include identification of point-of-sale systems, and track and trace software.

- I. Up to 5 points – A description of transportation, loading and unloading, distribution, and delivery procedures.

4. Security plan – 100 points

The 100 points awardable under this Subsection 4 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 20 points – The security plan shall be prepared by a professional security consultant.
- b. Up to 10 points – A premises security diagram.
- c. Up to 50 points – A description of access control, inventory control, cash handling, and other security procedures and security equipment demonstrating compliance with the security requirements under this Chapter 14.
- d. Up to 10 points – A description of the intrusion alarm and monitoring system including the name and contact information for the monitoring company.
- e. Up to 10 points – A description of the services of on-site security guards to include the (i) number of security guards; (ii) the hours security guards will be on-site; (iii) locations where security will be positioned; and (iv) security guard responsibilities.

5. Safety plan – 100 points

The 100 points awardable under this Subsection 5 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 20 points – The safety plan shall be prepared by a professional fire prevention and suppression consultant.
- b. Up to 10 points – A premises safety diagram to include (i) a description / illustration of evacuation routes and (ii) location of fire extinguishers and other fire suppression equipment.
- c. Up to 50 points – A description of safety procedures, training for emergency situations, and safety equipment demonstrating compliance with the safety requirements under this Chapter 14.
- d. Up to 10 points – Identify all gases, pesticides, and chemicals to be used and their storage locations.
- e. Up to 10 points – A description of the firm alarm and monitoring system including the name and contact information for the monitoring company.

6. Neighborhood compatibility plan – 75 points

The 75 points awardable under this Subsection 6 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 30 points – A “Good Neighbor Policy” that (i) includes policies and measures in place to protect adjacent uses from any potential impacts (e.g., noise, light, odor, traffic, etc.) related to the proposed cannabis business and (ii) describes how the cannabis business and its operating characteristics will be proactively managed so the business is not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding area and will not result in the creation of a nuisance.
- b. Up to 15 points – A description of odor mitigation practices to include: (i) identifying potential sources of odor; (ii) a description of odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the permitted premises; and (iii) all proposed staff odor training and system maintenance.
- c. Up to 15 points – A description of a waste management plan that includes waste disposal locations within the proposed premises and the applicant’s security measures and methods of rendering waste unusable and unrecognizable.
- d. Up to 15 points – A description of efforts at sustainability / environmental impact mitigation.

7. Community benefits plan – 100 points

The People of the City find that monetary donations to local non-profit organizations, financial support of City sponsored activities or organizations, in kind donations to the City or other charitable organizations, and economic incentives to the City carry out the purpose and intent of the Measure and are, therefore, critical for an applicant to demonstrate an effective community benefits plan. Accordingly, 50 of the 100 points awardable under this Subsection 7 shall only be awarded if the applicant pledges to voluntarily provide a public benefit to a public use (or a combination thereof), which is defined as a direct financial contribution equal to two percent (2%) of projected gross receipts of the applicant to a public school located within the City, a public park located within the City, and/or a public or nonprofit community organization serving the City or its residents. Beyond the above, no further direct financial contributions shall be considered as part of an applicant’s community benefits plan.

The remaining 50 of the 100 points awardable under this Subsection 7 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 25 points – A description of a social responsibility plan to include identification of a community liaison, plans to serve as a social equity business incubator, plans to aide and participate in the work of local non-profits, community-based organizations, civic organizations, or social services organizations.

- b. Up to 25 points – A description of a plan to develop a public health outreach and educational program that outlines the risks of youth use of cannabis and that identifies resources available to youth related to drugs and drug addiction.

8. Labor and employment plan – 200 points

The People of the City find that a proven track-record of cannabis retailer operations with high labor standards and commitment to labor peace carries out the purpose and intent of the Measure and are, therefore, critical for an applicant to demonstrate an effective labor and employment plan. Accordingly, 25 of the 200 points awardable under this Subsection 8 shall only be awarded if the applicant provides documentation that an owner or owners of the applicant with an aggregate ownership interest of fifty-one (51) percent or more are an owner or owners with an aggregate ownership interest of fifty-one (51) percent or more prior to May 31, 2021, of an existing licensed or permitted cannabis retailer, or an existing licensed or permitted microbusiness with a retail sales component (and remains an owner or owners with an aggregate ownership interest of fifty-one (51) percent or more on the date of the application submission under this Section) with a collective bargaining agreement with a labor organization that currently represents cannabis workers in the United States effective since at least May 31, 2021, inclusive of renewals (and remaining effective, inclusive of renewals, on the date of the application submission under this Section).

The remaining 175 of the 200 points awardable under this Subsection 8 shall be awarded, as a ministerial duty, pursuant to the following objective criteria:

- a. Up to 20 points – An organizational chart of showing owners, managers, and employees.
- b. Up to 20 points – A description of the owner's and manager's roles in day-to-day operations and decisions.
- c. Up to 20 points – A description of the number of employees, title / position, and their respective responsibilities
- d. Up to 25 points – A description of compensation to employees, opportunities for continuing education, and employee training.
- e. Up to 25 points – A description of whether the cannabis business is committed to offering employees a living wage.
- f. Up to 25 points – A description of benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment.
- g. Up to 20 points – A description of a plan to recruit employees from socially and economically disadvantaged backgrounds.
- h. Up to 20 points – A description of a plan to have at least 50% of employee positions filled and hours worked by employees residing in the City.

- E. Upon timely receipt of a commercial cannabis business permit application, the City Manager shall direct the Police Chief to conduct background checks in accordance with Section 4-14-21.L. Following review and scoring of complete applications complete pursuant to objective review criteria under Subsection D, the City Manager shall, as a ministerial duty, issue commercial cannabis business permits to applicants in order of their rank under Subsection D up to the maximum number of commercial cannabis business permits authorized in Section 4-14-5. In the event of a tie in the order of ranking under Subsection D up to the maximum number of commercial cannabis business permits authorized in Section 4-14-5, the City Manager shall, as a ministerial duty, break the tie and issue commercial cannabis business permits to applicant with the highest scoring application component in the following order: (1) Qualifications of the applicant's owners and managers; (2) labor and employment plan; (3) plans, renderings, and overall location; (4) security plan; (5) safety plan; (6) community benefits plan; (7) neighborhood compatibility plan; and (8) business and operations plan. In the event of a tie on all application components between one of more applicants up to the maximum number of commercial cannabis business permits authorized in Section 4-14-5, the City Manager shall not hold a public lottery, but rather arrange for the tied applicants to provide public presentations before the City Council, after which the City Council shall publicly rank the applicants pursuant to ranking sheets prepared by the City Manager that achieve a forced ranking based on all of the objective review criteria and quantitative evaluation scale in Subsection D, and the City Manager shall issue commercial cannabis business permits to applicants in order of their rank up to the maximum number of commercial cannabis business permits available following the City Manager's original ranking and issuance of commercial cannabis business permits and the limits contained in Section 4-14-5. However, the City Manager shall not issue a commercial cannabis business permit to any applicant with an owner or manager that:
1. Provided false or misleading information on the applicant's commercial cannabis business permit application;
 2. Has been convicted of (or pled no contest to) "an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made" as that term is defined in 26057(b)(4) of the State Business & Professions Code; or
 3. Has been sanctioned by a licensing authority or a city, county, or state for unauthorized commercial cannabis activities or has had a license suspended or revoked under MAUCRSA in the three (3) years immediately preceding the date the application was submitted.
- F. Any decision of the City Manager or City Council under this Section 4-14-7 shall be a final administrative decision not subject to administrative appeal under any provisions of this Chapter 14 or any provisions of the City Municipal Code but, rather, subject to judicial review and remedies.
- G. In the event that (i) the number of active, operating retailers and issued commercial cannabis business permits falls below the maximum number of commercial cannabis business permits for retailers authorized in Section 4-14-5 or (ii) the City Council is ordered to increase the maximum number of commercial cannabis business permits issued for retailers by a court of competent jurisdiction as a judicial remedy (e.g., if a court of competent jurisdiction orders the City Council to make commercial cannabis business

permits available for retailers (including microbusinesses engaged in retail sales) based outside the City to engage in delivery within the City), the City Manager shall, as a ministerial duty, within thirty (30) days reinstitute the application procedure under this Section 4-14-7, subject to the maximum number of commercial cannabis business permits for retailers authorized and available (not allocated to an active, lawfully operating retailer) for issuance. For the purpose of this Section, a retailer shall be considered operating if (i) upon initial issuance of commercial cannabis business permit (or approval of a change in location pursuant to Section 4-14-13), the retailer commences lawful operations within thirty-six (36) months or (ii) following initial commencement of lawful operations, the retailer does not cease or abandon operations for one-hundred twenty (120) consecutive or cumulative days in any one (1) year period.

