



**CITY COUNCIL/SUCCESSOR AGENCY/
FINANCING/POWER/
CALIFORNIA CHOICE ENERGY AUTHORITY
REGULAR MEETING AGENDA**

Tuesday, November 10, 2020
Regular Meeting – 5:00 p.m.

Council Chambers – Lancaster City Hall
The City Clerk/Agency/Authority Secretary hereby declares the agenda was posted
by 5:00 pm on November 06, 2020
at the entrance to the Lancaster City Hall Council Chambers
44933 Fern Avenue, Lancaster, CA 93534

LEGISLATIVE BODY

**City Council/Successor Agency/Financing/Power/California Choice Energy
Authority**

Mayor/Chair R. Rex Parris

Vice Mayor/Vice Chair Marvin Crist

Council Member/Agency Director/Authority Darrell Dorris

Council Member/Agency Director/Authority Member Raj Malhi

Council Member/Agency Director/Authority Member Ken Mann

Housing Authority

Deputy Mayor/Chair Kitty Kit Yee Szeto

Vice Chair Marvin Crist

Deputy Mayor/Authority Member Cassandra Harvey

Authority Member Raj Malhi

Authority Member Ken Mann

**In response to Governor’s Executive Order N-29-20, this meeting will be conducted
telephonically and video streamed live on Channel 28 and the City’s website:**

<https://www.cityoflanasterca.org/connect/public-meetings>

PUBLIC COMMENTS ON AGENDIZED ITEMS MAY BE RECEIVED BY DIALING

1-877-853-5257 USING MEETING ID:947 4555 1454#

PASSWORD:891780#.

AGENDA ITEMS TO BE REMOVED

Sometimes it is necessary to remove items from the agenda. We apologize for any inconvenience this may cause you.

PUBLIC BUSINESS FROM THE FLOOR - AGENDIZED ITEMS

In accordance with Governor's Order N-29-20, the public may observe this telephonic/ virtual meeting by listening to the live broadcast on local cable channel 28 or live stream on the City's website (<https://www.cityoflancasterca.org/connect/public-meetings>). The public may participate in the meeting by ***DIALING 1-877-853-5257 USING MEETING ID:947 4555 1454# PASSCODE: 891780#.*** ***Individual comments are limited to three (3) minutes unless a different time limit is announced.***

Consent Calendar items under the Legislative Body may be acted upon with one motion, a second and the vote. If you desire to speak on an item or items on the Consent Calendar, you may fill out one speaker card for the Consent Calendar. You will be given three minutes, unless a different time limit is announced, to address your concerns before the Legislative Body takes action on the Consent Calendar.

CALL TO ORDER

City Council/Successor Agency/Financing/Power/California Choice Energy Authority

ROLL CALL

City Council Members /Agency Directors /Authority Members: Dorris, Malhi, Mann;
Vice Mayor/ Vice Chair Crist, Mayor/Chair Parris

ROLL CALL

Housing Authority Members: Cassandra Harvey, Raj Malhi, Mann; Chair Kitty Kit Yee Szeto; Vice Chair Marvin Crist

INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION

1. Report on Homelessness Activities
Presenter: Valley Oasis Representative

COUNCIL ACTIONS

MINUTES

- M1.** Approve the City Council/Successor Agency/Financing/ Power/ California Choice Energy Authority Regular Meeting Minutes of October 27, 2020.

HOUSING AUTHORITY - CONSENT CALENDAR

HA CC 1. Loan Agreement for No More Lemons, LP

Recommendation:

1. Approve a Loan Agreement with No More Lemons, LP to fund development impact fees in the amount of \$436,505 for the final phase of Kensington Campus.
2. Appropriate \$436,505 from Account No. 306-2900-000 to Account No. 306-4342-301.

The final phase of the campus, which will add 51 more permanent supportive housing units, is now under construction. Upon completion, this will bring the total of beds available at Kensington to 309, with roughly half dedicated to temporary housing and half to permanent supportive housing. The proposed loan agreement would provide \$436,505 in funding toward the final phase of the project, equivalent to the amount of development impact fees due. This mirrors previous phases; all impact fees for the project have been either waived or provided via loan agreements such as this. The funds will be sourced from the Housing Authority's Low and Moderate Income Housing Fund. State law requires that at least 30% of these funds be spent on development of rental housing affordable to and occupied by households earning 30% or less of area median income. Kensington Campus qualifies; thus, this expenditure will aid the Authority not only in providing much-needed housing for Lancaster's homeless population, but also in meeting the obligations associated with this funding.

CONSENT CALENDAR

- CC 1.** Waive further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

- CC 2.** Check Registers – October 11, 2020 through October 24, 2020

Recommendation:

Approve the Check and Wire Registers for October 11, 2020 through October 24, 2020 in the amount of \$4,949,757.90. Approve check register as presented.

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides

the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

CC 3. Sewer Collection System Annual Report for Fiscal Year 2019-2020

Recommendation:

Accept the Sanitary Sewer Collection System Annual Performance Report for Fiscal Year 2019/2020.

The City of Lancaster assumed responsibility for the operation and maintenance of its sanitary sewer system from the County of Los Angeles Consolidated Sewer Maintenance District (CSMD) on July 1, 2008, believing that local control of the system was in the best interest of its residents. The production of an annual report is one of the performance measures approved by City Council in the Fiscal Year 2011-2012 Program and Financial Plan

CC 4. Final Map Approval – Tract Map No. 62578-01 (Located on the Northwest Corner of 40th Street West and Avenue J-12)

Recommendation:

Approve the map and accept the dedications as offered on the map for Tract Map No. 62578-01; make findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1, and 66474.6 of the Subdivision Map Act; and instruct the City Clerk to endorse on the face of the map the certificate, which embodies the approval of said map and the dedications shown thereon.

On November 16, 2015, the Planning Commission approved Tentative Tract Map No. 62578. The Final Map is in substantial conformance with the approved tentative map. Tract Map No. 62578-01 has been examined by the City Surveyor, and is ready for Council approval. In addition, an Undertaking Agreement and improvement securities have been submitted to guarantee the installation of improvements.

CC 5. Vacate and Abandon Certain Portions of Street Right-Of-Way Named W. Avenue H-11 and Towne Center Court Located within Tract Map 51836

Recommendation:

Adopt **Resolution No. 20-58**, to summarily vacate and abandon certain portions of street right-of-way named Avenue H-11 and Towne Center Court located within Tract Map 51836.

In 1996, the City of Lancaster accepted street right-of-way dedicated on Final Tract Map 51836 recorded in the county of Los Angeles, State of California. Two of the streets within that Tract named W. Avenue H-11 and Towne Center Court have never been constructed, and the lots surrounding the streets have been approved to be merged through Lot Line Adjustment 19-15; therefore, these streets would serve no function, and have been conditioned to be vacated as part of the lot line adjustment. This street right-of-way may be abandoned through a summary vacation process according to the Streets and Highways Code Sections 8330 to 8336, because the right-of-way has not been improved for vehicular traffic for more than five years, and no

public funds have ever been expended for maintenance over the subject portion of the street right-of-way.

CC 6. Vacate Offers to Dedicate Road Right-of-Way in the Vicinity of Avenue J-6 & 97th Street West

Recommendation:

Adopt **Resolution No. 20-59**, declaring its intention to summarily vacate and abandon offers to dedicate street rights-of-way in the vicinity of Avenue J-6 and 97th Street West as described in said Resolution Exhibit A and shown on Exhibit B.

In 1980, the County of Los Angeles (County) was offered street rights-of-way on Tract Map 39252 recorded in Map Book 981 pages 65 through 81 in the office of the Recorder of the County of Los Angeles, State of California. Since such time, the City has taken jurisdiction of said properties and has the right to accept said offers. Power Development Company, LLC, a Delaware limited liability company (Developer) intends to develop the sites. As part of the approval to develop said sites under Conditional Use Permit No. 15-09c, the Developer is conditioned to dedicate certain streets deemed necessary for public use to current City standards that supersede the existing offers of dedication. Through Section 66477.2(c) of the California Government Code, the offers of dedication may be terminated and abandoned; and per Streets and Highways Code Sections 8330 to 8336, the easements can be summarily vacated if the easements have not been used, if there is not a foreseeable need, and if the easements can be considered excess and abandoned.

CC 7. Award of Bid – Public Works Construction Project No. 17-013 Intersection of Avenue I at 60th Street West, HSIPL-5419(056)

Recommendation:

Award Public Works Construction Project No. 17-013

The proposed project at the intersection of Avenue I and 60th Street West includes modification of an existing traffic signal to provide east/west protected left-turn phasing, installation of advance signal ahead signs and flashing LED sign assemblies, and installation of advanced street surface warning devices to improve the safety at the intersection.

CC 8. CDBG Subrecipient Agreement between the City of Lancaster and The People Concern to provide funding for Kensington Campus Infrastructure

Recommendation:

- a. Approve the CDBG Subrecipient Agreement between the City of Lancaster and The People Concern
- b. Appropriate \$150,000.00 from 2019/20 CDBG Program Year Funds
- c. Authorize the City Manager or designee to execute all contracts and associated documents, including subrecipient agreements, subject to City Attorney approval

On May 26, 2020, the City Council approved the Substantial Amendment to the 2019-2020 Community Development Block Grant (CDBG) Action Plan, in response to a thorough review of the proposed activities, consultation with Housing and Urban Development representatives,

recognition of emerging City needs and the COVID-19 pandemic, enabling the City to be more responsive in meeting the needs of the community. Additionally, part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136) funding to the U.S. Department of Housing and Urban Development (HUD) made available supplemental CDBG funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). By entitlement, the City of Lancaster received a special CDBG-CV allocation in the amount of \$874,303.00. On May 26, 2020, the City Council approved the Substantial Amendment to the 2019-2020 Community Development Block Grant (CDBG) Action Plan, in response to a thorough review of the proposed activities, consultation with Housing and Urban Development representatives, recognition of emerging City needs and the COVID-19 pandemic, enabling the City to be more responsive in meeting the needs of the community. Additionally, part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136) funding to the U.S. Department of Housing and Urban Development (HUD) made available supplemental CDBG funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). By entitlement, the City of Lancaster received a special CDBG-CV allocation in the amount of \$874,303.00.

CC 9. Local Road Safety Plan Grant

Recommendation:

Approve the appropriation of \$72,000.00 in grant funds from the State of California Department of Transportation to develop a Local Road Safety Plan (LRSP).

Local Road Safety Plan Grant:

- Revenue Account: 349-3308-102
- Expenditure Account: 349-4785-303

The California Transportation Commission allocated state funds to assist local agencies in developing their local roadway safety plans in 2019. City staff immediately applied for these funds in November 2019. They received approval by January 2020.

The process for completing the LRSP will include the development of an Action Plan committee of local safety stakeholders, for example, law enforcement, public health, and education leaders. Together they will work to identify, analyze, and prioritize roadway safety improvements and programs with a clear goal of eliminating traffic fatalities and severe injuries in Lancaster.

CC 10. Approve Entering into an Escrow and Deposit Account Control Agreement with River City Bank and Southern California Edison on behalf of Lancaster Choice Energy to Comply with California Public Utilities Commission Financial Security Requirements

Recommendation:

That the City Council approve entering into an Escrow and Deposit Account Control Agreement (Escrow Agreement) with River City Bank (RCB) and Southern California Edison (SCE) on behalf of Lancaster Choice Energy (LCE), and authorize the City Manager, or designee, to execute an Escrow Agreement in a form substantially as attached.

California Choice Energy Authority (CalChoice) on behalf of LCE and its other member agencies, has been working with RCB on a form of Escrow Agreement and will negotiate on

LCE's behalf with SCE. Additionally, the Resolution requires that LCE submit an advice letter to the California Public Utilities Commission (CPUC) with the Financial Security Requirements (FSR) instrument as proof of compliance no later than December 8, 2020. CalChoice is also working with its legal team to draft the advice letter, which must be submitted with a copy of the executed Escrow Agreement. In accordance with the Resolution, once the advice letter is submitted and compliance with the FSR is demonstrated by way of an attached executed Escrow Agreement, the interim financial security amount of \$100,000 currently held by the CPUC will be returned to the City.

CC 11. Approve and appropriate \$92,600 in required matching funds for multiple grants received by the Lancaster Museum and Public Art Foundation on behalf of the City of Lancaster for the Museum of Art and History

Recommendation:

Approve and appropriate \$92,600 in required 50% matching funds for multiple grants received by the Lancaster Museum and Public Art Foundation (LMPAF) on behalf of the Lancaster Museum of Art and History (MOAH). The grants awarded are from the following foundations/organizations: Art Bridges Foundation, California Arts Council, California Arts Foundation, California Community Foundation, and the Terra Foundation for American Art.

When the COVID-19 pandemic began the staff at MOAH worked closely with LMPAF to apply for multiple grants in an effort to continue to provide programs and education to local residents even while the physical building has been closed. Multiple grants were awarded to LMPAF on behalf of the City and now the Department of Parks, Recreation and Arts is seeking funding allocations in order to meet the described matching requirements.

CC 12. Application for Local Early Action Planning Grants Program (LEAP)

Recommendation:

Adopt **Resolution No. 20-60**, authorizing application for and receipt of, local government planning support grant program funds.

Medium size jurisdictions, such as Lancaster, can apply for and receive up to \$500,000 for housing planning grants. Staff proposes to request the full amount to fund the ongoing effort towards the creation of the Parkway Village Specific Plan and other housing-related initiatives that would plan for and streamline the development process. The State Grant will provide funding for the direct costs associated with these activities, and could reduce the General Fund obligation towards these efforts.