4-14-8: Application Procedure for Commercial Cannabis Activity other than Retailers.

In the event that the City Council, in the sole discretion of the City Council, should amend this Chapter 14 and Title 15 of the City Municipal Code to permit the issuance of commercial cannabis business permits for commercial cannabis activity other than retailers, the City Council, at the sole discretion of the City Council, shall by resolution make available the necessary forms, adopt any necessary application rules for the submission, intake, review, and approval of commercial cannabis business permit applications for commercial cannabis activity other than retailers up to the maximum number of commercial cannabis business permits authorized pursuant to Section 4-14-5.

4-14-9: Limitations on the City's Liability.

To the fullest extent permitted by law, the City shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this Chapter 14 or otherwise approving the operation of any cannabis business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive a commercial cannabis business permit:

- A. Execution of an agreement, in a form approved by the City Attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the City, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities, or losses which arise out of, or which are in any way related to, the City's issuance of the commercial cannabis business permit, the City's decision to approve the operation of the cannabis business or activity, the process used by the City in making its decision, or the alleged violation of any federal, State, or local laws by the cannabis business or any of its officers, employees, or agents.
- B. Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the City Attorney.
- C. Defend and indemnify the City for all costs and expenses, including but not limited to attorneys' fees and court costs, that the City may be required to pay as a result of any legal challenge related to the City's approval of the applicant's commercial cannabis business permit or related to the City's approval of a commercial cannabis activity. The City, at its sole discretion, may participate at its own expense in the defense of any such action, but such participation shall neither relieve nor increase any of the obligations imposed on the applicant hereunder.

4-14-10: Commercial Cannabis Business Permit Term.

- A. Subject to this Section 4-14-10 and Section 4-14-11, the term of each commercial cannabis business permit shall be indefinite.
- B. Upon the one (1) year anniversary of the date of issuance for each commercial cannabis business permits and each year thereafter, the City Manager shall conduct a performance review of the permittee to assess compliance with the requirements of this Chapter 14. Within thirty (30) days of the conclusion of the annual performance review of the permittee, the City Manager or designee(s) shall issue a letter of compliance or noncompliance outlining all items to be corrected to ensure full compliance. In the event of any noncompliance, the permittee shall have sixty (60) days to remedy such noncompliance. However, in the event such noncompliance items cannot be remedied within sixty (60) days, such failure to remedy shall constitute a material violation of any law and/or any rule, regulation, and/or standard adopted pursuant to this Chapter 14 subject to suspension or revocation under Section 4-14-11.
- C. The permittee shall pay a fee in an amount to be set by the City Council via resolution to cover the costs of conducting the performance review, together with any costs incurred by the City to administer the program created under this Chapter 14.

4-14-11: Suspension and Revocation of Commercial Cannabis Business Permits.

- A. The City Manager may suspend or revoke a commercial cannabis business permit for any material violation of any law and/or any rule, regulation, and/or standard adopted pursuant to this Chapter 14.
- B. Suspension or revocation of a State license issued by the State or by any of its departments or divisions, corresponding to the commercial cannabis business permit shall immediately result in the suspension of the associated commercial cannabis business permit until the State, or its applicable department or division, reinstates the State license or otherwise lifts such suspension.
- C. A permittee shall inform the City Manager or designee(s) of any suspension, revocation, or termination of a State license corresponding to its commercial cannabis business permit within two (2) business days of the suspension, revocation, or termination of the State license.

4-14-12: Appeals Regarding Commercial Cannabis Business Permits.

- A. Within ten (10) calendar days after the date of a decision of the City Manager to revoke, suspend, or deny the renewal of an issued commercial cannabis business permit, an aggrieved party may appeal such action by filing a written appeal with the City Clerk setting forth the reasons why the decision was not proper. An appeal shall stay all proceedings in furtherance of the appealed action.
- B. At the time of filing, the appellant shall pay the designated appeal fee established by resolution of the City Council.

- C. Upon receipt of the written appeal, the City Clerk shall set the matter for a hearing before the City Council. The City Council shall hear the matter de novo, and shall conduct the hearing pursuant to the procedures set forth by the City.
- D. The appeal shall be held within a reasonable time after the filing the appeal, but in no event later than ninety (90) days from the date of such filing. The City shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.
- E. At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- F. At the conclusion of the hearing the City Council may affirm, reverse, or modify the decision appealed. The decision of the City Council shall be a final administrative decision, subject to judicial review and remedies.

4-14-13: Change in Location; Updated Application Information.

- A. A permittee may change the business location specified in a commercial cannabis business permit upon submission and approval of a change in location application promulgated, as a ministerial duty, by the City Manager pursuant to regulations adopted under Section 4-14-29 within one-hundred eighty (180) days following the effective date of this Chapter 14. The permittee shall pay an application fee established by resolution of the City Council to cover all costs incurred by the City in the review and processing of change in location applications. The City Manager shall process such change in location applications as a ministerial duty within sixty (60) days of receipt.
- B. An applicant or permittee shall notify the City Manager or designee(s) within fifteen (15) calendar days of any material change in the information provided in the applicant or permittee's commercial cannabis business permit application or any change in status of compliance with the provisions of this Chapter 14, including any change in the cannabis business ownership or management.

4-14-14: Transfer of a Commercial Cannabis Business Permit.

- A. An owner of a commercial cannabis business permit shall not transfer ownership or control of such permit to another person unless and until the permittee and transferee obtain an amendment to the permit from the City Manager stating that the transferee is now an owner of the permittee. A permittee may change the ownership specified in a commercial cannabis business permit upon submission and approval of a change in ownership application promulgated, as a ministerial duty, by the City Manager pursuant to regulations adopted under Section 4-14-29 within one-hundred eighty (180) days following the effective date of this Chapter 14. The permittee shall pay an application fee established by resolution of the City Council to cover all costs incurred by the City in the review and processing of change in ownership applications. The City Manager shall process such change in ownership applications as a ministerial duty once the City Manager reasonably determines that the transferee passed the background check required for owners and meets all other requirements of this Chapter 14.
- B. Notwithstanding Subsection A, during the first three years following the issuance of a commercial cannabis business permit, the City Manager shall not process any application

to change the ownership or control of a commercial cannabis business permit that results in the permittee altering its ownership composition in a manner that would result in the permittee not being entitled to points it was awarded when the permittee was an applicant pursuant to Section 4-14-7. For example, if a permittee received 25 points when it was an applicant for providing documentation that an owner or owners of the applicant with an aggregate ownership interest of fifty-one (51) percent or more are an owner or owners with an aggregate ownership interest of fifty-one (51) percent or more prior to May 31, 2021, of an existing licensed or permitted cannabis retailer, or an existing licensed or permitted microbusiness with a retail sales component (and remains an owner or owners with an aggregate ownership interest of fifty-one (51) percent or more on the date of the application submission under this Section 4-14-7) with a collective bargaining agreement with a labor organization that currently represents cannabis workers in the United States effective since at least May 31, 2021, inclusive of renewals (and remaining effective, inclusive of renewals, on the date of the application submission), the City Manager shall not process or authorize any change in ownership or control of the permittee if the change would result in the permittee being unable to continue to satisfy the aforementioned criteria subsequent to its approval.

- C. Notwithstanding Subsection A, no commercial cannabis business permit may be transferred when the City Manager has notified the permittee that its commercial cannabis business permit has been or may be suspended or revoked.
- D. Any attempt to transfer a commercial cannabis business permit either directly or indirectly in violation of this Section 4-14-14 is hereby declared void, and such an unpermitted transfer shall be deemed a ground for revocation of the permit.

4-14-17: Records and Recordkeeping.

- A. Each cannabis business shall maintain accurate books and records in an electronic format, which detail all revenues and expenses of the business, including, but not limited to, all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial cannabis business permit issued pursuant to this Chapter 14), or at any time upon reasonable request of the City, each cannabis business shall file a sworn statement detailing the number of sales by the cannabis business during the previous 12-month period (or shorter period based upon the timing of the request) detailing sales for each month within such period in question. The statement shall also include gross sales for each month and all applicable taxes paid or due to be paid. On an annual basis, each cannabis business shall submit to the City a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the City Manager.
- B. Each cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the cannabis business and, separately, the same contact information of all officers, managers, employees, agents, and volunteers currently employed or otherwise engaged by the cannabis business. The register required by this paragraph shall be provided to the City Manager upon a reasonable request.

- C. Each cannabis business shall maintain a record of all distributions of cannabis and cannabis products to other cannabis businesses authorized by State law for a period of no less than seven (7) years.
- D. All cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing, production, manufacturing, laboratory testing, distribution, sale, delivery, or other commercial cannabis activity processes until purchase or distribution.
- E. Subject to any applicable restrictions under the Health Insurance Portability & Accountability Act ("HIPAA") regulations, each cannabis business shall grant the City Manager access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents shall be produced no later than five (5) business days after receipt of the City Manager's request for such data, unless otherwise stipulated by the City Manager. The City Manager may require the materials to be submitted in an electronic format that is compatible with the City's software and hardware.

4-14-18: Security Measures.

- A. A cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products and to deter and prevent the theft of cannabis or cannabis products at the cannabis business. Except as may otherwise be determined by the Chief of Police, these security measures shall include, but are not limited to, all of the following:
 - 1. Preventing individuals from remaining on the premises of the cannabis business if they are not engaging in an activity directly related to the permitted operations of the cannabis business.
 - 2. Establishing limited access areas accessible only to authorized cannabis business personnel.
 - 3. Except for live plants, which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner designed to prevent diversion, theft, and loss.
 - 4. Installing twenty-four-hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the cannabis business, which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis, and all interior spaces where diversion of cannabis could reasonably occur. The cannabis business shall be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the Chief of Police, and that it is compatible with the city's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the Chief of Police. Video recordings shall be maintained for a minimum of ninety (90) days and shall be made available to the Chief of Police

upon request. Video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the cannabis business.

5. Sensors shall be installed to detect entry and exit from all secure areas.
 6. Panic buttons shall be installed in all cannabis businesses.
 7. Having a professionally installed, maintained, and monitored alarm system.
 8. Any bars installed on the windows or the doors of the cannabis business shall be installed only on the interior of the building.
 9. Security personnel shall be on-site twenty-four (24) hours a day unless the cannabis business has an alternative security program authorized by the Police Chief or designee(s). Security personnel must be licensed by the State Bureau of Security & Investigative Services personnel and shall be subject to the prior review and approval of the Chief of Police, which shall not be unreasonably withheld.
 10. Each cannabis business shall install standby generators and have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
 11. Additional security measures may be added through the review of a commercial cannabis business permit application.
- B. Each cannabis business shall identify a designated security representative/liaison to the City, who shall be reasonably available to meet with the Chief of Police regarding any security related measures or and operational issues.
- C. Each cannabis business (including as part of the commercial cannabis business permit application process) shall have a storage and transportation plan and currency management plan, which describes in detail the procedures for safely and securely storing, disposing and transporting all cannabis, cannabis products, and any currency.
- D. The cannabis business shall cooperate with the City whenever the Chief of Police makes a request, upon reasonable notice to the cannabis business, to inspect or audit the effectiveness of any security plan or of any other requirement of this Chapter 14.
- E. A cannabis business shall notify the Chief of Police within twenty-four (24) hours after discovering any of the following:
1. Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager.
 2. Diversion, theft, loss, or any criminal activity involving the cannabis business or any agent or employee of the cannabis business.
 3. The loss or unauthorized alteration of records related to cannabis and cannabis products or registering customers or employees and/or agents of the cannabis business.

4. Any other breach of security.

4-14-19: Restriction on Alcohol and Tobacco Sales.

No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco on or about the premises of the cannabis business.

4-14-20: Fees and Charges.

- A. No person may commence or continue any commercial cannabis activity in the City without timely paying in full all fees and charges required for the operation of a commercial cannabis activity. Fees and charges associated with the operation of such activity shall be established by resolution of the City Council which may be amended from time to time.
- B. All cannabis businesses authorized to operate under this Chapter 14 shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, State, and local law. Each cannabis business shall cooperate with City with respect to any reasonable request to audit the cannabis business' books and records for the purpose of verifying compliance with this Section 4-14-20, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

4-14-21: Generally Applicable Operating Requirements.

- A. Cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the City and must comply with State law at all times.
- B. Cannabis shall not be consumed on the premises of any cannabis businesses.
- C. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit or on any of the vehicles owned or used as part of the cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- D. Each cannabis business shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale), and other information which may be deemed necessary by the City. The cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager prior to being used by a permittee.
- E. All cannabis and cannabis products sold, distributed, and/or manufactured shall be cultivated, manufactured, and distributed by licensed facilities that maintain operations in full conformance with the State and local regulations. The packaging and labeling of cannabis and cannabis products shall comply at all times with State law.
- F. There shall not be a physician located in any cannabis business at any time for the purpose of evaluating patients for the issuance of a medicinal cannabis recommendations.

- G. Each cannabis business shall provide the City Manager with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
- H. Signage and Notices.
1. In addition to the requirements otherwise set forth in this Section 4-14-21, business identification signage for a cannabis business shall conform to the requirements of the City Municipal Code, including, but not limited to, seeking the issuance of a City sign permit.
 2. No signs placed on the premises of a cannabis business shall obstruct any entrance or exit to the building or any window.
 3. Each entrance to a cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises, or in the areas adjacent to the premises, is prohibited.
 4. The entrance to the cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the cannabis business, other than as lawful customers permitted under State law in the case of retailers.
 5. No cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the cannabis business or elsewhere including, but not limited to, the public right-of-way.
- I. Other than as lawful customers permitted under State law in the case of retailers, individuals under the age of twenty-one (21) years shall not be allowed on the premises of a cannabis business and shall not be allowed to serve as a driver for a cannabis business. It shall be unlawful and a violation of this Chapter 14 for any person to employ any person at a cannabis business who is not at least twenty-one (21) years of age.
- J. Odor control devices and techniques shall be incorporated in all cannabis businesses to ensure that odors from cannabis are not detectable off-site. Cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the cannabis business. As such, cannabis businesses must install and maintain the following equipment, or any other equipment which the City Manager determines is a more effective odor control method or technology:
1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; and
 2. An air system that creates negative air pressure between the cannabis business's interior and exterior, so that the odors generated inside the cannabis business are not detectable on the outside of the commercial cannabis business.