CC 13. Stand Strong Business Recovery Loan Program Extension

Recommendation:

1. Approve an extension of all Stand Strong Business Recovery loans awarded to businesses deemed "non-essential" by the State of California and/or the Los Angeles County Department of Public Health to allow an additional six months before the first loan payments are due. This action would shift the due date for the first payments from January 1, 2021 to July 1, 2021.

2. Authorize the City Manager or his designee to approve an additional extension of up to six months, to January 1, 2022, based on staff's evaluation of the needs of the individual business and the financial impact of the public health restrictions in place through July 1, 2021.

To date, 35 loans have been awarded, totaling \$638,267. 28 of these loans have been to businesses deemed "non-essential" and thus heavily impacted by the associated closure orders and/or capacity restrictions. The ongoing closures and limitations have placed many – if not all – of these businesses in a precarious position. Currently, the first quarterly payments for the majority of loans are due January 1, 2021, while some who applied later in the program have first payments due on April 1, 2021. The proposed action would shift all initial payments for businesses deemed "non-essential" to July 1, 2021, allowing for additional time to recover. As the due date approaches, staff will evaluate the closure orders in place at that time and the needs of the individual businesses affected to determine whether an additional extension until January 1, 2022 is warranted.

PUBLIC HEARING

PH 1. Introduction of Ordinance to Establish Requirements for the Collection and Recycling of Recyclable Materials and Collection and Organics Processing

Recommendation:

Introduce **Ordinance No. 1077**, adding Chapter 13.17 to the Lancaster Municipal Code, and repealing Chapter 13.16.130 of the Lancaster Municipal Code in its entirety relating to recycling waste reduction programs.

The Ordinance before the City Council tonight will require businesses and multi-family dwellings generating more than two (2) cubic yards of organic waste to source separate recyclable materials from solid waste in covered collection containers, and subscribe to a basic level of recycling services that includes the collection of recyclables (such as plastic/paper) and organic waste (such as landscape waste).

NEW BUSINESS

NB1. Introduction of Urgency Ordinance No. 1078 Adding Chapter 5.57 of the Lancaster Municipal Code to establish a temporary limit on the charges imposed by food delivery services on covered establishments during the COVID-19 emergency

Recommendation:

Introduce **Ordinance No. 1078**, to establish a temporary limit on the charges imposed by food delivery services on covered establishments during the COVID-19 emergency.

COUNCIL REPORTS

CR1. Council Reports

CALIFORNIA CHOICE ENERGY AUTHORITY

No action required at this time.

LANCASTER FINANCING AUTHORITY

No action required at this time.

LANCASTER POWER AUTHORITY

No action required at this time.

LANCASTER SUCCESSOR AGENCY

No action required at this time.

CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS

CITY CLERK/AGENCY/AUTHORITY SECRETARY ANNOUNCEMENT

PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS

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CITY COUNCIL / AGENCY/ AUTHORITY COMMENTS

CLOSED SESSION

1. Conference with Legal Counsel - Anticipated Litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(d) (2) - two potential cases.
2. Conference with Legal Counsel - Anticipated Litigation: consideration of initiation of litigation pursuant to Government Code Section 54956.9(d) (4) - two potential cases.
3. Conference with Legal Counsel - Existing Litigation - Government Code Section 54956.9(d) (1)
4. Desert-Candle, LP v. Frontier Homes, LLC, LASC Case No. 20STCV05178

5. Kappler v. Lancaster, LASC 18STCVO4990
6. Better Neighborhoods v. Lancaster, LASC BS175020
7. Antelope Valley Groundwater Cases Included Action:
 Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Los Angeles, Case No. BC325201; Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Kern, Case No. S-1500-CV-254-348
 Wm. Bolthouse Farms, Inc. v. City of Lancaster, Diamond Farming Co. v. City of Lancaster, Diamond Farming Co. v. Palmdale Water District
 Superior Court of California County of Riverside, consolidated actions; Case Nos. RIC 353 840, RIC 344 436, RIC 344 668
8. Ramos v Patino, LASC Case No. MC027974
9. Lozoya v. City of Lancaster, LASC Case No. 19AVCV00714
10. Johnson v. City of Lancaster, LASC Case No. 19AVCV00824
11. Rahier v. City of Lancaster, LASC Case No. 19AVCV00163
12. Brisa Mahoney, et al. v. City of Lancaster, et al., LASC Case No. 20STCV02556
13. Conference with Real Property Negotiators:
 Property: APNs 3124-012-007&012
 City negotiators: Mike Livingston, Allison Burns
 Negotiating parties: Elassaad Walid
 Under negotiation: price and terms of payment
 Property: APNs 3124-012-008&009
 City negotiators: Mike Livingston, Allison Burns
 Negotiating parties: Ann Hiramoto
 Under negotiation: price and terms of payment
14. Manzo v. Beazer Homes Holdings, LLC et al., LASC Case No. 20AVCV00297
15. Hernandez v. County of Los Angeles, et al., LASC Case No. 20AVCV00318

16. Romines v. City of Lancaster, et al., LASC Case No. 20AVCV00345
17. Mahoney v. City of Lancaster et al, LASC Case No. 20AVCV00199
18. Moujan v. City of Lancaster et al., LASC Case No. 20AVCV00205
19. Davis v. State of California, LASC Case No. 19AVCV00805

ADJOURNMENT

Next Regular Meeting:
December 08, 2020 at 5:00 PM

MEETING ASSISTANCE INFORMATION

In compliance with the Americans with Disabilities Act and Executive Order N-29-20, the City has implemented a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility. If you need special assistance to participate in this telephonic meeting, please contact the City Clerk at (661)723-6020 or via email at aalexander@cityoflancasterca.org. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting/event you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days notice is strongly recommended. For additional information, please contact the City Clerk at (661)723-6020.

AGENDA ADDENDUM INFORMATION

On occasion items may be added after the agenda has been mailed to subscribers. Copies of the agenda addendum item will be available at the City Clerk Department and are posted with the agenda on the windows of the City Council Chambers. For more information, please call the City Clerk Department at (661) 723-6020.

All documents available for public review are on file with the City Clerk Department.

M1
11/10/20
JC



**CITY COUNCIL/SUCCESSOR AGENCY/HOUSING
FINANCING/POWER/
CALIFORNIA CHOICE ENERGY AUTHORITY
MINUTES
Tuesday, October 27, 2020**

CALL TO ORDER

Mayor Parris called the meeting of the Lancaster City Council/Successor Agency/Housing/Financing/ Power/California Choice Energy Authority to order at 5:00pm.

ROLL CALL

PRESENT: City Council Members / Agency Directors / Authority Members: Dorris, Malhi, Mann, Vice Mayor/Vice Chair Crist, Mayor/Chair Parris

ROLL CALL

PRESENT: Housing Authority Members: Malhi, Mann, Vice Chair Crist, Chair Szeto

ABSENT: Harvey

INVOCATION

Pastor Matt Dumas, Central Christian Church

PLEDGE OF ALLEGIANCE

Mayor Parris waived the Pledge of Allegiance since meeting is being conducted telephonically.

PRESENTATIONS

1. Employee Years of Service- Joe Torres (30 years)
Presented by Jason Caudle, City Manager
2. Go Red for Red Ribbon Week
Presented by Jason Caudle, City Manager and Mayor R. Rex Parris
3. See and Be Seen Active Transportation Safety and Healthy Living Program
Presented by Candice Vander Hyde, Management Analyst

HA CC 1. EXECUTION AND ACKNOWLEDGMENT BY THE LANCASTER HOUSING AUTHORITY OF THE 2017 AND 2020 ASSIGNMENT AND ASSUMPTION AGREEMENTS RELATING TO THE WOODLANDS WEST APARTMENT HOMES (FORMERLY KNOWN AS HIGH VALLEY APARTMENTS)

City Clerk announced procedure for public comment.

Housing Authority Members waived the staff report on this item seeing no public comments.

On a motion by Vice Mayor Crist and seconded by Council Member Mann the Lancaster Housing Authority APPROVED, ratified and authorized the execution and acknowledgment by the Lancaster Housing Authority of a corrected 2017 Assignment and Assumption Agreement between Lancaster Housing Authority and Woodlands West Apartment Homes (formerly known as High Valley Apartments), the rental housing project located at 2325 West Avenue J-8 in the City of Lancaster (the "Project"); Authorized the execution and acknowledgment by the Lancaster Housing Authority of an Assignment and Assumption Agreement with respect to the pending 2020 sale of the Project by the following vote: 4-0-0-1; Ayes: Malhi, Crist, Mann, Szeto ; Noes: None; Abstain: None; Absent: Harvey

MINUTES

On a motion by Vice Mayor Crist and seconded by Council Member Malhi the City Council approved the City Council/Successor Agency/Financing/Power/California

Choice Energy Authority Regular Meeting Minutes of October 13, 2020, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

CALIFORNIA CHOICE ENERGY AUTHORITY - CONSENT CALENDAR

On a motion by Vice Mayor Crist and seconded by Council Member Malhi the City Council approved CCEA 1 and CCEA 2, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

CCEA CC 1. PROFESSIONAL SERVICES AGREEMENTS FOR FINANCIAL SUPPORT SERVICES TO MAHER ACCOUNTANCY

Awarded a Professional Services Agreement (“Agreement”) with Maher Accountancy (Maher), in the amount of \$30,000 annually per member, currently \$210,000, for financial and accounting support services; and authorized the Executive Director, or his designee, to sign all documents. Further authorized the Executive Director to execute amendments to the Agreement to add additional CalChoice Members as they become operational.

CCEA CC 2. AWARDED PROFESSIONAL SERVICES AGREEMENTS FOR TECHNICAL SUPPORT SERVICES TO PACIFIC ENERGY ADVISORS, INC.

- a. Awarded a Professional Services Agreement with Pacific Energy Advisors, Inc. (PEA), in the amount not to exceed \$202,000 annually for technical support services in support of the City of Baldwin Park; and authorized the Executive Director, or his designee, to sign all documents
- b. Awarded a Professional Services Agreement with PEA, in the amount not to exceed \$202,000 annually for technical support services in support of the City of Pomona; and authorized the Executive Director, or his designee, to sign all documents

CITY COUNCIL CONSENT CALENDAR

City Clerk announced the procedure for public comments.

No comments at this time.

On a motion by Vice Mayor Crist and seconded by Council Member Malhi the City Council approved the Consent Calendar as comprised, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

CC 1. ORDINANCE WAIVER

Waived further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

CC 2. CHECK REGISTERS

Check Registers - September 27, 2020 through October 10, 2020. Approved Check Registers as presented.

CC 3. MONTHLY REPORT

Approved Monthly Report of Investments for the month of September 2020.

CC 4. TASK ORDER NO. 1 UNDER REVIVE 25 PAVEMENT MANAGEMENT PROGRAM CONSULTING SERVICES AGREEMENT FOR PAVEMENT EVALUATION AND DESIGN SERVICES FOR 2021 SUMMER PAVEMENT MANAGEMENT PROGRAM (REFERENCE PWCP 21-009)

Approved Task Order No. 1 with Pavement Engineering, Inc., of Santa Clarita, California, in accordance with the Professional Consultant Services Agreement for Revive 25 Pavement Management Program Consulting Services in the amount of \$335,870.00 with a 10% contingency; and authorized the City Manager, or his designee, to sign all documents.

CC 5. TASK ORDER FOR MULTI-YEAR PROFESSIONAL SERVICES AGREEMENT (SERVICE GROUP CATEGORY 3 – (UTILITIES) ADDITIONAL AUTHORIZATION NO. 2, DESIGN SERVICES FOR PWCP 21-006 AVENUE K RECYCLED WATERLINE IMPROVEMENTS

Approved Task Order No. 3 - Additional Authorization No. 2 with DMR Team of Acton, California, for additional recycled waterline design modification in accordance with the 2018-2020 Multi-Year Professional Services Agreement in the amount of \$13,748.00; and authorized the City Manager, or his designee, to sign all documents.

CC 6. CITY OF LANCASTER'S MODEL YEAR 2021 FLEET LEASE AGREEMENT

1. Approved a Model Year 2021 Fleet Lease Agreement (Exhibit A) between the City of Lancaster and Enterprise Fleet Management, Inc., for sixteen (16) replacement vehicles in the amount of \$556,594.00; one (1) down payment plus the first annual payment totaling \$147,842.00, followed by four (4) remaining annual payments of \$102,188.00 a year, over a total of five (5) years. Authorized the City Manager to execute a lease agreement and any amendments between the City of Lancaster and Enterprise Fleet Management, Inc.

2. Appropriated \$107,933.35 in Fiscal Year 2020-2021 into Replacement Motor Vehicles Operating Budget Account No. 104-4753-762 for the Model Year 2021 Enterprise year one (1) lease, and to cover existing lease contract budget deficits.

CC 7. RENEWAL OF PACIFIC DESIGN AND INTEGRATION, DBA GOVTV, VIDEO PRODUCTION SYSTEM LICENSE AND VIDEO SERVICES AGREEMENT

Approved the Video Production System License and Video Services Agreement renewal between the City of Lancaster and Pacific Design and Integration, dba GovTV for the initial three (3) year term.

CC 8. AMENDMENT TO CONFLICT OF INTEREST CODE LIST OF DESIGNATED EMPLOYMENT CLASSIFICATIONS

Adopted **Resolution No. 20-53**, rescinding Resolution No. 16-48 in its entirety and establishing the List of Designated Employment Classifications and the Disclosure Categories of the Conflict of Interest Code as provided in Section 2.40.030, Title 2, of the Lancaster Municipal Code.

CC 9. APPROVAL OF MULTI-YEAR PROFESSIONAL SERVICES AGREEMENTS

Approved Multi-Year Professional Service Agreements with each of the pre-qualified consulting firms on the short-list created for each service category, and authorized the City Manager, or his designee, to execute all task orders.

CC 10. CONSIDERATION OF ADOPTION OF ORDINANCE NO. 1076, ESTABLISHING SPEED LIMITS ON 32 ROADWAY SEGMENTS AND AMENDING SECTION 10.04.020 OF LANCASTER MUNICIPAL CODE

Adopted **Ordinance No. 1076**, establishing speed limits on 32 roadway segments (12 roadway segments will have reduced speed limits/20 roadway segments will remain with the same speed limits) in the City of Lancaster, and adopted the Engineering and Traffic Survey (E&TS) study dated June 2020. The spot speed survey and analysis were conducted by the City's on-call traffic engineering service firm, Interwest Consultant Group, in October and November 2019, under the supervision of a registered traffic engineer in the State of California.

PH 1. LANCASTER MAINTENANCE DISTRICT ANNEXATIONS

Mayor Parris opened the Public Hearing.

City Clerk provided the procedure for public comment.

Jeff Hogan, Development Services Director presented the staff report and requested a continuance on PH 1.

Allison Burns, City Attorney announced that the item be moved to a date certain on November 10, 2020; leave public hearing open and continue to November 10, 2020.

Mayor Parris declared public hearing item no. 1 continued to November 10, 2020.

NB1. RESOLUTION CONFIRMING THE CONTINUED EXISTENCE OF A LOCAL EMERGENCY

Jason Caudle, City Manager presented the staff report on this item.

Deputy Mayor Dr. Troung gave a presentation on COVID19-clinical update.

Discussion among Council included:

Mayor Parris discussed accurate charts and results from LA County; researching rates of cities that have implemented curfews.

Council discussed experiences of being in different venues where there is mask compliance; directing staff to create a campaign to encourage mask usage; being aware of gatherings during holiday season; being aware of flu season; seeking exceptions to current guidelines imposed by LA County and State based on current numbers.

City Clerk announced the procedure for public comment.

No public comment at this time.

On a motion by Vice Mayor Crist and seconded by Council Member Mann the City Council adopted **Resolution No. 20-54**, a resolution of the City City Council of the City of Lancaster, California, confirming the continued existence of a local emergency in the City of Lancaster, California, by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

NB2. PUBLIC WORKS CONSTRUCTION PROJECT NO. 20-012 PRIME DESERT WOODLAND TRAILS PROJECT PHASE III (HT-19-024)

Ramon Galo, Manager-Parks & Facilities, presented the staff report and update on Prime Desert Woodland Trails Project Phase III (HT-19-024).

City Clerk announced the procedure for public comment.

No public comments at this time.

On a motion by Vice Mayor Crist and seconded by Council Member Malhi the City Council approved acceptance of work constructed by Bowe Contractors, Inc., for Public Works Construction Project No. 20-012, Prime Desert Woodland Trails Project Phase III (HT-19-024), and directed the City Clerk to file the Notice of Completion for the project by the following vote: 5-0-0-0; Ayes: Parris, Malhi, Dorris, Crist, Mann; Noes: None; Abstain: None; Absent: None

CR1. REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS FOR THE ANTELOPE VALLEY TRANSIT AUTHORITY

Vice Mayor/Vice Chairman Crist gave a report on the activities of the Board of Directors for the Antelope Valley Transit Authority which included rider drop-off of approximately seventy-five percent (75%) and new wellness center for drivers provided by carbon credits.

Council Member Malhi discussed the naming of new wellness center after Vice Mayor/Vice Chairman Crist.

CITY CLERK/AGENCY/AUTHORITY SECRETARY ANNOUNCEMENT

The City Clerk provided the public with the procedure to address the City Council/Successor Agency/Authority regarding non-agendized items.

PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS

Addressing the Council at this time:

Fran Sereseres- discussed Hispanic chamber of commerce discussion of ballot measure and thanked Mayor Parris for work done.

Wendy Winters- discussed concern with no bathroom or water fountain at Prime Desert Woodland Trails and concern with farmer's market not open year-round.

Deputy Mayor Tiffany Tanner-discussed status of church openings; scheduled date for last farmer's market and healthy living booth.

CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS

City Manager discussed upcoming virtual Halloween contests; commended construction workers and inspectors; provided status on current drive-in movies.

Deputy Mayor Heather Varden gave an update on Kensington Campus.

CITY COUNCIL / AGENCY/ AUTHORITY COMMENTS

Council Member Mann discussed size of LA County and its effects on Lancaster.

ADJOURNMENT

Mayor Parris adjourned the meeting at 6:41 p.m. and stated the next City Council/Successor Agency/Financing/Power/California Choice Energy Authority meeting will be held on Tuesday, November 10, 2020 at 5:00 p.m.

PASSED, APPROVED and ADOPTED this 10th day of November by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
CITY CLERK

R. REX PARRIS
MAYOR/CHAIRMAN

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF MINUTES
CITY COUNCIL/SUCCESSOR AGENCY/FINANCING/HOUSING/POWER/CALIFORNIA
CHOICE ENERGY AUTHORITY

I, _____, _____ of the City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original City Council/Successor Agency/Financing/Housing/Power/California Choice Energy Authority Minutes, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, CA on this _____ day of _____, _____.

(seal)

STAFF REPORT
Lancaster Housing Authority

HA CC 1
11/10/20
JC

Date: November 10, 2020

To: Chair Szeto and Authority Members

From: Chenin Dow, Assistant to the City Manager

Subject: **Loan Agreement for No More Lemons, LP**

Recommendations:

1. Approve a Loan Agreement with No More Lemons, LP to fund development impact fees in the amount of \$436,505 for the final phase of Kensington Campus.
2. Appropriate \$436,505 from Account No. 306-2900-000 to Account No. 306-4342-301.

Fiscal Impact:

\$436,505 in the form of a loan payable upon the transfer of title or sale of the property.

Background:

The City of Lancaster has collaborated with InSite Development, the County of Los Angeles, and The People Concern to build Kensington Campus, a first-of-its-kind facility designed to provide a permanent path out of homelessness. Kensington currently offers 102 permanent supportive housing units, as well as 156 beds of interim housing. In addition to housing, the facility provides residents with access to comprehensive wraparound services such as medical treatment, addiction recovery, and training opportunities.

The final phase of the campus, which will add 51 more permanent supportive housing units, is now under construction. Upon completion, this will bring the total of beds available at Kensington to 309, with roughly half dedicated to temporary housing and half to permanent supportive housing.

The proposed loan agreement would provide \$436,505 in funding toward the final phase of the project, equivalent to the amount of development impact fees due. This mirrors previous phases; all impact fees for the project have been either waived or provided via loan agreements such as this.

The funds will be sourced from the Housing Authority's Low and Moderate Income Housing Fund. State law requires that at least 30% of these funds be spent on development of rental housing affordable to and occupied by households earning 30% or less of area median income. Kensington Campus qualifies; thus, this expenditure will aid the Authority not only in providing much-needed housing for Lancaster's homeless population, but also in meeting the obligations associated with this funding.

CD:te

Attachment:
Loan Agreement

LOAN AGREEMENT

This **LOAN AGREEMENT** (this “Agreement”) is made and entered into as of October 27, 2020, by and between the **LANCASTER HOUSING AUTHORITY**, a public body, corporate and politic (the “Authority”), and **NO MORE LEMONS, LP**, a California limited partnership (the “Developer”) (the Developer and the Authority are collectively referred to herein as the “Parties”).

RECITALS

The following recitals are a substantive part of this Agreement; capitalized terms used herein and not otherwise defined are defined in Section 100 of this Agreement.

A. Sections 33334.2 and 33334.6 of the California Health and Safety Code formerly authorized and directed the Lancaster Redevelopment Agency (the “Redevelopment Agency”) to expend a certain percentage of all taxes which are allocated to the Redevelopment Agency pursuant to Section 33670 of the California Health and Safety Code for the purposes of increasing, improving and preserving the community’s supply of low and moderate income housing available at affordable housing cost to persons and families of low- and moderate-income, lower income, and very low income.

B. By ABx1 26 enacted by the California Legislature during 2011 (the “2011 Dissolution Act”), the California Legislative eliminated every redevelopment agency within the State of California, including without limitation the Redevelopment Agency. The 2011 Dissolution Act provides, in part, that the host city of a redevelopment agency was to designate a housing entity to receive the housing assets of the former redevelopment agency within such city. The City Council of the City of Lancaster (“City”) designated the Authority as the housing entity to receive the housing assets of the former Redevelopment Agency.

C. The Authority is authorized pursuant to the Community Redevelopment Law and Housing Authorities Law to provide subsidies to, or for the benefit of, persons and families of low or moderate income and very low income households, to assist them to obtain housing within the community.

D. By this Agreement and in consideration of Developer's performance of the covenants set forth in this Agreement and otherwise subject to the terms and conditions herein, the Authority desires to provide to the Developer a loan to fund a portion of the costs associated with the construction of a fifty-one (51) unit multifamily residential project. In consideration for the Authority Loan (as defined herein), Developer has agreed to restrict the rental and occupancy of fifty (50) units to Qualified Residents (as defined herein).

E. The California Legislature has declared in Health and Safety Code Section 37000, *et seq.*, that new forms of cooperation with the private sector, such as leased housing, disposition of real property acquired through redevelopment, development approvals, and other forms of housing assistance may involve close participation with the private sector in meeting housing needs, without amounting to development, construction or acquisition of low rent

housing projects as contemplated under Article XXXIV of the State Constitution.

F. Section 37001 of the California Health and Safety Code provides that a low rent housing project under Article XXXIV of the State Constitution does not include a development, which consists of the rehabilitation, reconstruction, improvement or addition to, or replacement of dwelling units of a project previously occupied by lower income households. The Project (as defined herein) to be assisted pursuant to this Agreement consists of the replacement of fifty (50) dwelling units within the City, which were previously occupied by lower and very low income households. The Authority has not previously provided for the replacement of such dwelling units within the community.

G. Section 37001.5 of the Health and Safety Code provides that a public body does not develop, construct or acquire a low rent housing project under Article XXXIV of the State Constitution when the public body provides assistance to a low rent housing project and monitors construction or rehabilitation of the project to the extent of (i) carrying out routine governmental functions, (ii) performing conventional activities of a lender, and (iii) imposing constitutionally mandated or statutorily authorized conditions accepted by the Developer. This Agreement provides for assistance by the Authority to the Project, and the Authority's monitoring of construction of the Project to the extent of (i) carrying out routine governmental functions, (ii) performing conventional activities of a lender, and (iii) imposing constitutionally mandated or statutorily authorized conditions accepted by the Developer.

H. Construction and operation of the Project pursuant to this Agreement is in the City's vital and best interest and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws.

I. This Agreement provides for assistance by the Authority to the Project (as defined herein), and the Authority's monitoring of construction of the Project to the extent of carrying out routine governmental functions, performing conventional activities of a lender, and imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of assistance.

J. Completing the construction and renting of the Property pursuant to this Agreement is in the vital and best interest of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws.

NOW, THEREFORE, the Authority and the Developer mutually agree as follows:

100. DEFINITIONS

101. Capitalized terms used herein shall have the meanings set forth in this Section 101:

"Affordability Period" shall mean the period beginning upon the first day of the first full month following the date on which the Declaration is executed by the parties thereto and recorded in the office of the Los Angeles County Recorder, and ending on the last day of the 660th month thereafter, unless the Declaration is sooner terminated or released by the Authority

or by operation of the provisions of any documents evidencing or securing the interest of any holder of a first lien deed of trust.

“Affordable Units” shall mean each of the fifty (50) units at the proposed 32nd Street West and Avenue I, which shall be designated as Affordable Units and continuously occupied by or made available for occupancy by Qualified Residents for the duration of the Affordability Period.

“Affordable Rents” shall mean (i) lower income households whose gross incomes exceed the maximum income for very low income households, the product of 30 percent times 65 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those lower income households with gross incomes that exceed 65 percent of the area median income adjusted for family size, affordable rent may be established at a level not to exceed 30 percent of gross income of the household.

“Agreement” means this loan agreement entered into by and between the Authority and Developer.

“Authority” means the Lancaster Housing Authority, a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the California Housing Authorities Law (Cal. Health & Safety Code § 34200 *et seq.*).

“Authority Loan” means the Authority's loan in the principal amount of Four Hundred Thirty-Six-Thousand Five Hundred Five Dollars (\$436,505) to the Developer, as provided in Section 201 of this Agreement.

“Authority Loan Deed of Trust” means the Deed of Trust with Assignment of Rents, Security Agreement, Financing Statement and Fixture Filing to be recorded against the Property as security for the payment of sums owing pursuant to the Authority Loan Promissory Note, in the form attached hereto as Attachment No. 3, which is incorporated herein.

“Authority Loan Promissory Note” means the promissory note to be executed by the Developer in favor of the Authority, as set forth in Section 201 of this Agreement, in the form of the Promissory Note which is attached to this Agreement as Attachment No. 2 and incorporated herein by reference.

“City” means the City of Lancaster, California, a California municipal corporation. The City is not a party to this Agreement and shall have no obligations hereunder.