- K. The original copy of the commercial cannabis business permit issued by the City pursuant to this Chapter 14 and the City issued business license shall be posted inside the cannabis business in a location readily visible to the public.
- L. Pursuant to Sections 11105(b)(11) and 13300(b)(11) of the State Penal Code, which authorizes City authorities to access State and local summary criminal history information for employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee, or volunteer of the cannabis business must submit fingerprints and other information deemed necessary by the Chief of Police for a background check by the City Police Department. Pursuant to Sections 11105(b)(11) and 13300(b)(11) of the State Penal Code, which requires that there be a requirement or exclusion from employment, licensing, or certification based on specific criminal conduct on the part of the subject of the record, no person shall be issued a commercial cannabis business permit unless they have first cleared the background check, as determined by the Chief of Police, as required by this Chapter 14. A fee for the cost of the background investigation, which shall be the actual cost to the City to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted.
- M. The cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
- N. Within sixty (60) days of licensure, for a permittee with two (2) or more employees, the permittee shall attest to the City that the permittee has entered into a labor peace agreement and will abide by the terms of the agreement. The permittee shall submit a copy of the page of the labor peace agreement that contains the signatures of the labor representative and the applicant. For permittees with less than two (2) employees who have not yet entered into a labor peace agreement, the permittee shall provide a notarized statement indicating that the applicant will enter into and abide by the terms of a labor peace agreement within thirty (30) days after employing two (2) employees. If an attestation that the permittee is party to a labor peace agreement, and a copy of the page of the labor peace agreement that contains the signatures of the labor representative was submitted to the City by the permittee as part of the application process, that will meet this obligation.
- O. Cannabis businesses shall implement a workforce plan that includes at least the following provisions:
1. Commitment for thirty percent (30%) of employees to be local hires; this local hiring requirement is satisfied when a cannabis business shows that it has either hired or made a good faith effort to hire bona fide residents of the City or persons that may establish residency after initial employment with the permittee;
 2. Commitment to offer apprenticeships and/or compensation for continuing education in the field of commercial cannabis activity; and
 3. Entering into a collective bargaining agreement and/or paying a living wage to employees. "Living wage" means fifty percent (50%) more than the applicable

amount of the hourly minimum wage mandated by State law (convertible to an annual salary by multiplying that hourly minimum wage by 2,080, as applicable), whichever is greater.

- P. It shall be unlawful for a cannabis business to discriminate in any manner or take adverse action against any employee in retaliation for exercising rights protected under this Chapter 14 or City or State law. These rights include, but are not limited to (i) the right to file a complaint or inform any person about any party's alleged noncompliance with this Chapter 14 or City or State law and (ii) the right to inform any person of his or her potential rights under this this Chapter 14 or City or State law and to assist him or her in asserting such rights. Protections under this this Chapter 14 or City or State law shall apply to any employee who mistakenly, but in good faith, alleges noncompliance with this this Chapter 14 or City or State law. Taking adverse action against an employee within ninety (90) days of the employee's exercise of rights protected under this this Chapter 14 or City or State law shall raise a rebuttable presumption of having done so in retaliation for the exercise of such rights.

4-14-22: Additional Operational Requirements in General.

The City Manager may, pursuant to Section 4-14-29, develop additional cannabis business operational requirements or regulations for all authorized commercial cannabis activities as are determined to be necessary to protect the public health, safety, and welfare.

4-14-23: Additional Operating Requirements for Cultivation Sites.

If the City Council should amend this Chapter 14 and Title 15 of the City Municipal Code to permit the issuance of commercial cannabis business permits for the commercial cannabis activity of cultivation within the City, the City Council shall amend this Section to adopt operating requirements for cultivation within the City.

4-14-24: Additional Operating Requirements for Manufacturing Sites.

If the City Council should amend this Chapter 14 and Title 15 of the City Municipal Code to permit the issuance of commercial cannabis business permits for the commercial cannabis activity of manufacturing within the City, the City Council shall amend this Section to adopt operating requirements for manufacturing within the City.

4-14-25: Additional Operating Requirements for Testing Laboratories.

If the City Council should amend this Chapter 14 and Title 15 of the City Municipal Code to permit the issuance of commercial cannabis business permits for the commercial cannabis activity of testing laboratories within the City, the City Council shall amend this Section to adopt operating requirements for testing laboratories within the City.

4-14-26: Additional Operating Requirements for Distributors.

If the City Council should amend this Chapter 14 and Title 15 of the City Municipal Code to permit the issuance of commercial cannabis business permits for distributors based within the City, the City Council shall amend this Section to adopt operating requirements for distributors based within the City.

4-14-27: Additional Operating Requirements for Retailers.

- A. Retailers and the operation thereof shall comply with State law at all times.
- B. Prior to dispensing medicinal cannabis or medicinal cannabis products to a qualified patient, a retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and obtain verification from the recommending physician that the person requesting medicinal cannabis or medicinal cannabis products is a qualified patient, and shall maintain a copy of the physician recommendation or identification card as described in Sections 11362.71 through 11362.77 of State Health & Safety Code, as may be amended from time to time, on site for period of not less than seven (7) years.
- C. Prior to dispensing cannabis or cannabis products to an adult-use customer, a retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of twenty-one (21) years.
- D. All restroom facilities shall remain locked and under the control of managers onsite.
- E. A retailer shall notify customers (verbally or by written agreement) and by posting of a notice or notices conspicuously in at least 15-point type within the permitted premises that state as follows:
 - 1. "The sale or diversion of cannabis or cannabis products without a license issued by the City of El Segundo is a violation of State law and the El Segundo Municipal Code."
 - 2. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest."
 - 3. "Customers must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance."
 - 4. "WARNING: The use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery."
 - 5. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer and reproductive harm."

4-14-28: Additional Operating Requirements for Delivery.

- A. Delivery shall comply with State law at all times.
- B. Security plans developed pursuant to this Chapter 14 shall include provisions relating to vehicle security and the protection of employees and product during loading and in transit.

- C. A retailer shall facilitate the delivery of cannabis or cannabis products with a technology platform owned by or licensed to the delivery-only retailer that uses point-of-sale technology to track and database technology to record and store the following information for each transaction involving the exchange of cannabis or cannabis products between the retailer and customer:
1. The identity of the individual dispensing cannabis or cannabis products on behalf of the permittee;
 2. The identity of the customer receiving cannabis or cannabis products from the permittee;
 3. The type and quantity of cannabis or cannabis products dispensed and received;
 4. The gross receipts charged by the permittee and received by the individual dispensing cannabis or cannabis products on behalf of the permittee for the cannabis or cannabis products dispensed and received; and
 5. The location or address where the sale or retail sale took place or closed.
- D. A permittee shall maintain a database and provide a list of the individuals and vehicles authorized to conduct delivery, and a copy of the valid State driver's license issued to the driver of any such vehicle on behalf of the retailer to the Chief of Police.
- E. Individuals making deliveries of cannabis or cannabis products on behalf of the retailer shall maintain a physical copy of the delivery request (and invoice) and shall make it available upon the request of agents or employees of the City requesting documentation.
- F. During delivery, a copy of the permittee's commercial cannabis business permit and State license shall be in the vehicle at all times, and the driver shall make it available upon the request of agents or employees of the City requesting documentation.
- G. A retailer shall only permit or allow delivery of cannabis or cannabis products in a vehicle that is (i) insured at or above the legal requirement in the State; (ii) capable of securing (locking) the cannabis or cannabis products during transportation; (iii) capable of being temperature controlled if perishable cannabis or cannabis products is being transported; and (iv) does not display advertising or symbols visible from the exterior of the vehicle that suggest the vehicle is used for cannabis delivery or affiliated with a retailer.
- H. A retailer shall facilitate deliveries with a technology platform owned by or licensed to the retailer that uses global positioning system technology to track, and database technology to record and store the following information:
1. The time that the individual conducting delivery on behalf of the retailer departed the licensed premises.
 2. The time that the individual conducting delivery on behalf of the retailer completed delivery to the customer.
 3. The time that the individual conducting delivery on behalf of the retailer returned to the licensed premises.

4. The route the individual conducting delivery on behalf of the retailer traveled between departing and returning to the licensed premises to conduct delivery.
 5. For each individual delivery transaction, the identity of the individual conducting deliveries on behalf of the retailer.
 6. For each individual delivery transaction, the vehicle used to conduct delivery on behalf of the retailer.
 7. For each individual delivery transaction, the identity of the customer receiving cannabis or cannabis products from the retailer.
 8. For each individual delivery transaction, the type and quantity of cannabis or cannabis products dispensed and received.
 9. For each individual delivery transaction, the gross receipts charged by the retailer and received by the individual conducting deliveries on behalf of the retailer for the cannabis or cannabis products dispensed and received.
- I. The individual making deliveries on behalf of the retailer shall personally verify for each individual delivery transaction the identity of the customer receiving cannabis or cannabis products from the retailer and (a) for medicinal cannabis or medicinal cannabis products to a qualified patient, the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and obtain verification from the recommending physician that the person requesting medicinal cannabis or medicinal cannabis products is a qualified patient, and shall maintain a copy of the physician recommendation or identification card as described in Sections 11362.71 through 11362.77 of State Health & Safety Code, as may be amended from time to time, on site for period of not less than seven (7) years or (b) for cannabis or cannabis products to an adult-use customer, age and all necessary documentation of each customer to ensure the customer is not under the age of twenty-one (21) years.