“Code” means the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

“Conditions Precedent” means the conditions precedent to the disbursement of the Authority Loan as set forth in Section 202 of this Agreement.

“Date of Disbursement” shall mean the date upon which the total proceeds of the Authority Loan have been disbursed to or on behalf of the Developer.

“Declaration” shall mean that Declaration of Conditions, Covenants and Restrictions substantially in the form of Attachment No. 4, attached hereto and incorporated herein by reference, which sets forth certain obligations with respect to the occupancy and maintenance of the Affordable Units in the Property, and is to be recorded against the Property pursuant to this Agreement.

“Default” means the failure of a party to this Agreement to perform any action or covenant required by this Agreement within the time periods provided herein, following notice and opportunity to cure, as set forth in Section 502 of this Agreement.

“Developer” means No More Lemons, LP, a California Limited Liability Corporation.

“Effective Date” or “Effective Date of Agreement” is that date set forth in the first paragraph of this Agreement.

“Improvements” means the 51 (or such other number as may be permitted by applicable laws or regulations and as may be commercially feasible at the time) multifamily residential units, along with all appurtenant on-site and off-site improvements and all fixtures and equipment to be constructed or installed on or about the Property.

“Lower Income Resident” shall mean individuals or families whose adjusted income does not exceed eighty percent (80%) of the area median gross income, adjusted for family size.

“Notice” shall mean a notice in the form prescribed by Section 601 of this Agreement.

“Project” means the Property and the Improvements.

“Property” means that parcel of real property located at the proposed 32nd Street West and Avenue I in the City of Lancaster as more particularly described in the Property Legal Description.

“Property Legal Description” means the description of the Property, which is attached hereto as Attachment No. 1 and incorporated herein by reference.

“Qualified Residents” means residents of the Project who are Lower Income Residents.

“Qualified Tenant” shall mean persons or families who are Lower Income Resident.

“Rent” means the total of monthly payments for (a) use and occupancy of each Affordable Unit and land and facilities associated therewith, (b) any separately charged fees or service charges assessed by the Developer which are required of all tenants, other than security deposits, (c) a reasonable allowance for an adequate level of service of utilities not included in (a) or (b) above, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuels, but not including telephone service, and (d) possessory interest, taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Developer.

200. AUTHORITY FINANCIAL ASSISTANCE

201. Authority Loan. Subject to all of the terms, covenants and conditions which are set forth herein and upon satisfaction of the Conditions Precedent set forth in Section 202 hereof, the Authority hereby agrees to fund to Developer the sum of Four Hundred Thirty-Six Thousand Five Hundred Five Dollars (\$436,505) (the “Authority Loan”). The Developer's obligation to repay the Authority Loan shall be evidenced by the Authority Loan Promissory Note and secured by the Authority Loan Deed of Trust encumbering the Property and Improvements. The proceeds of the Authority Loan shall be disbursed directly to the Developer or to vendors, contractors or sub-contractors designated by the Developer upon request. Said proceeds shall be used by Developer for the sole purpose of constructing the Improvements as provided herein. Except for transfers permitted pursuant to Section 603 or approved by the Authority, all interest and principal of the Authority Loan is due and payable upon transfer of title or sale of property. No interest shall accrue with respect to the Authority Loan Promissory Note during the term of the loan.

202. Conditions Precedent to Disbursement of Authority Loan. Subject to all of the terms, covenants and conditions set forth in this Agreement, the Authority shall disburse the Authority Loan to or on behalf of the Developer upon satisfaction of the following conditions precedent (the “Conditions Precedent”) in Authority’s reasonable judgment.

(a) **Execution and Delivery of Documents.** Developer shall have executed and delivered to the Authority the Authority Loan Promissory Note and the Authority Loan Deed of Trust, and any other documents and instruments in connection with the Authority Loan as may be reasonably required to be executed and delivered by Developer to evidence the intentions of the parties contracted herein.

(b) **Recordation.** The escrow holder selected by the Authority and reasonable accepted by the Developer is prepared to record the Authority Loan Deed of Trust against the Property in the proper recording order pursuant to escrow instructions approved by the Authority, at the time of the first disbursement of any of the proceeds of the Authority Loan.

(c) **Title to Land.** The Authority shall be satisfied that upon the disbursement of the Authority Loan, Developer will have good and marketable fee title to the Property, and there will exist thereon or with respect thereto no mortgage, lien, pledge or other encumbrance of any character whatsoever, other than liens for current real property taxes and assessments not yet due and payable, the lien of any construction or permanent financing to which the Authority loan shall be subordinate, and any other matters specifically approved in writing by the Authority.

(d) **No Default.** There shall exist no condition, event or act which would constitute an Event of Default (as hereinafter defined) hereunder or which, with the giving of notice or the passage of time, or both, would constitute an Event of Default.

(e) **Representations and Warranties.** All representations and warranties of Developer herein contained shall be true and correct as of the Date of Disbursement.

(f) **Environmental Clearance.** The City of Lancaster shall not disperse funds or close escrow until receipt of the Removal of Environmental Conditions and Release of Funds from the State Department of Housing and Community Development.

203. Representations and Warranties. Developer represents and warrants to Authority as follows:

(a) **Authority.** Developer is a duly organized California limited partnership organized pursuant to, existing by virtue of and in good standing under the laws of the State of California. Developer has full right, power and lawful authority to accept the Authority Loan and to undertake all obligations as provided herein. The execution, performance and delivery of this Agreement by Developer have been authorized by all requisite actions on the part of the Developer. The parties who have executed this Agreement on behalf of Developer are authorized to bind Developer by their signatures hereto.

(b) **Title.** Developer, at the time of the disbursement of the Loan, has fee title to the Property.

(c) **Litigation.** To the best of Developer's knowledge, there are no actions, suits, material claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law or in equity, before any court or governmental agency, domestic or foreign, which, if resolved against the Developer, would have a material adverse affect on Developer's ability or authority to perform its obligations under this Agreement.

(d) **No Conflict.** To the best of Developer's knowledge, Developer's execution, delivery, and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which Developer is a party or by which it is bound.

(e) **No Developer Bankruptcy.** Developer is not the subject of a bankruptcy proceeding.

(f) **Submissions.** To Developer's best knowledge, all of the items and information submitted to the Authority hereunder with respect to the Developer, the Property and the Improvements are true, correct and complete in all material respects.

Until the Date of Disbursement, Developer shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 203 not to be true as of the Date of Disbursement of the Authority Loan, immediately give written notice of such fact or condition to Authority. Such exception(s) to a representation shall not be deemed a breach by Developer hereunder, but shall constitute an exception, which Authority shall have a right to approve or disapprove. If the Authority disapproves of such an exception and the Developer is unable to eliminate the exception, the Authority may terminate this Agreement.

300. CONSTRUCTION OF THE PROPERTY

301. Construction of the Property. The Developer agrees to construct the Improvements on the Property with commercially reasonable diligence and care in accordance with approved plans and specifications, applicable laws, and regulations.

302. Cost of Construction. Except for the proceeds of the Authority Loan, the cost of the construction of the Project and any additional costs of completing the construction of the Project shall be the sole responsibility of the Developer.

303. Commencement of Construction. The Developer hereby covenants and agrees to use commercially reasonable efforts to ensure the commencement of construction of the Improvements within thirty (30) days after the date that the Authority and/or City informs Developer that the Conditions Precedent have been satisfied and the proceeds of the Authority Loan are available for disbursement.

304. Completion of Construction. The Developer hereby covenants and shall cause to be diligently prosecuted to completion, the construction of the Improvements and to use commercially reasonable efforts to cause the completion of such construction work and the filing of a Notice of Completion pursuant to California Civil Code Section 3093 within twenty-four (24) months after the Date of Disbursement.

305. City and Other Governmental Agency Permits. Before commencement of the construction of the Improvements, the Developer shall, at its own expense, secure or cause to be secured any and all permits which may be required by any other governmental agency with jurisdiction over such construction, including, without limitation, building permits. It is understood that the Developer is obligated to submit to the City final drawings with final corrections to obtain such permits. The staff of the Authority will, without obligation to incur liability or expense therefore, use its best efforts to expedite the City's issuance of building permits for construction and certificates of occupancy that meet the requirements of the City Code, and all other applicable laws and regulations in affect on the Date of Disbursement.

306. Insurance. Developer shall maintain, during the term of the Affordability Period, an all-risk property insurance policy insuring the multifamily housing project in an amount equal to the full replacement value of the real property, together with flood insurance in conformance with the Flood Disaster Protection Act, if this property is located in a flood zone. The policy shall contain a statement of obligation on behalf of the carrier to notify the Authority of any material change, cancellation or termination of coverage at least thirty (30) days in advance of the effective date of such material change, cancellation or termination. Developer shall transmit a copy of the certificate of insurance to Authority within thirty (30) days of the Effective Date of this Agreement, and Developer shall annually transmit to Authority a copy of the certificate of insurance, signed by an authorized agent of the insurance carrier setting forth the general provisions of coverage. The copy of the certificate of insurance shall be transmitted to Authority at the address set forth in Section 601 hereof. Any certificate of insurance must be in a form, content, and with companies reasonably acceptable to the Authority.

307. Indemnity. Developer shall, at its expense, defend, indemnify, and hold harmless the Authority and the City and their respective officials, officers, agents, employees and

representatives from any and all losses, liabilities, claims, lawsuits, causes of action, judgments, settlements, court costs, attorneys' fees, expert witnesses fees, and other legal expenses, costs of evidence of title, costs of evidence of value, and other damages of whatsoever nature arising out of or in connection with, or relating in any manner to any act or omission of Developer or its agents, employees, contractors or subcontractors of any tier, or employees thereof, in connection with or arising from Developer's performance or nonperformance of its obligations under this Agreement, or the construction of the Improvements on the Property, including those arising from or otherwise connected with a failure to comply with Section 308 hereof, except for any and all losses, liabilities, claims, lawsuits, causes of action, judgments, settlements, court costs, attorneys' fees, and other legal expenses, costs of evidence of title, costs of evidence of value, and other damages of whatsoever nature arising from the negligence or misconduct of the Authority or City or their respective officials, officers, agents, employees or representatives.

308. Compliance With Laws. The Developer shall carry out the design, construction and operation of the Improvements in conformity with all applicable laws, including all applicable state labor standards, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Municipal Code, the provisions of Labor Code Section 1720 *et seq.* relating to prevailing wages as to which the Authority makes no representations and all applicable laws and regulations pertaining to disabled and handicapped access requirements, including without limitation (to the extent applicable) the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.* Government Code Section 11135, *et seq.*, the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*, and the Fair Housing Act, 42 U.S.C. Section 3601, *et seq.*

(a) Changes in Laws. Notwithstanding anything herein to the contrary, Authority shall not be responsible for any costs imposed upon the Developer pursuant to any changes in governmental requirements made after the date of this Agreement which impose additional requirements upon the Developer solely as a result of the Authority's advance of the proceeds of the Authority Loan to the Developer or the Authority's imposition of the affordable housing requirements of Section 400 hereof, including, without limitation, any requirement for the payment of prevailing wages with respect to the construction of the Improvements and off-site improvements.

(b) Taxes and Assessments. The Developer shall pay prior to delinquency all ad valorem real estate taxes and assessments on the Property, subject to the Developer's right to contest in good faith any such taxes. The Developer shall remove or have removed any levy or attachment made on any of the Property or any part thereof, or assure the satisfaction thereof within a reasonable time.

(c) Liens and Stop Notices. The Developer shall not allow to be placed on the Property or any part thereof any lien or stop notice other than the lien(s) in connection with the construction and permanent financing of the Project. If a claim of a lien or stop notice is given or recorded affecting the Improvements, the Developer shall within ten (10) days of such recording or within ten (10) days of the Authority's demand whichever last occurs.

(i) pay and discharge the same; or

(ii) effect the release thereof by recording and delivering to the Authority a surety bond in sufficient form and amount, or otherwise; or

(iii) provide to the Authority such alternate assurance which the Authority deems, in its reasonable discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of the Authority from the effect of such lien or bonded stop notice.

400. AFFORDABLE HOUSING INCOME REQUIREMENTS

401. Affordable Units. During the entire term of the Affordability Period, Developer agrees to make available, restrict occupancy to, and rent at Affordable Rents fifty (50) of the fifty-one (51) units in the Kensington Campus multifamily housing project to Qualified Residents (the “Affordable Units”). In addition to any requirements of the Code, Developer agrees to comply with the provisions of Health and Safety Code Section 33413 through Section 33418 to the extent necessary to enable the Authority to count the units for purposes of meeting the requirements of Section 33413 of the Health and Safety Code.

402. Income Level of Tenants. During the Affordability Period, Developer agrees to make available, restrict occupancy to, and rent each of the Affordable Units and Program Affordable Units to Qualified Tenants. Developer agrees to comply with the applicable provisions of Health and Safety Code Section 33413 through Section 33418 to the extent necessary to enable the Authority to count the units for purposes of meeting the requirements of Section 33413 of the Health and Safety Code.

403. Income Verification

(a) In the event a recertification of a resident’s income in accordance with subsection (b) below demonstrates that such resident no longer qualifies as a Qualified Resident of the Affordable Unit occupied by such resident, but such resident qualifies as an otherwise eligible household, the rents appropriate for that income level shall be charged. If the income of a Qualified Resident of the Affordable Unit occupied by such resident upon re-certification no longer qualifies as a Qualified Resident, and there are no other requirements statutorily imposed by another Federal or State funding source or tax credit program, that tenant shall not have its lease terminated as a result thereof, but must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the household’s adjusted monthly income; except that, Assisted Units subject to low-income tax credit rules under section 42 of the Internal Revenue Code shall be governed by such rules.