4-14-29: Promulgation of Regulations, Standards, and Other Legal Duties.

- A. Consistently with stated requirements of this Chapter 14 (and in particular not to repeal or constructively repeal this Chapter 14), in addition to any regulations adopted under State law, the City Manager is authorized to establish any additional rules, regulations, and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of cannabis businesses, and the City's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this Chapter 14.
- B. Such regulations shall be published on the City's website.
- C. Regulations promulgated by the City Manager shall become effective upon date of publication. Cannabis businesses shall be required to comply with all State and local laws and regulations, including but not limited to any rules, regulations or standards adopted by the City Manager.

4-14-30: Community Relations.

- A. Each cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the cannabis business can be provided. Each cannabis business shall also provide the above information to all businesses and residences, in the City, located within one hundred and fifty (150) feet of the cannabis business. Such community relations contact shall respond to any complaints within forty-eight (48) hours of receipt of such complaints.
- B. During the first year of operation pursuant to this Chapter 14, the owner(s), manager(s), and community relations representative from each cannabis business holding a commercial cannabis business permit issued pursuant to this Chapter 14 shall attend a quarterly meeting with the City Manager and other interested parties as deemed appropriate by the City Manager, to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter 14. After the first year of operation, the owner(s), manager(s), and community relations representative from each such cannabis business shall meet with the City Manager when and as requested by the City Manager.
- C. Cannabis businesses to which a commercial cannabis business permit is issued pursuant to this Chapter 14 shall develop and make available to youth organizations and educational institutions a public education plan that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

4-14-31: Fees Deemed Debt to City.

The amount of any fee, cost, or charge imposed pursuant to this Chapter 14 shall be deemed a debt to the City that is recoverable via authorized processes as set forth in the City Municipal Code or available through any court of competent jurisdiction.

4-14-32: Permittee, Owner, and Property Owner Responsible for Violations.

- A. Each permittee and each owner and each manager of the permittee (and each individual owner and each individual manager of an owner or manager of the permittee) shall be responsible for all violations of the laws of the State or of the regulations and/or the ordinances of the City occurring within the City or in or about the premises of the cannabis business, if committed by the permittee or any employee or agent of the permittee and whether or not said violations occur within the permittee, owner, or manager's presence.
- B. No person may engage in any commercial cannabis activity within the City unless the person is in compliance with the requirements of this Chapter 14.
- C. It shall be unlawful to rent, lease, or otherwise permit any commercial cannabis activity at any location, structure, or vehicle in the City by a person (1) that does not have a valid commercial cannabis business permit issued by the City; (2) that does not have a valid State license; (3) that does not have any other applicable approvals, including, but not limited to, a building permit and City business license; or (4) that is not currently in compliance with all applicable State and local laws and regulations pertaining to the commercial cannabis activity. Property owners shall have strict liability for any commercial cannabis activity at any location, structure, or vehicle in the City by a person (1) that does

not have a valid commercial cannabis business permit issued by the City or (2) that does not have a valid State license.

4-14-33: Inspection and Enforcement.

- A. The City Manager, Chief of Police, or designee(s) charged with enforcing the provisions of the City Municipal Code, or any provision thereof, may enter the location of a cannabis business at any time, without notice, and inspect the location of any cannabis business as well as any recordings and records required to be maintained pursuant to this Chapter 14 or under applicable provisions of State law.
- B. It is unlawful for any person having responsibility over the operation of a cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings, or other documents required to be maintained by a cannabis business under this Chapter 14 or under State or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a cannabis business under this Chapter 14 or under State or local law.
- C. The City Manager, Chief of Police, or designee(s) charged with enforcing the provisions of this Chapter 14 may enter the location of a cannabis business at any time during the hours of operation and without notice to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the City shall be logged, recorded, and maintained in accordance with the City Police Department standards for evidence.

4-14-34: Concurrent Regulation with State.

It is the stated intent of this Chapter 14 to regulate commercial cannabis activity in the City concurrently with the State.

4-14-35: Violations Declared a Public Nuisance.

Each and every material violation of the provisions of this Chapter 14 is hereby deemed unlawful and a public nuisance.

4-14-36: Each Violation a Separate Offense.

Each and every violation of this Chapter 14 shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the City Municipal Code. Additionally, as a nuisance per se, any material violation of this Chapter 14 shall be subject to injunctive relief, any commercial cannabis business permit issued pursuant to this Chapter 14 being deemed null and void, disgorgement, and payment to the City of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney's fees, and any other relief or remedy available at law or in equity. The City may also pursue any and all remedies and actions available and applicable under State and local laws for any violations committed by the cannabis business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the City Manager, Chief of Police, or designee(s), may take immediate action to temporarily suspend a commercial cannabis business permit issued by the City, pending a public hearing before the City Council.

4-14-37: Criminal Penalties.

Each and every material violation of the provisions of this Chapter 14 may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000.00) or imprisonment in the County jail for a period of not more than six (6) months, or by both such fine and imprisonment. Each day a material violation is committed or permitted to continue shall constitute a separate offense.

4-14-38: Remedies Cumulative and Not Exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The City is authorized to pursue any proceedings or remedies provided by law.

SECTION 5. Chapter 13B (Cannabis-Related Uses and Activities) of Title 15 (Zoning Regulations) of the City Municipal Code is hereby repealed in its entirety and amended to read as follows:

Chapter 13B: PERSONAL CANNABIS CULTIVATION

15-13B-1: Definitions.

The definition of “cannabis” and related terms for the purpose of this Chapter 13B are contained in Section 4-14-3 of the City Municipal Code.

15-13B-2: Prohibited Uses and Activities.

The establishment or operation of any commercial cannabis activity, cannabis-related activity, cannabis storage facility, or cannabis business, including any business licensed by the State or other government entity pursuant to MAURSCA, as it may be amended from time to time, shall comply with Chapter 14 of Title 4 of the City Municipal Code.

15-13B-3: Cultivation of Cannabis for Personal Use.

- A. Outdoor Cultivation: The outdoor cultivation of cannabis is prohibited in the City regardless of purpose.
- B. Indoor Cultivation: Not more than six (6) plants may be cultivated, planted, harvested, dried, processed, or possessed at one time by persons twenty-one (21) years of age or older when conducted within a single private residence and in a manner consistent with section 11362.2 of the State Health and Safety Code and any other applicable regulations.

15-13B-4: Interpretation.

The intent of this Chapter 13B is to prohibit the personal cultivation of cannabis, whether medical or recreational in nature, to the maximum extent allowed under State law. Nothing in this Chapter 13B should be interpreted as allowing behavior otherwise prohibited by State law and nothing in this Chapter 13B should be interpreted as prohibiting conduct that the City is expressly preempted from prohibiting under State law.

SECTION 6. Section 15-1-6 (Definitions) of Chapter 1 (Title; Interpretation; Definitions) of Title 15 (Zoning Regulations) of the City Municipal Code is hereby amended by repealing the following (with the definitions of such Section 15-1-6 appropriately reordered in sequence):

~~CANNABIS: All parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin, including cannabis infused in foodstuff or any other ingestible or consumable product containing cannabis. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. The term "cannabis" includes "medical cannabis" for the purposes set forth in the Compassionate Use Act of 1996 (Proposition 215), found at section 11362.5 of the Health and Safety Code. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. "Cannabis" does not mean "industrial hemp" as defined by section 11018.5 of the Health and Safety Code.~~

~~CANNABIS ACCESSORIES: Any equipment, products or materials of any kind which are used or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, smoking, or vaporizing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.~~

~~CANNABIS CULTIVATION: Any activity involving the planting, growing, cultivating, harvesting, drying, curing, grading, trimming or processing of cannabis.~~

~~CANNABIS CULTIVATION FACILITY: A facility where cannabis is cultivated, prepared, and packaged for sale to cannabis dispensaries, to cannabis product manufacturing facilities, or to other cannabis cultivation facilities, but not to consumers.~~

~~CANNABIS DELIVERY: The commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this division, that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.~~

~~CANNABIS DISPENSARY: A facility or location, whether fixed or mobile, where cannabis, cannabis products, or devices for the use of cannabis are offered, made available to, or provided, either individually or in any combination, with or without remuneration, for medical, recreational, or other purposes.~~

~~CANNABIS DISTRIBUTION: The procurement, sale, and transport of cannabis and cannabis products between State licensed entities for commercial use purposes.~~

~~CANNABIS ESTABLISHMENT: A cannabis cultivation facility, a cannabis testing facility, a cannabis product manufacturing facility, or a cannabis dispensary.~~

~~CANNABIS MANUFACTURE: To compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.~~

~~CANNABIS PRODUCT MANUFACTURING FACILITY: A facility where cannabis and cannabis products are manufactured, prepared and packaged for sale to other cannabis product manufacturing facilities or to cannabis dispensaries, but not to consumers.~~

~~CANNABIS PRODUCTS: Cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.~~

~~CANNABIS RELATED ACTIVITY: Any commercial cannabis activity, cultivation of cannabis, delivery of cannabis or cannabis products, distribution of cannabis or cannabis products, dispensing of cannabis or cannabis products, manufacture of cannabis or cannabis products, sale of cannabis or cannabis products, and the operation or establishment of a cannabis or medical cannabis cooperative, dispensary, delivery service, or provider. "Cannabis related activity" does not include the cultivation, planting, harvesting, drying, processing or possession of up to six (6) cannabis plants at one time by persons twenty one (21) years of age or older when conducted within a single private residence and in a manner consistent with Health and Safety Code section 11362.2 and any other applicable regulations.~~

~~CANNABIS STORAGE FACILITY: A facility used for the storage of cannabis, cannabis products or cannabis accessories.~~

~~CANNABIS TESTING FACILITY: A facility where cannabis is analyzed and certified for safety and potency.~~

~~COMMERCIAL CANNABIS ACTIVITY: The cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis and cannabis products.~~

SECTION 7. Section 15-5C-2 (Permitted Uses) of Article C (General Commercial (C-3) Zone) of Chapter 5 (Commercial Zones) of Title 15 (Zoning Regulations) of the City Municipal Code is hereby amended to read as follows:

The following uses are permitted in the C-3 Zone:

- A. Animal hospitals.
- B. Daycare centers.
- C. Fitness centers.
- D. General offices not exceeding five thousand (5,000) square feet.
- E. Hotels and motels.
- F. Medical-dental offices and facilities.
- G. Public uses, including, but not limited to, fire and police stations, post offices and libraries.
- H. Recreational facilities (public and commercial).

- I. Restaurants and cafes.
- J. Retail uses (excluding off site alcohol sales).
- K. Cannabis retailers that meet the requirements of title 4, chapter 14 of this Code.
- L. Other similar uses approved by the Director, as provided by chapter 22 of this title.

SECTION 8. Section 2.2.3 (Prohibited Uses) of the Smoky Hollow Specific Plan 2018 is hereby amended to read as follows:

The following uses are prohibited, as defined in Appendix A (Glossary):

- Financial Institutions
- Dwelling: Single, Two, and Multiple Family
- Live/Work
- Service Stations
- General Personal/Mini Storage
- Freight Forwarding
- Medical/Dental Office/Clinic
- Data Centers
- Retail Stores (unless accessory to an allowed use or unless cannabis retailers that meet the requirements of title 4, chapter 14 of the El Segundo Municipal Code)
- Gyms/Fitness Studios
- Vehicle Sales and Services

All existing nonconforming uses listed as prohibited in this Section shall be subject to the procedures outlined in Section 4.4 (Nonconformities).

SECTION 9. Table 2-1 (Allowed Land Uses Table) of the Smoky Hollow Specific Plan 2018 is hereby amended by the addition of the following land use in such Table 2-1:

Land Use	SH-W	SH-E	PF	P ¹	Additional Regulations
Cannabis Retailer	P	—	—	—	Shall meet the requirements of title 4, chapter 14 of the El Segundo Municipal Code

SECTION 10. Sensitive Uses. The People of the City find that the definitions of the sensitive uses (day care centers, schools, and youth centers) under the amendment to Section 4-14-3 of the City Municipal Code in this Measure are subject to some degree of interpretation. However, the People of the City also find that certainty regarding the identification of sensitive

uses (day care centers, schools, and youth centers) under the amendments to Sections 4-14-3 and 4-14-6 of the City Municipal Code in this Measure is required to carry out the purpose and intent of the Measure so that the People, the City, and prospective applicants can clearly identify where and where not lawful cannabis businesses under this Measure may be located. Accordingly and pursuant to the authority delegated by the State to the People of the City under Section 26054(b) of the State Business & Professions Code and overriding the location and design requirements contained in Section 26054(b) of the State Business & Professions Code, the following sensitive uses (day care centers, schools, and youth centers) and only the following sensitive uses (day care centers, schools, and youth centers) located on the following County Assessor's Identification Numbers and only the following County Assessor's Identification Numbers shall be considered under the amendment to Section 4-14-6.A of the City Municipal Code in this Measure for the purpose of the initial establishment of cannabis retailers pursuant to the initial iteration of the cannabis retailer application procedure under the amendment to Section 4-14-7 of the City Municipal Code in this Measure (to include any review and scoring of any applications pursuant to the objective review criteria and quantitative evaluation scale under the amendment to Section 4-14-7.D of the City Municipal Code in this Measure). Only following the initial iteration of the cannabis retailer application procedure and the initial issuance of commercial cannabis business permits under the amendment to Section 4-14-7 of the City Municipal Code in this Measure, may the City Manager (his or her designee(s)) reinterpret the following list of sensitive uses (day care centers, schools, and youth centers) and County Assessor's Identification Numbers for the purpose of subsequent iterations of the cannabis retailer application procedure under the amendment to Section 4-14-7 of the City Municipal Code in this Measure, change in location applications under the amendment to Section 4-14-13 of the City Municipal Code in this Measure, and any iterations of the application procedure for commercial cannabis activity other than retailers under the amendment to Section 4-14-8 of the City Municipal Code in this Measure.

Name	Sensitive Use Type	County Assessor's Identification Number(s)
138th St Elementary School	School	4145-020-903
Acacia Park	Youth Center	4131-001-902
Arena High (Alternative) School	School	4133-004-900
Beach Babies 1	Day Care Center	4175-005-022
Beach Babies 3	Day Care Center	4138-003-008
Beach Babies 4	Day Care Center	4138-013-029
Beach Babies 5	Day Care Center	4138-009-014
Beach Cities Montessori	Day Care Center	4138-003-027
Boy Scouts of America Troop 773	Youth Center	4135-013-900
Camp Eucalyptus Girl Scouts	Youth Center	4139-021-905
Campus El Segundo Athletics Fields	Youth Center	4138-030-903
Candy Cane Park	Youth Center	4136-029-900
Center Street Elementary School	School	4139-021-901
Chevron Park	Youth Center	4138-016-015
Child Development Center	Youth Center	4138-002-901
Constitution Park	Youth Center	4139-017-801
Da Vinci Connect	School	4143-015-901
Da Vinci Schools	School	4138-003-904