(b) Immediately prior to a Qualified Resident’s occupancy of an Affordable Unit, the Covenantor will obtain and maintain on file a certified statement of income on a form to be approved by the Covenantor from each Qualified Resident occupying said Affordable Unit, dated immediately prior to the initial occupancy by each Qualified Resident.

404. Annual Reports. During the Affordability Period, Developer, at its expense, shall submit to the Authority the reports required pursuant to Health and Safety Code Section 33418, as the same may be amended from time to time, with each such report to be in the form

prescribed by the Authority. Each annual report shall cover the immediately preceding calendar year.

405. Uses In Accordance with Redevelopment Plan. The Developer covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that during the Affordability Period the Developer and such successors and assignees shall devote the Property to the uses specified in the Redevelopment Plan, the Declaration and this Agreement for the periods of time specified therein. The foregoing covenants shall run with the land for the term of the Affordability Period.

406. Nondiscrimination. The Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Developer or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendors of the Property. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Authority, its successors and assigns, the City and any successor in interest to the Property, or any part thereof. The foregoing covenants shall run with the land for the term of the Affordability Period.

407. Effect of Violation of the Terms and Provisions of this Agreement After Completion of Construction. The Authority is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The Agreement and the covenants shall run in favor of the Authority, without regard to whether the Authority has been, remains or is an owner of any land or interest therein in the Property or in the Project Area. The Authority shall have the right, if this Agreement or Developer's covenants contained herein are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or \other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled. The foregoing covenants shall run with the land for the term of the Affordability Period.

408. Maintenance of the Property. The Developer shall maintain or cause to be maintained the interiors and exteriors of the Property in a decent, safe and sanitary manner, in accordance with the standard of maintenance of similar housing units within the City, and in accordance with the maintenance standards which are set forth in the Declaration. None of the dwelling units in the Property shall at any time be utilized on a transient basis nor shall the Property or any portion thereof ever be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium or rest home. The Developer shall not convert the Property to condominium ownership without the prior written approval of the Authority, which approval the Authority may grant, withhold or deny in its sole and absolute discretion. If at any time Developer fails to maintain the Property in accordance with this Agreement or the Declaration and such condition is not corrected within ten (10) days after

written notice from the Authority (with a copy to the then existing lenders for the project) with respect to graffiti, debris, waste material, and general maintenance, or thirty days (or such longer period of time as is reasonably necessary to correct the condition) after written notice from the Authority with respect to landscaping and building improvements, then the Authority, in addition to whatever remedy it may have at law or at equity, shall have the right to enter upon the applicable portion of the Property and perform all acts and work reasonably necessary to protect, maintain, and preserve the Improvements and landscaped areas on the Property, and to attach a lien upon the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the Authority and/or costs of such cure, including a five percent (5%) administrative charge, which amount shall be promptly paid by Developer to the Authority upon demand. The foregoing covenants shall run with the land for the term of the Affordability Period.

409. Long Term Management of the Property. The parties acknowledge that the Authority is interested in the long term management and operation of the Property and in the qualifications of any person or entity retained by the Developer for that purpose (the “Property Manager”). The Authority may from time to time review and evaluate the identity and performance of the Property Manager of the Property and the Property Manager's compliance with the provisions of this Agreement and the Declaration. If the Authority reasonably determines that the performance of the Property Manager is deficient based upon the standards and requirements set forth in this Agreement and the Declaration, the Authority shall provide notice to the Developer of such deficiencies and the Developer shall use its best efforts to correct or cause to be corrected such deficiencies. Upon Default of the terms of this Agreement or the Declaration by the Property Manager, the Authority shall have the right to require the Developer to immediately remove and replace the Property Manager with another property manager or property management company reasonably acceptable to the Authority. Such Property Manager shall be experienced in managing multifamily residential developments similar to the Project and shall not be related to or affiliated with the Developer. The foregoing covenants shall run with the land for the term of the Affordability Period.

500. DEFAULT AND REMEDIES

501. Events of Default. Each of the following shall constitute an “Event of Default” by Developer under this Agreement:

(a) **Failure to Construct the Improvements.** Failure of Developer to commence, diligently continue, or construct the Improvements on the Property within the time set forth in Section 303 above.

(b) **Failure to Lease Affordable Units to Qualified Tenants.** Failure of the Developer to lease or to make available for occupancy each of the Affordable Units to Qualified Tenants during the Affordability Period, as set forth in Section 400 hereof and the Declaration, which is not cured upon thirty days written notice to the Developer, or such longer period as is reasonably necessary to cure the default.

(c) **Failure to Pay Principal and Interest on Authority Loan.** Failure by the Developer to make timely payments of principal and interest as provided in the Authority

Loan Promissory Note within ten days of receiving written notice from Authority.

(d) Breach of Covenants. Failure by Developer to materially perform, comply with, or observe any of the conditions, terms, or covenants of this Agreement, and such failure having continued uncured, or without Developer commencing to diligently cure, for thirty (30) days after notice thereof in writing given by the Authority to Developer in accordance with Section 601 hereof; provided, however, that if a different period or notice requirement is specified under any other subsection in accordance with Section 500, such specific provisions shall control.

(e) Material Misstatement or Omissions. Any omission, representation or warranty contained in this Agreement or in any application, financial statement, certificate or report submitted to the Authority in connection with the Authority Loan proves to have been misleading or intentionally distorted in any material respect when made.

(f) Insolvency. A court having jurisdiction shall have made or entered any decree or order (i) adjudging Developer to be bankrupt or insolvent, (ii) approving as properly filed a petition seeking reorganization of Developer or seeking any arrangement for Developer under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or the State of California, (iii) appointing a receiver, trustee, liquidator, or assignee of Developer in bankruptcy or insolvency or for any of its' properties, or (iv) directing the winding up or liquidation of Developer, if any such decree or order described in clauses (i) to (iv), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days, unless a lesser time period is permitted for cure under any other mortgage on the Property, in which event such lesser time period will apply under this subsection 501(f) as well; or Developer shall have admitted in writing under oath its inability to pay its debts as they become due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (i) to (iv), inclusive. The occurrence of any of the events of default in this paragraph shall act to accelerate automatically, without the need for any action by the Authority, the indebtedness evidenced by the Promissory Note.

(g) Assignment or Attachment. Developer shall have assigned its assets for the benefit of its creditors or suffered sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within ninety (90) days after such event (unless a lesser time period is permitted for cure under any other mortgage on the Property, in which event such lesser time period shall apply under this subsection 501(g) as well) or prior to sale pursuant to such sequestration, attachment, or execution. The occurrence of any of the events of default in this paragraph shall act to accelerate automatically, without the need for any action by the Authority, the indebtedness evidenced by the Promissory Note representing the Authority Loan contemplated hereunder. In the event that Developer is diligently working to obtain a return or release of the Property and Authority's interests under the Deed of Trust are not imminently threatened, the Authority shall not declare a default under this subsection.

(h) Liens on Property. A claim of lien (other than liens approved in writing by the Authority) shall have been filed against the Property or any part thereof or any interest or right made appurtenant thereto, or the service of any notice to withhold proceeds of the Authority

Loan and the continued maintenance of said claim of lien or notices to withhold for a period of ninety (90) days without discharge or satisfaction thereof or provision therefore satisfactory to the Authority; provided, however, that the Developer shall not be in default if the Developer (i) pays and discharges such lien, (ii) effects the release thereof by recording and delivering to the Authority a surety bond in sufficient form and amount, or (iii) provides the Authority with other assurance which the Authority deems to be satisfactory for the payment of such lien.

(i) Defaults Under Other Loans. Any default declared by any lender under any loan document related to any loans, other than the Authority Loan, secured by a deed of trust on the Property shall act to accelerate automatically, without the need for any action by the Authority, the indebtedness evidenced by the Promissory Note.

(j) Prohibited Transfer. There is a sale or other transfer in violation of Section 603 hereof.

502. Authority Remedies. The occurrence of any Event of Default which shall continue for a period of thirty (30) days (or such other period of time as provided in this Section 500) after written notice thereof by the Authority to the Developer, without the Developer commencing a cure of the Event of Default, acceptable to the Authority in its reasonable discretion, and diligently pursuing the cure shall relieve the Authority of any obligation to perform hereunder, including without limitation to make or continue the Authority Loan and shall give the Authority the right to proceed with any and all remedies set forth in this Agreement, including but not limited to the following:

(a) Specific Performance. The Authority shall have the right to mandamus or other suit, action or proceeding at law or in equity to require Developer to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement.

(b) Right to Cure at Developer's Expense. The Authority shall have the right to cure any monetary default by Developer under a loan or grant other than the Authority Loan; provided, however, that if the Developer is in good faith contesting a claim of default under a loan and the Authority's interest under this Agreement is not imminently threatened by such default, the Authority shall not have the right to cure such default. The Developer agrees to reimburse the Authority for any funds advanced by the Authority to cure a monetary default by Developer upon demand therefore, together with interest thereon at the rate of seven percent (7%) per annum, from the date of expenditure until the date of reimbursement.

(c) Termination by Authority. The Authority shall have the right to terminate this Agreement and, at its sole option, to seek any remedies at law or equity available hereunder. In addition to Events of Default, the Authority may terminate this Agreement due to the failure of either party to satisfy all of the Conditions Precedent to the disbursement of the Authority Loan. In the event that the Authority terminates this Agreement after the disbursement of the Authority Loan, the amounts owing under the Promissory Note shall be immediately due and payable.

503. Developer Remedies. Upon the occurrence of any Event of Default by the

Authority which continues for a period of thirty (30) days after written notice thereof to Authority without Authority commencing the cure of such breach and thereafter diligently proceeding to cure such breach, the Developer shall have all of the remedies available at law or in equity, including the following:

(a) **Specific Performance.** The Developer shall have the right to mandamus or other suit, action or proceeding at law or in equity to require Authority to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement.

(b) **Termination by Developer.** The Developer shall have the right to terminate this Agreement for Defaults of the Authority which occur prior to the disbursement of the Authority Loan, or the failure of either party to satisfy all of the Conditions Precedent to the disbursement of the Authority Loan, which are not cured within the time set forth herein. Thereafter, neither party shall have any rights against the other under this Agreement. In no event shall the Developer be entitled to terminate this Agreement after the disbursement of all or any portion of the Authority Loan.

504. Right of Contest. Developer shall have the right to contest in good faith any claim, demand, levy, or assessment the assertion of which would constitute an Event of Default hereunder. Any such contest shall be prosecuted diligently and in a manner unprejudicial to the Authority or the rights of the Authority hereunder.

505. Remedies Cumulative. No right, power, or remedy given to the Authority or Developer by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given to the Authority or Developer by the terms of any such instrument, or by any statute or otherwise against Developer and any other person. Neither the failure nor any delay on the part of the Authority to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the Authority of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

506. Waiver of Terms and Conditions. Either party hereto may, in its sole discretion, waive in writing any of the terms and conditions of this Agreement, without amending this Agreement. No waiver of any default or breach hereunder shall be implied from any omission by the other party to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by a party hereto or of any act requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the parties in the exercise of any right, power, or remedy under this Agreement, unless in the exercise of any such right, power, or remedy all obligations are paid and discharged in full.

507. Non-Liability of Authority Officials and Employees. No member, official, employee or agent of the Authority shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Authority or for any amount which may become due to the Developer or its successors, or on any obligations under the terms of this Agreement.

600. GENERAL PROVISIONS

601. Notices, Demands and Communications Between the Parties. Any approval, disapproval, demand, document or other notice (“Notice”) required or permitted under this Agreement must be in writing and shall be sufficiently given if delivered by hand (and a receipt therefore is obtained or is refused to be given) or dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by telecopy or overnight delivery service to:

To Authority: Lancaster Housing Authority
44933 North Fern Avenue
Lancaster, California 93534
Attention: Executive Director

To Developer: No More Lemons, LP
6330 Variel Avenue, Suite 201
Woodland Hills, California 91367
Attention: Steve Eglash

Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 601.

The Authority agrees that, so long as Alliant, Inc., a Florida corporation, or its affiliates (collectively, the “Investor Limited Partner”) has a continuing ownership interest in the Developer, effective notice to the Developer under this Agreement, that certain Residential Declaration of Conditions, Covenants and Restrictions and Regulatory Agreement, and that certain Declaration of Conditions, Covenants and Restrictions for the Ocean Park Community Center, a California nonprofit public benefit corporation each of which is being executed by the Developer in connection with the Agreement (collectively, the “Authority Documents”) shall require delivery of a copy of such notice to the Investor Limited Partner. Such notice shall be given in the manner provided in this Section 601, at the Investor Limited Partner’s respective addresses set forth below:

Alliant ALP 2020, LLC
c/o Alliant Asset Management Company LLC
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel
Telephone: (818)668-6800
Telecopy: (818)668-2828

With a copy to:

Alliant Tax Credit Fund 96, LP
c/o Alliant Capital, Ltd.
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel

Telephone: (818)668-6800
Telecopy: (818)668-2828

Any written notice, demand or communication shall be deemed received immediately upon receipt; provided, however, that refusal to accept delivery after reasonable attempts thereof shall constitute receipt. Any notices attempted to be delivered to an address from which the receiving party has moved without notice as provided hereunder shall be effective on the third day from the date of the attempted delivery or deposit in the United States mail.