Name	Sensitive Use Type	County Assessor's Identification Number(s)
Del Aire Park	Youth Center	4143-015-900
Eagles' Nest Preschool	Day Care Center	4133-004-900
El Segundo Aquatics Center	Youth Center	4138-003-905
El Segundo Cooperative Nursery School	Day Care Center	4135-014-902, 4135-013-906, 4135-013-907, 4135-015-907, 4135-015-905
El Segundo High School	School	4133-003-900, 4132-026-900, 4132-027-900, 4133-004-900
El Segundo Middle School	School	4139-027-903, 4139-027-904
El Segundo Pre-School	Day Care Center	4136-018-027
El Segundo Recreation Park	Youth Center	4135-014-902, 4135-013-906, 4135-013-907, 4135-015-907, 4135-015-905
El Segundo Teen Center & Skate Park	Youth Center	4135-013-905
Futures Academy - Manhattan Beach	School	4138-011-027
George E. Gordon Clubhouse	Youth Center	4135-014-902, 4135-013-906, 4135-013-907, 4135-015-907, 4135-015-905
Haven Academy of Arts	Youth Center	4138-013-006
Hilltop Christian Preschool	Day Care Center	4135-023-023
Hilltop Park	Youth Center	4135-023-900
Holly Valley Park	Youth Center	4131-026-900
Independence Park	Youth Center	4139-017-801
Juan Cabrillo Elementary	School	4145-015-900
Kansas Park	Youth Center	4139-028-903
Kumon Math and Reading Center of El Segundo	Youth Center	4136-025-004
Kumon Math and Reading Center of Manhattan Beach	Youth Center	4173-008-033
Library Park	Youth Center	4136-005-900
Lindamood-Bell Manhattan Beach Learning Center	Youth Center	4138-011-022
Loft Academy	Youth Center	4135-028-005
Manhattan Beach Village Turf	Youth Center	4138-026-900, 4138-026-902
Manhattan Country Club Preschool	Day Care Center	4138-018-908
Mathnasium	Youth Center	4138-006-008
Mattel Child Development Center	Day Care Center	4138-007-041, 4138-007-042
Richard Henry Dana Middle School	School	4145-020-903
Richmond Street Elementary	School	4136-003-901, 4136-004-901
Sand Dune Park	Youth Center	4176-005-900, 4175-004-901
St John's Lutheran Church Nursery Preschool	Day Care Center	4139-017-036
St. Anthony Preschool	Day Care Center	4135-022-035, 4135-022-033
St. Michael's Child Center	Day Care Center	4136-017-046

Name	Sensitive Use Type	County Assessor's Identification Number(s)
Study Hut Tutoring	Youth Center	4136-006-015
Success Learning Center	School	4145-020-903
Sycamore Park	Youth Center	4139-016-900
Urho Saari Swim Stadium	Youth Center	4136-004-902
Vistamar School	School	4138-010-008
Washington Park	Youth Center	4139-018-800, 4139-018-900
Waterhouse Guild	School	4133-009-017

SECTION 11. Categorically Exempt from CEQA. The People of the City find that the actions contemplated by the Measure, including the issuance of commercial cannabis business permits, are categorically exempt from the California Environmental Quality Act (“CEQA”) under Section 15060(c)(2) and Section 15060(c)(3) of Title 14 of the State Code of Regulations and the holding by the State Supreme Court in *Tuolumne Jobs & Small Business Alliance v. Superior Court* (2014) 59 Cal.4th 1029. Further, the People of the City find that pursuant to Section 4-14-6 of Chapter 14 of the City Municipal Code as codified by this Measure, cannabis retailers are a use permitted by right in certain zoning districts within the City. As permitted in those zoning districts, cannabis retailers are similar to already existing permitted general uses in those zoning districts with the only difference being the type of product being delivered or sold.

SECTION 12. Conflicting Measures. The People of the City find and declare that the provisions of the Measure relating to the regulation of commercial cannabis activity in the City may conflict with one or more provisions of other initiative measures. It is the intent of the People that if the Measure receives a greater number of affirmative votes than a conflicting measure at the same election, this Measure shall prevail in its entirety over a conflicting measure.

SECTION 13. Severability. If any provision, section, paragraph, sentence, phrase, or word of the Measure is rendered or declared invalid, illegal, or unconstitutional by any final action in a court of competent jurisdiction or by reason or any preemptive legislation, such unconstitutionality illegality or invalidity shall only affect such provision, section, paragraph, sentence, phrase, or word and shall not affect or impair any remaining provisions, sections, paragraphs, sentences, phrases, or words, or the application of the Measure to any other person or circumstance, and to that end, the provisions hereof are severable. It is hereby declared to be the intention of the People of the City that that the Measure would have been adopted had such unconstitutional illegal or invalid provision, section, paragraph, sentence, phrase, or word not been included herein.

SECTION 14. Liberal Construction. The Measure is an exercise of the initiative power of the People of the City to provide for safe and regulated access to cannabis and cannabis products, and shall be liberally construed to effectuate that purpose.

SECTION 15. Legal Defense. If approved by a simple majority of voters, and thereafter challenged in court of competent jurisdiction, the City shall defend the Measure in such court of competent jurisdiction. The People of the City by approving this Measure by a simple majority of voter hereby declare that the proponent(s) of the Measure have a direct and personal stake in defending the Measure from constitutional or statutory challenges to the Measure’s validity or implementation. In the event the City fails to defend the Measure, or the City fails to appeal an adverse judgment against this Measure, in whole or in part, in any court of competent jurisdiction,

the Measure's proponent(s) shall be entitled to assert his, her, or their direct personal stake by defending the Measure's validity and implementation in any court of competent jurisdiction and shall be empowered by the People through this Measure to act as agents of the People of the City, and the City shall indemnify the proponent(s) for reasonable attorneys' fees.

SECTION 16. Effective Date. The Measure shall be in full force and effect upon the tenth day following certification by the City Council of the election returns indicating passage of the Measure by a majority of the voters casting votes on the Measure.

SECTION 17. Exhibits. There is one exhibit to this Measure, which is incorporated herein by this reference. The exhibit is as follows:

Exhibit A: Chevron Park Boundary Line & Buffer Radius

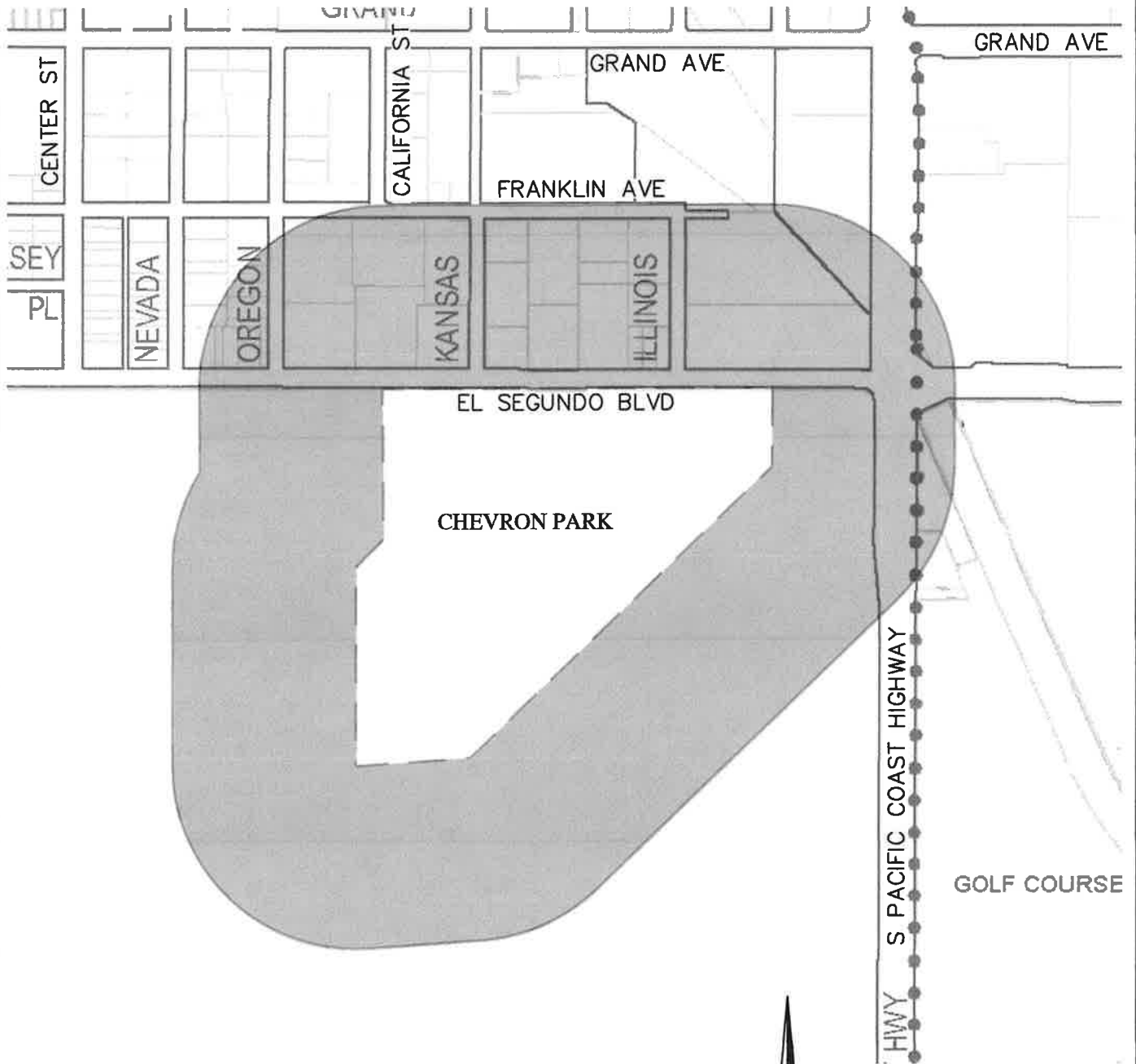
THE EL SEGUNDO CANNABIS REGULATION AND PUBLIC SAFETY MEASURE

EXHIBIT A




CHEVRON PARK BOUNDARY LINE & BUFFER RADIUS

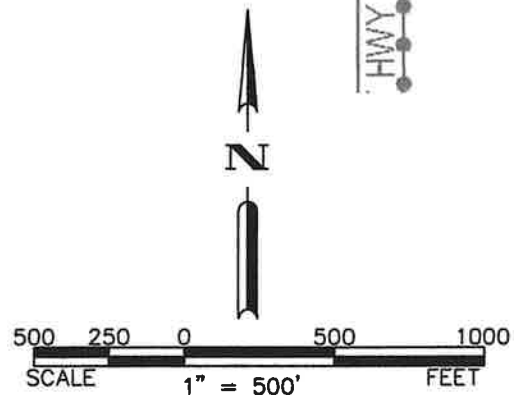
CITY OF EL SEGUNDO

CHEVRON PARK BOUNDARY LINE & BUFFER RADIUS



LEGEND (600-FOOT RADIUS BUFFER AREA)

-  CHEVRON PARK BOUNDARY LINE
-  CHEVRON PARK BUFFER RADIUS
-  PARCEL LINE



DATE PREPARED: 07/19/2021



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Staff Presentations

Item Number: D.12

TITLE:

Hyperion Incident Update and Request for Air Quality Management District (AQMD) to Install and Maintain An Additional Air Quality Monitoring System

RECOMMENDATION:

Authorize staff to reach out to AQMD and request installation and maintenance of an additional air quality monitoring system in the City of El Segundo within close proximity to the Hyperion plant.

FISCAL IMPACT:

None

BACKGROUND:

On August 17, 2021, City Council was briefed regarding the recent sewer spill at the Hyperion Water Reclamation Plant. Several residents expressed concern about the air quality in the vicinity of the plant located at 12000 Vista Del Mar in Playa Del Rey.

DISCUSSION:

In response to public concern, staff requests City Council authorization to contact AQMD to discuss the potential installation and maintenance of an additional air monitoring system in close proximity to the Hyperion plant. This requested air monitoring system would provide additional information regarding the air quality in this specific area.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Hyperion update
September 7, 2021
Page 2 of 2

Objective 1A: El Segundo Provides unparalleled service to internal and external customers.

Objective 1B: El Segundo's engagement with the community ensures excellence.

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

PREPARED BY:

Elias Sassoon, Public Works Director

REVIEWED BY:

Elias Sassoon, Public Works Director

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Committees, Commissions and Boards
Presentations

Item Number: E.13

TITLE:

Smoking Ban in all Outdoor Public Areas and Certain Common/Open Spaces

RECOMMENDATION:

Request Council to provide direction to staff regarding a citywide smoking ban in all outdoor public areas as well as common/open spaces of multi-unit (3 or more) residential complexes.

FISCAL IMPACT:

There will be additional enforcement cost associated for Police Department. This indirect cost of staff time will be absorbed via City's adopted FY 2021-2022 Annual Budget.

BACKGROUND:

On March 5, 2021, The Environmental Committee voted 5-0 to make a Smoking Ban presentation to the City Council. The following are recommendations from the Environmental Committee:

- Prohibit smoking in all outdoor public areas (including sidewalks, parks, streets, public parking lots, etc.)
- Prohibit smoking in common areas and open spaces of multi-unit (3 or more) residential complexes

DISCUSSION:

The current El Segundo Municipal Code prohibits smoking in the following places:

Smoking Ban in All Outdoor Areas and Certain Common/Open Spaces

August 17, 2021

September 7, 2021

Page 2 of 2

- Place of employment or workplace (ESMC § 5-6-4(A))
- Eating establishments (ESMC § 5-6-4(B))
- Any enclosed space/area used by or open to the public (ESMC § 5-6-3(B))
- Any City-owned or City-operated vehicle (ESMC § 5-6-3(A))
- Any public beach within the city of El Segundo (ESMC 10-3-11(V))

Most of the City's rules were adopted in 1989 by the City Council. Violations of Chapter 5-6 are punishable as an infraction, with a fine of \$50 for the first violation. State law also prohibits smoking in certain public areas, such as within 25 feet playgrounds and tot lot sandbox areas or 250 feet of youth sports events (H&S Code § 104495).

The Environmental Committee has prepared a presentation to share with City Council. Staff respectfully asks City Council to provide direction to staff on how to proceed.

CITY STRATEGIC PLAN COMPLIANCE:

Goal 2: Support Community Safety and Preparedness

Objective: El Segundo is a safe and prepared city.

PREPARED BY:

Elias Sassoon, Public Works Director

REVIEWED BY:

Elias Sassoon, Public Works Director

APPROVED BY:

ATTACHED SUPPORTING DOCUMENTS:

None



City Council Agenda Statement

Meeting Date: September 7, 2021

Agenda Heading: Committees, Commissions and Boards
Presentations

Item Number: E.14

TITLE:

Announce Appointments to the Arts and Culture Advisory Committee

RECOMMENDATION:

Announce the appointees.

FISCAL IMPACT:

None.

BACKGROUND:

The Arts and Culture Advisory Committee acts in an advisory capacity to City Council in matters related to arts and culture within the City of El Segundo. This includes making recommendations to Council, potential development of an arts and culture master plan, involvement in selection of public art, event coordination and development of related public art programs. Additionally, this committee supports and advocates for local museums, artists and art while assisting the City with promoting public beautification, education, tourism and economic development.

DISCUSSION:

City Council conducted interviews on August 23, 2021 and selected the following candidates.

Arts and Culture Advisory Committee Appointees

Appointee	Term Expiration
Joanna Bowe	June 30, 2023
Jane Burrell	June 30, 2023
Brian Mitchell (incumbent)	June 30, 2023
Joan Palmer	June 30, 2023
Eva Sweeney (incumbent)	June 30, 2024
Tanya Taylor	June 30, 2024

Announce the Appointments to the Arts and Culture Advisory Committee.

September 7, 2021

Page 2 of 2

Neal Von Flue (incumbent)

June 30, 2024

CITY STRATEGIC PLAN COMPLIANCE:

Goal 1: Enhance Customer Service, Engagement, and Communication; Embrace Diversity, Equity, and Inclusion

Objective 1A: El Segundo Provides unparalleled service to internal and external customers.

PREPARED BY:

Mishia Jennings, Executive Assistant to City Council

REVIEWED BY:

Barbara Voss, Deputy City Manager

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

None