602. Enforced Delay; Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement shall be extended, where delays or Defaults are due to: war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts or omissions of the other party; acts or failures to act by the City, the Authority, or any other public or governmental Authority or entity (other than the acts or failures to act of Authority which shall not excuse performance by Authority); or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of Authority and Developer. The Executive Director of Authority shall have the authority on behalf of Authority to approve extensions of time.

603. Transfers of Interest in Property or Agreement.

603.1 Prohibition. The qualifications and identity of the Developer are of particular concern to Authority. It is in part because of those qualifications and identity that Authority has entered into this Agreement with the Developer. For the period commencing upon the date of this, no voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement, nor shall the Developer make any total or partial sale, transfer, conveyance, assignment, subdivision, refinancing or lease of the whole or any part of the Property or the Improvements thereon without the prior written approval of Authority such approval not to be unreasonable withheld conditioned or delayed. Notwithstanding, any provision hereof to the contrary, the Developer may admit entities to the Developer to facilitate the syndication of Low-Income Housing Tax Credits or transfer the Property and assign its rights and obligations hereunder to a entity controlled by or under common control with No More Lemons, LP or the general partner of the Developer or make other reasonable transfers, encumbrances and assignments to secure the Project's loans and any refinancing of those loans.

603.2 Successors and Assigns. All of the terms, covenants and conditions of this Agreement shall be binding upon the Developer and its permitted successors and assigns. Whenever the term "Developer" is used in this Agreement, such term shall include any other

permitted successors and assigns as herein provided.

603.3 Assignment by Authority. Authority may assign or transfer any of its rights or obligations under this Agreement with the approval of the Developer, which approval shall not be unreasonably withheld; provided, however, that Authority may assign or transfer any of its interests hereunder to the City at any time without the consent of the Developer.

604. Non-Liability of Officials and Employees of Authority. No member, official, officer or employee of Authority or the City shall be personally liable to the Developer, or any successor in interest, in the event of any Default or breach by Authority (or the City) or for any amount which may become due to the Developer or its successors, or on any obligations under the terms of this Agreement.

605. Relationship Between Authority and Developer. It is hereby acknowledged that the relationship between Authority and Developer is not that of a partnership or joint venture and that Authority and Developer shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, except as expressly provided in this Agreement, including the Attachments hereto, Authority shall have no rights, powers, duties or obligations with respect to the development, construction, operation, maintenance or management of the Project.

606. Authority Approvals and Actions. Whenever a reference is made herein to an action or approval to be undertaken by Authority, the Executive Director of Authority or his or her designee is authorized to act on behalf of Authority, unless specifically provided otherwise by this Agreement or by applicable laws or regulations.

607. Counterparts. This Agreement may be signed in multiple counterparts which, when signed by all parties, shall constitute a binding agreement. This Agreement is executed in three (3) originals, each of which is deemed to be an original.

608. Integration. This Agreement contains the entire understanding between the parties relating to the transaction contemplated by this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged in this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material. This Agreement constitutes the entire understanding and agreement of the parties, notwithstanding any previous negotiations or agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

609. Real Estate Brokers. Authority and Developer each represent and warrant to the other that no broker or finder is entitled to any fee in connection with this transaction, and each agrees to defend and hold harmless the other from any claim to any such fee resulting from any action on its part.

610. No Third Party Beneficiaries. Notwithstanding any other provision of this Agreement to the contrary, nothing herein is intended to create any third party beneficiaries to this Agreement, and no person or entity other than Authority and Developer, and the permitted

successors and assigns of either of them, shall be authorized to enforce the provisions of this Agreement.

611. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement or of any of its terms. References to section numbers are to sections in this Agreement, unless expressly stated otherwise.

612. Interpretation. As used in this Agreement, the masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word “including” shall be construed as if followed by the words “without limitation” This Agreement shall be interpreted as though prepared jointly by both parties.

613. Modifications. Any alteration, change, or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

614. Severability. If any term, provision, condition, or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

615. Computation of Time. The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day escrow opens), and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded and performance shall be made on the next business day. The term “holiday” shall mean all holidays as specified in Section 6700 and 6701 of the California Government Code. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone.

616. Legal Advice. Each party represents and warrants to the other that: (i) they have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any rights which they may have; (ii) they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, (iii) they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

617. Time of Essence. Time is expressly made of the essence with respect to the performance by Authority and the Developer of each and every obligation and condition of this Agreement.

618. Cooperation. Each party agrees to cooperate with the other in this transaction

and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement including, but not limited to, releases or additional agreements.

619. Conflicts of Interest. No member, official or employee of Authority shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

620. Time for Acceptance of Agreement by Authority. This Agreement, when executed by the Developer and delivered to Authority, must be authorized, executed and delivered by Authority on or before thirty (30) days after execution and delivery of this Agreement by the Developer or this Agreement shall be void, unless the Developer shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement.

IN WITNESS WHEREOF, Authority and the Developer have executed this Agreement as of the Effective Date.

DEVELOPER

NO MORE LEMONS, LP, a California limited partnership

By: The People Concern, a California nonprofit public benefit corporation

Its Managing General Partner

Dated: _____

By: _____
John Maceri
Executive Director

By: InSite Development, LLC,
a California limited liability company

Its Co-General Partner

Dated: _____

By: _____
Steven Eglash
Managing Member

[Signature continue on next page.]

LANCASTER HOUSING AUTHORITY, a public
body corporate and politic

Dated: _____

By: _____
Executive Director

APPROVED AS TO FORM:

Chenin Dow
Deputy Executive Director

ATTEST:

Andrea Alexander
Authority Secretary

APPROVED AS TO FORM:

Allison E. Burns, Esq.
Stradling Yocca Carlson & Rauth
Authority General Counsel

ATTACHMENT NO. 1

SITE LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LANCASTER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

PARCEL 2 OF PARCEL MAP NO. 82267, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 398, PAGES 46 THROUGH 50 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE ANY PORTION LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LAND, AS EXCEPTED AND RESERVED BY THE LANCASTER HOUSING AUTHORITY IN DEED RECORDED MARCH 29, 2018, AS INSTRUMENT NO. 20180299928 OFFICIAL RECORDS OF SAID COUNTY.

PARCEL B:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS AND VEHICULAR PARKING WITHIN THE "PRIVATE ROAD AREA"; NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS OF EMERGENCY VEHICLES OVER THE "EMERGENCY ACCESS AREA" AND NON-EXCLUSIVE EASEMENTS FOR UTILITY PURPOSES, AS DESCRIBED IN THAT CERTAIN DECLARATION OF EASEMENTS AND SHARED INFRASTRUCTURE MAINTENANCE AGREEMENT, RECORDED AUGUST 29, 2018, AS INSTRUMENT NO. 20180873918, OF OFFICIAL RECORDS OVER THOSE PORTIONS OF PARCELS 1, 3 AND 4 OF PARCEL MAP NO. 82267, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 398, PAGES 46 THROUGH 50 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: A PORTION OF 3107-012-905 (OLD); 3107-012-127 (NEW)

ATTACHMENT NO. 2

AUTHORITY LOAN PROMISSORY NOTE

\$436,505.00

October 27, 2020

Lancaster, California

FOR VALUE RECEIVED, NO MORE LEMONS, LP, a California limited partnership (“Developer”), promises to pay to the **LANCASTER HOUSING AUTHORITY**, a public body corporate and politic (the “Authority”), or order at the Authorities’ office at 44933 North Fern Avenue, Lancaster, California 93534, or such other place as the Authority may designate in writing, the principal sum of Four Hundred Thirty-Six Thousand Five Hundred Five Dollars (\$436,505) (the “Note Amount”), in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

1. Agreement. This Authority Loan Promissory Note (the “Note”) is given in accordance with that certain loan agreement executed by the Authority and the Developer, dated as of October 27, 2020, (the “Agreement”). The rights and obligations of the Developer and the Authority under this Note shall be governed by the Agreement and by the additional terms set forth in this Note.

2. Interest & Repayment of Note. All interest and principal of the Authority Loan is due and payable upon transfer of title or sale of property. No interest shall accrue with respect to the Authority Loan Promissory Note during the period commencing on the Date of Disbursement and ending on the last day of the month that is twenty-four months after the Date of Disbursement (“No Accrual Period”). Commencing on the first day of the first month following the “No Accrual Period”, the Authority Loan shall bear interest at the rate of one percent (1%) per annum for a period of sixty months (the “First Accrual Period”). Commencing on the first day of the first month following the “First Accrual Period”, the Authority Loan shall bear interest at the rate of two percent (2%) per annum for a period of sixty months (the “Second Accrual Period”). Commencing on the first day of the first month following the “Second Accrual Period”, the Authority Loan shall bear interest at the rate of three percent (3%) per annum for the remaining forty-three (43) years for a total loan term of fifty-five (55) years. The principal and all interest accrued thereon shall be all due and payable fifty-five (55) years following the Date of Disbursement. The Developer may repay the Authority Loan in part or in full at any time without penalty. Failure to declare such amounts due shall not constitute waiver on the part of the Authority of any of its rights hereunder. Notwithstanding the foregoing, the full Note Amount may be accelerated as set forth in Section 11 below.

3. Security. This Note is secured by a Deed of Trust With Assignment of Leases and Rents, Security Agreement, Financing Statement, and Fixture Filing (the “Authority Loan Deed of Trust”) dated as of the same date as this Note.

4. Waivers

(a) Developer expressly agrees that this Note or any payment hereunder may be extended from time to time at the Authority's sole discretion and that the Authority may accept security in consideration for any such extension or release any security for this Note at its sole discretion.

(b) No extension of time for payment of this Note made by agreement by the Authority with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Developer under this Note, either in whole or in part.

(c) The obligations of Developer under this Note shall be absolute and Developer waives any and all rights to offset, deduct, or withhold any payments or charges due under this Note for any reasons whatsoever.

(d) Developer waives presentment, demand, notice of protest and nonpayment, notice of default or delinquency, notice of acceleration, notice of costs, expenses or leases or interest thereon, notice of dishonor, diligence in collection or in proceeding against any of the rights or interests in or to properties securing this Note, and the benefit of any exemption under any homestead exemption laws, if applicable.

(e) No previous waiver and no failure or delay by Authority in acting with respect to the terms of this Note or the Authority Loan Deed of Trust shall constitute a waiver of any breach, default, or failure or condition under this Note, the Authority Loan Deed of Trust or the obligations secured thereby. A waiver of any term of this Note, the Authority Loan Deed of Trust or of any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

5. Attorneys' Fees and Costs. Developer agrees that, if any amounts due under this Note are not paid when due, to pay in addition, all costs and expenses of collection and reasonable attorneys' fees paid or incurred in connection with the collection or enforcement of this Note, whether or not suit is filed.

6. Joint and Several Obligation. This Note is the joint and several obligation of all makers, sureties, guarantors and endorsers, if any, and shall be binding upon them and their heirs, successors and assigns.

7. Amendments and Modifications. This Note may not be changed orally, but only by an amendment in writing signed by Developer and by the Authority.

8. Authority May Assign. Authority may, at its option, assign its right to receive payment under this Note without necessity of obtaining the consent of the Developer.

9. Developer Assignment Prohibited. Except in connection with transfers permitted pursuant to Section 603 of the Agreement, in no event shall Developer assign or

transfer any portion of Developer's obligations under this Note without the prior express written consent of the Authority, which consent will not be unreasonably withheld.

10. Terms. Any terms not separately defined herein shall have the same meanings as set forth in the Agreement.

11. Acceleration and Other Remedies. Upon: (a) the occurrence of an Event of Default as defined in the Agreement, or (b) Developer selling, contracting to sell, giving an option to purchase, conveying, leasing of all or substantially all of the Property (other than leases of individual units, further encumbering or mortgaging, assigning or alienating any of the Property whether directly or indirectly whether voluntarily or involuntarily or by operation of law, or any interest in the Property, or suffering its title, or any interest in the Property to be divested, whether voluntarily or involuntarily, without the consent of the Authority as set forth in Section 603 of the Agreement, except for such transfers which are permitted pursuant to Section 603 of the Agreement, Authority may, at Authority's option, declare the outstanding principal amount of this Note, together with the then accrued and unpaid interest thereon and other charges hereunder, and all other sums secured by the Authority Loan Deed of Trust, to be due and payable immediately, and upon such declaration, such principal and interest and other sums shall immediately become due and payable without demand or notice, all as further set forth in the Authority Loan Deed of Trust. All costs of collection, including, but not limited to, reasonable attorneys' fees and all expenses incurred in connection with protection of, or realization on, the security for this Note, may be added to the principal hereunder, and shall accrue interest as provided herein. Authority shall at all times have the right to proceed against any portion of the security for this Note in such order and in such manner as Authority may consider appropriate, without waiving any rights with respect to any of the security. Any delay or omission on the part of the Authority in exercising any right hereunder, under the Agreement or under the Authority Loan Deed of Trust shall not operate as a waiver of such right, or of any other right. No single or partial exercise of any right or remedy hereunder or under the Agreement or any other document or agreement shall preclude other or further exercises thereof, or the exercise of any other right or remedy. The acceptance of payment of any sum payable hereunder, or part thereof, after the due date of such payment shall not be a waiver of Authority's right to either require prompt payment when due of all other sums payable hereunder or to declare an Event of Default for failure to make prompt or complete payment.

12. Consents. Developer hereby consents to: (a) any renewal, extension or modification (whether one or more) of the terms of the Agreement or the terms or time of payment under this Note, (b) the release or surrender or exchange or substitution of all or any part of the security, whether real or personal, or direct or indirect, for the payment hereof, (c) the granting of any other indulgences to Developer, and (d) the taking or releasing of other or additional parties primarily or contingently liable hereunder. Any such renewal, extension, modification, release, surrender, exchange or substitution may be made without notice to Developer or to any endorser, guarantor or surety hereof, and without affecting the liability of said parties hereunder.

13. Successors and Assigns. Whenever "Authority" is referred to in this Note, such reference shall be deemed to include the Lancaster Redevelopment Authority and its successors and assigns, including, without limitation, any subsequent assignee or holder of this Note. All

covenants, provisions and agreements by or on behalf of Developer, and on behalf of any makers, endorsers, guarantors and sureties hereof which are contained herein shall inure to the benefit of the Authority and Authority's successors and assigns.

14. Usury. It is the intention of Developer and Authority to conform strictly to the Interest Law, as defined below, applicable to this loan transaction. Accordingly, it is agreed that notwithstanding any provision to the contrary in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, the aggregate of all interest and any other charges or consideration constituting interest under the applicable Interest Law that is taken, reserved, contracted for, charged or received under this Note, or under any of the other aforesaid agreements or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law applicable to this loan transaction. If any excess of interest in such respect is provided for in this Note, or in any of the documents securing payment hereof or otherwise relating hereto, then, in such event:

(a) the provisions of this paragraph shall govern and control;

(b) neither Developer nor Developer's heirs, legal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest allowed by the Interest Law applicable to this loan transaction;

(c) any excess shall be deemed canceled automatically and, if theretofore paid, shall be credited on this Note by Authority or, if this Note shall have been paid in full, refunded to Developer; and

(d) the effective rate of interest shall be automatically subject to reduction to the Maximum Legal Rate of Interest (as defined below) allowed under such Interest Law, as now or hereafter construed by courts of appropriate jurisdiction. To the extent permitted by the Interest Law applicable to this loan transaction, all sums paid or agreed to be paid to Authority for the use, forbearance or detention of the indebtedness evidenced hereby shall be amortized, prorated, allocated and spread throughout the full term of this Note. For purposes of this Note, "Interest Law" shall mean any present or future law of the State of California, the United States of America, or any other jurisdiction, which has application to the interest and other charges under this Note. The "Maximum Legal Rate of Interest" shall mean the maximum rate of interest that Authority may from time to time charge Developer, and against which Developer would have no claim or defense of usury under the Interest Law.

15. No Personal Liability. In the event of any default under the terms of this Note or the Authority Loan Deed of Trust, the sole recourse of the Authority for any and all such defaults shall be by judicial foreclosure or by the exercise of the trustee's power of sale, and neither the Developer nor any of its partners, members, directors or officers shall be personally liable for the payment of this Note or for the payment of any deficiency established after judicial foreclosure or trustee's sale; provided, however, that the foregoing shall not in any way affect any rights the Authority may have (as a secured party or otherwise) hereunder or under the Agreement or Authority Loan Deed of Trust to (a) recover directly from Developer any amounts secured by the Authority Loan Deed of Trust, or any funds, damages or costs (including without limitation reasonable attorneys' fees and costs) incurred by Authority as a result of fraud, intentional

misrepresentation or bad faith waste; or (b) recover directly from the Developer any condemnation or insurance proceeds, or other similar funds or payments attributable to the Property which under the terms of the Authority Loan Deed of Trust should have been paid to the Authority, and any costs and expenses incurred by the Authority in connection with (a) or (b) above (including without limitation reasonable attorneys' fees and costs).

16. Subordination. The mortgage or deed of trust securing this Note is and shall be subject and subordinate in all respects to the license, terms, covenants and conditions of the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing as beneficiary executed by Developer, as Trustor, naming ZB, N.A. dba California Bank & Trust as beneficiary securing the Promissory Note as more fully set forth in the Subordination Agreement between ZB, N.A. dba California Bank & Trust and Authority. The rights and remedies of the payee and each subsequent holder of this Note under the Mortgage or deed of trust securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender under the Subordination Agreement.

17. Miscellaneous. Time is of the essence hereof. This Note shall be governed by and construed under the laws of the State of California except to the extent Federal laws preempt the laws of the State of California. Developer acknowledges that this Note was entered into and is to be performed in the County of Los Angeles and irrevocably and unconditionally submits to the jurisdiction of the Superior Court of the State of California for the County of Los Angeles or the United States District Court of the Southern District of California, as Authority hereof may deem appropriate, or, if required, the Municipal Court of the State of California for the County of Los Angeles, in connection with any legal action or proceeding arising out of or relating to this Note. Developer also waives any objection regarding personal or in rem jurisdiction or venue.

DEVELOPER:

NO MORE LEMONS, LP, a California limited partnership

By: The People Concern, a California nonprofit public benefit corporation

Its Managing General Partner

By: _____

John Maceri
Executive Director

[Signatures continued on next page.]

By: InSite Development, LLC,
a California limited liability company

Its Co-General Partner

Dated: _____

By: _____

Steven Eglash
Managing Member

ATTACHMENT NO. 3

RECORDING REQUESTED BY)
AND WHEN RECORDED RETURN TO:)
)
Lancaster Housing Authority)
44933 N. Fern Avenue)
Lancaster, California 93534)
Attention: Chenin Dow)

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

**AUTHORITY LOAN DEED OF TRUST
With Assignment of Leases and Rents, Security Agreement,
Financing Statement, and Fixture Filing**

THIS AUTHORITY LOAN DEED OF TRUST WITH ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT, AND FIXTURE FILING (“Authority Loan Deed of Trust”), made as of October 27, 2020, is made by and among **NO MORE LEMONS, LP.**, a California limited partnership (“Trustor”), Lancaster Housing Authority (“Trustee”), and the **LANCASTER HOUSING AUTHORITY**, a public body, corporate and existing under laws of the State of California (“Beneficiary”). The addresses of the parties are set forth in Section 7.11 of this Authority Loan Deed of Trust.

ARTICLE I. GRANT IN TRUST

1.1 Grant. For the purposes of and upon the terms and conditions in this Authority Loan Deed of Trust, Trustor irrevocably grants, conveys and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all that real property located in the City of Lancaster, County of Los Angeles, State of California, described on Exhibit A attached hereto, together with all development rights or credits, air rights, water, water rights and water stock related to the real property, and all minerals, oil and gas, and other hydrocarbon substances in, on or under the real property, and tax reimbursements, appurtenances, easements, rights and rights of way appurtenant or related thereto, all buildings, other improvements and fixtures now or hereafter located on the real property now held or owned by Trustor, including, but not limited to, Trustor's interest in all apparatus, equipment, and appliances used in the operation or occupancy of the real property, it being intended by the parties that all such items shall be conclusively considered to be a part of the real property, whether or not attached or affixed to the real property (the “Improvements”); and all interest or estate which Trustor may

hereafter acquire in the property described above, and all additions and accretions thereto, and the proceeds of any of the foregoing; (all of the foregoing being collectively referred to as the "Subject Property"). The listing of specific rights or property shall not be interpreted as a limit of general terms

1.2 Address. The address of the Subject Property is 32nd Street West and Avenue I Lancaster, California. However, neither the failure to designate an address nor any inaccuracy in the address designated shall affect the validity or priority of the lien of this Authority Loan Deed of Trust on the Subject Property as described on Exhibit A.

ARTICLE II. OBLIGATIONS SECURED

2.1 Obligations Secured. Trustor makes this grant and assignment pursuant to a loan agreement between Trustor and Beneficiary dated August, (the "Agreement"), for the purpose of securing the following obligations ("Secured Obligations"):

(a) Payment to Beneficiary of all sums at any time owing under that certain Authority Loan Promissory Note ("Note") in the amount of Four Hundred Thirty-Six Thousand Five Hundred Five Dollars (\$436,505) of even date herewith, executed by Trustor, as maker, and payable to the order of Beneficiary, as holder; and

(b) Payment and performance of all covenants and obligations of Trustor under this Authority Loan Deed of Trust; and

(c) Payment and performance of all future advances and other obligations under the Note secured hereby that the then record Developer of all or part of the Subject Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when such future advance or obligation is evidenced by a writing which recites that it is secured by this Authority Loan Deed of Trust; and

(d) All modifications, extensions and renewals of any of the obligations secured hereby, however evidenced, including, without limitation: (i) modifications of the required principal payment dates or interest payment dates or both, as the case may be, deferring or accelerating payment dates wholly or partly; and (ii) modifications, extensions or renewals at a different rate of interest whether or not, in the case of a note, the modification, extension or renewal is evidenced by a new or additional promissory note or notes.

2.2 Obligations. The term "obligations" is used herein in its broadest and most comprehensive sense and shall be deemed to include, without limitation, all interest and charges, prepayment charges, if any, late charges and loan fees at any time accruing or assessed on any of the Secured Obligations.

2.3 Incorporation. All terms of the Secured Obligations and the document evidencing such obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Subject Property shall be deemed to have notice of the terms of the Secured Obligations and to have notice, if applicable and provided therein, that: (a) the Note may permit borrowing, repayment and re-borrowing so that repayments shall not reduce the amounts

of the Secured Obligations; and (b) the rate of interest on one or more Secured Obligations may vary from time to time.

ARTICLE III. ASSIGNMENT OF LEASES AND RENTS

3.1 Assignment. Subject to the rights of senior lenders Trustor hereby irrevocably, absolutely, unconditionally, and presently assigns, transfers, conveys, sets over, and delivers to Beneficiary all of Trustor's right, title and interest in, to and under: (a) all leases of the Subject Property or any portion thereof, all licenses and agreements relating to the management, leasing or operation of the Subject Property or any portion thereof, and all other agreements of any kind relating to the use, enjoyment or occupancy of the Subject Property or any portion thereof, whether now existing or entered into after the date hereof ("Leases"); and (b) the rents, issues, deposits, income, revenues, royalties, earnings and profits of the Subject Property, including, without limitation, all amounts payable and all rights and benefits accruing to Trustor under the Leases, all oil, gas and other mineral royalties, and all rents, issues, deposits, income, revenues, royalties, earnings and profits arising from the use or operation of coin operated laundry machines, vending machines, and all other coin operated machines ("Payments"). The term "Leases" shall also include all guarantees of and security for the lessees' performance thereunder, and all amendments, extensions, renewals or modifications thereto which are permitted hereunder. This is a present, absolute, perfected, choate and unconditional assignment, not an assignment for security purposes only, and Beneficiary's right to the Leases and Payments is not contingent upon, and may be exercised without possession of, the Subject Property.

3.2 Grant of License. Beneficiary confers upon Trustor a license ("License") to collect and retain the Payments, as they become due and payable, until the occurrence of a Default (as hereinafter defined). Upon the occurrence and during the continuation of a Default, the License shall be automatically revoked and subject to the rights of senior lenders Beneficiary may collect and apply the Payments pursuant to Section 6.4 without further notice other than as required in Article VI hereof, without taking possession of the Subject Property, without having a receiver appointed, and without taking any other action. Trustor hereby irrevocably authorizes and directs the lessees under the Leases to rely upon and comply with any notice or demand by Beneficiary for the payment by such lessees directly to Beneficiary of any rental or other sums which may at any time become due under the Leases, or for the performance of any of the lessees' undertakings under the Leases, and the lessees shall have no right or duty to inquire as to whether any Default has actually occurred or is then existing hereunder. Trustor hereby relieves the lessees from any liability to Trustor by reason of relying upon and complying with any such notice or demand by Beneficiary.

3.3 Effect of Assignment. The foregoing irrevocable Assignment shall not cause Beneficiary to be: (a) a mortgagee in possession; (b) responsible or liable for the control, care, management or repair of the Subject Property or for performing any of the terms, agreements, undertakings, obligations, representations, warranties, covenants and conditions of the Leases; or (c) responsible or liable for any waste committed on the Subject Property by the lessees under any of the Leases or any other parties; for any dangerous or defective condition of the Subject Property; or for any negligence in the management, upkeep, repair or control of the Subject Property resulting in loss or injury or death to any lessee, licensee, employee, invitee or other

person. Beneficiary shall not directly or indirectly be liable to Trustor or any other person as a consequence of: (i) the exercise or failure to exercise any of the rights, remedies or powers granted to Beneficiary hereunder or; (ii) the failure or refusal of Beneficiary to perform or discharge any obligation, duty or liability of Trustor arising under the Leases.

3.4 Covenants. Trustor covenants and agrees, at Trustor's sole cost and expense, to: (a) perform the obligations of lessor contained in the Leases and enforce by all available remedies performance by the lessees of the obligations of the lessees contained in the Leases; (b) upon Beneficiary's written request give Beneficiary prompt written notice of any default which occurs with respect to any of the Leases, whether the default be that of the lessee or of the lessor; (c) deliver to Beneficiary fully executed, counterpart original(s) of each and every Lease, if requested to do so; and (d) execute and record such additional assignments of any Lease or specific subordination of any Lease to this Authority Loan Deed of Trust, in form and substance acceptable to Beneficiary, as Beneficiary may request. Trustor shall not, without Beneficiary's prior written consent: (i) enter into any Leases after the date of this Assignment other than for occupancy of portions of the Subject Property; (ii) execute any other assignment relating to any of the Leases except to construction loans and permanent loans and refinancing of those loans which have been approved by Beneficiary or are permitted pursuant to the Agreement; (iii) discount any rent or other sums due under the Leases or collect the same in advance, other than to collect rent one (1) month in advance of the time when it becomes due; (iv) terminate, modify or amend any of the terms of the Leases or in any manner release or discharge the lessees from any obligations thereunder, except in the ordinary course of business; or (v) subordinate or agree to subordinate any of the Leases to any other deed of trust or encumbrance except to construction loans and permanent loans which have been approved by Beneficiary or are permitted pursuant to the Agreement. Any such attempted action in violation of the provisions of this Section 3.4 shall be null and void.

ARTICLE IV. SECURITY AGREEMENT, FINANCING STATEMENT, AND FIXTURE FILING

4.1 Security Interest. Trustor hereby grants and assigns to Beneficiary as of the recording date of this Deed of Trust a security interest, to secure payment and performance of all of the Secured Obligations, in all of Trustor's interest in the following described personal property in which Trustor now or at any time hereafter has any interest ("Collateral"):

All goods, building and other materials, supplies, work in process, equipment, machinery, fixtures, furniture, furnishings, signs and other personal property, wherever situated, which are or are to be incorporated into, used in connection with, or appropriated for use on all or any part of the Subject Property (to the extent the same are not effectively made a part of the Subject Property pursuant to Section 1. 1 above); together with all rents, issues, deposits and profits of the Subject Property (to the extent, if any, they are not subject to Article II); all inventory, accounts, cash receipts, deposit accounts, accounts receivable, contract rights, general intangibles, chattel paper, instruments, documents, notes, drafts, letters of credit, insurance policies, insurance and condemnation awards and proceeds, any other rights to the payment of money, trade names, trademarks and service marks arising from or related to the Subject Property or any business now or hereafter conducted thereon by Trustor; all permits, consents, approvals, licenses, authorizations

and other rights granted by, given by or obtained from, any governmental entity with respect to the Subject Property; all deposits or other security now or hereafter made with or given to utility companies by Trustor with respect to the Subject Property; all advance payments of insurance premiums made by Trustor with respect to the Subject Property; all plans, drawings and specifications relating to the Subject Property; all loan funds held by Beneficiary, whether or not disbursed; all funds deposited with Beneficiary pursuant to any loan agreement; all reserves, deferred payments, deposits, accounts, refunds, cost savings and payments of any kind related to the Subject Property or any portion thereof; together with all replacements and proceeds of, and additions and accessions to, any of the foregoing together with all books, records and files relating to any of the foregoing.

As to all of the above described personal property which is or which hereafter becomes a “fixture” under applicable law, this Authority Loan Deed of Trust constitutes a fixture filing under Section 9313, Section 9402(6), and all other applicable sections of the California Uniform Commercial Code, as amended or recodified from time to time, and is acknowledged and agreed to be a “construction mortgage” under such Sections.

4.2 Representations and Warranties. Trustor represents and warrants that: (a) Trustor has, or will have, good title to the Collateral; (b) except with respect to the security interest of the seller, the construction lender, and any permanent lender, Trustor has not previously assigned or encumbered the Collateral, and no financing statement covering any of the Collateral has been delivered to any other person or entity except the Authority; and (c) Trustor's principal place of business is located at the address shown in Section 7.11.

4.3 Rights of Beneficiary. In addition to Beneficiary's rights as a “Secured Party” under the California Uniform Commercial Code, as amended or recodified from time to time (“UCC”), Beneficiary may, but shall not be obligated to, at any time without notice and at the expense of Trustor: (a) give notice to any person of Beneficiary's rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Collateral or any rights or interests of Beneficiary therein; (c) inspect the Collateral; and (d) endorse, collect and receive any right to payment of money owing to Trustor under or from the Collateral. Notwithstanding the above, in no event shall Beneficiary be deemed to have accepted any property other than cash in satisfaction of any obligation of Trustor to Beneficiary unless Beneficiary shall make an express written election of said remedy under UCC §9505, or other applicable law.

4.4 Rights of Beneficiary on Default. Upon the occurrence of a Default under this Authority Loan Deed of Trust, then; in addition to all of Beneficiary's rights as a “Secured Party” under the UCC or otherwise at law:

(a) Beneficiary may (i) upon written notice, require Trustor to assemble any or all of the Collateral and make it available to Beneficiary at a place designated by Beneficiary; (ii) without prior notice, enter upon the Subject Property or other place where any of the Collateral may be located and take possession of, collect, sell, and dispose of any or all of the Collateral, and store the same at locations acceptable to Beneficiary at Trustor's expense; (iii) sell, assign and deliver at any place or in any lawful manner all or any part of the Collateral and bid and become purchaser at any such sales; and

(b) Beneficiary may, for the account of Trustor and at Trustor's expense: (i) operate, use, consume, sell or dispose of the Collateral as Beneficiary deems appropriate for the purpose of performing any or all of the Secured Obligations; (ii) enter into any agreement, compromise, or settlement, including insurance claims, which Beneficiary may deem desirable or proper with respect to any of the Collateral; and (iii) endorse and deliver evidences of title for, and receive, enforce and collect by legal action or otherwise, all indebtedness and obligations now or hereafter owing to Trustor in connection with or on account of any or all of the Collateral.

Notwithstanding any other provision hereof, Beneficiary shall not be deemed to have accepted any property other than cash in satisfaction of any obligation of Trustor to Beneficiary unless Trustor shall make an express written election of said remedy under UCC §9505, or other applicable law.

4.5 Possession and Use of Collateral. Except as otherwise provided in this Section or the other Loan Documents (as defined in Section 6.2(h), below), so long as no Default exists under this Authority Loan Deed of Trust or any of the Loan Documents, Trustor may possess, use, move, transfer or dispose of any of the Collateral in the ordinary course of Trustor's business and in accordance with the Loan Documents.

ARTICLE V. RIGHTS AND DUTIES OF THE PARTIES

5.1 Title. Trustor represents and warrants that, except as disclosed to Beneficiary in writing, Trustor lawfully holds and possesses fee simple title to the Subject Property without limitation on the right to encumber, and that, upon funding of the permanent loan, this Authority Loan Deed of Trust will be a third lien on the Subject Property and on the Collateral.

5.2 Taxes and Assessments. Subject to Trustor's rights to contest payment of taxes, Trustor shall pay prior to delinquency all taxes, assessments, levies and charges imposed by any public or quasi-public authority or utility company which are or which may become a lien upon or cause a loss in value of the Subject Property or any interest therein. Trustor shall also pay prior to delinquency all taxes, assessments, levies and charges imposed by any public authority upon Beneficiary by reason of its interest in any Secured Obligation or in the Subject Property, or by reason of any payment made to Beneficiary pursuant to any Secured Obligation; provided however, Trustor shall have no obligation to pay taxes which may be imposed from time to time upon Beneficiary and which are measured by and imposed upon Beneficiary's net income.

5.3 Performance of Secured Obligations. Trustor shall promptly pay and perform each Secured Obligation when due.

5.4 Liens, Encumbrances and Charges. Trustor shall immediately discharge any lien not approved by Beneficiary in writing that has or may attain priority over this Authority Loan Deed of Trust. Trustor shall pay when due all obligations secured by or reducible to liens and encumbrances which shall now or hereafter encumber or appear to encumber all or any part of the Subject Property or any interest therein, whether senior or subordinate hereto.

5.5 Damages, Insurance and Condemnation Proceeds.

(a) The following (whether now existing or hereafter arising) are all absolutely and irrevocably assigned by Trustor to Beneficiary and, at the request of Beneficiary, shall be paid directly to Beneficiary: (i) all awards of damages and all other compensation payable directly or indirectly by reason of a condemnation or proposed condemnation for public or private use affecting all or any part of, or any interest in, the Subject Property; (ii) all other claims and awards for damages to, or decrease in value of, all or any part of, or any interest in, the Subject Property; (iii) all proceeds of any insurance policies payable by reason of loss sustained to all or any part of the Subject Property; and (iv) all interest which may accrue on any of the foregoing. Subject to applicable law and rights of senior lenders, and without regard to any requirement contained in Section 5.6(d), Beneficiary may at its discretion apply all or any of the proceeds it receives to its expenses in settling, prosecuting or defending any claim and may apply the balance to the Secured Obligations in any order, and/or Beneficiary may release all or any part of the proceeds to conditions Beneficiary may impose. During the continuance of a Default Beneficiary may commence, appear in, defend or prosecute any assigned claim or action and may adjust, compromise, settle and collect all claims and awards assigned to Beneficiary; provided, however, that if Beneficiary fails to pursue any such claim, Beneficiary shall assign or permit Trustor to pursue such claim upon Trustor's request, and in no event shall Beneficiary be responsible for any failure to collect any claim or award, regardless of the cause of the failure.

(b) Beneficiary shall permit insurance or condemnation proceeds held by Beneficiary to be used for repair or restoration but may condition such application upon reasonable conditions, including, without limitation: (i) the deposit with Beneficiary (or a senior lender) of such additional funds which Beneficiary determines, based upon qualified third-party estimates, are needed to pay all cost of the repair or restoration, (including, without limitation, taxes, financing charges, insurance and rent during the repair period); (ii) the establishment of an arrangement for lien releases and disbursement of funds acceptable to Beneficiary; (iii) the delivery to Beneficiary of plans and specifications for the work, a contract for the work signed by a contractor acceptable to Beneficiary and a cost breakdown for the work, all of which shall be acceptable to Beneficiary; and (iv) the delivery to Beneficiary of evidence acceptable to Beneficiary (aa) that after completion of the work the income from the Subject Property will be sufficient to pay all expenses and debt service for the Subject Property; (bb) that upon completion of the work, the size, capacity and total value of the Subject Property will be at least as great as it was before the damage or condemnation occurred, subject to City laws, ordinances, regulations and standards then in effect; (cc) that there has been no material adverse change in the financial condition or credit of Trustor since the date of this Authority Loan Deed of Trust; Trustor hereby acknowledges that the conditions described above are reasonable.

5.6 Maintenance and Preservation of the Subject Property. Trustor covenants: (a) to insure the Subject Property against such risks as Beneficiary may reasonably require and, at Beneficiary's reasonable request, to provide evidence of such insurance to Beneficiary's, and to comply with the requirements of any insurance companies insuring the Subject Property; (b) to keep the Subject Property in good condition and repair; (c) except with Beneficiary's prior written consent, not to remove or demolish the Subject Property or any part thereof, (d) to complete or restore promptly and in good and workmanlike manner the Subject Property, or any part thereof which may be damaged or destroyed, except to the extent that the damage or destruction is due to a casualty which Trustor is not required to insure against and in fact does not insure against, or to the extent that insurance proceeds are not made available to Trustor; (e)

to comply with all laws, ordinances, regulations and standards, and all covenants, conditions, restrictions and equitable servitude's, whether public or private, of every kind and character which affect the Subject Property and pertain to acts committed or conditions existing thereon, including, without limitation, any work, alteration, improvement or demolition mandated by such laws, covenants or requirements; (f) not to commit or permit waste of the Subject Property; and (g) to do all other acts which from the character or use of the Subject Property may be reasonably necessary to maintain and preserve its value.

5.7 Defense and Notice of Losses, Claims, and Actions. At Trustor's sole expense, Trustor shall protect, preserve and defend the Subject Property and title to and right of possession of the Subject Property, the security hereof and the rights and powers of Beneficiary and Trustee hereunder against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing of the assertion of any claim, of the filing of any action or proceeding, of the occurrence of any damage to the Subject Property and of any condemnation offer or action.

5.8 Acceptance of Trust, Powers and Duties of Trustee. Trustee accepts this trust when this Authority Loan Deed of Trust is recorded. From time to time upon written request of Beneficiary and presentation of this Authority Loan Deed of Trust or a certified copy thereof for endorsement, and without affecting the personal liability of any person for payment of any indebtedness or performance of any obligations secured hereby, Trustee may, without liability therefor and without notice, reconvey all or any part of the Subject Property. Except as may be required by applicable law, Trustee or Beneficiary may from time to time apply to any court of competent jurisdiction for aid and direction in the execution of the trust hereunder and the enforcement of the rights and remedies available hereunder, and may obtain orders or decrees directing or confirming or approving acts in the execution of said trust and the enforcement of said remedies. Trustee has no obligation to notify any party of any pending sale or any action or proceeding, including, without limitation, actions in which Trustor, Beneficiary or Trustee shall be a party unless held or commenced and maintained by Trustee under this Authority Loan Deed of Trust. Trustee shall not be obligated to perform any act required of it hereunder unless the performance of the act is requested in writing and Trustee is reasonably indemnified and held harmless against loss, cost, liability or expense.

5.9 Compensation: Exculpation; Indemnification.

(a) Trustor shall pay Trustee's reasonable fees and reimburse Trustee for reasonable expenses in the administration of this trust, including reasonable attorneys' fees. Trustor shall pay to Beneficiary reasonable compensation for services rendered concerning this Authority Loan Deed of Trust, including without limit any statement of amounts owing under any Secured Obligation. Beneficiary shall not directly or indirectly be liable to Trustor or any other person as a consequence of (i) the exercise of the rights, remedies or powers granted to Beneficiary in this Authority Loan Deed of Trust; (ii) the failure or refusal of Beneficiary to perform or discharge any obligation or liability of Trustor under to the Subject Property or under this Authority Loan Deed of Trust; or (iii) any loss sustained by Trustor or any third party resulting from Beneficiary's failure to lease the Subject Property after a Default or from any other act or omission of Beneficiary in managing the Subject Property after a Default unless the loss is caused by the gross negligence or willful misconduct of Beneficiary and no such liability shall be asserted against or imposed upon Beneficiary, and all such liability is hereby expressly waived

and released by Trustor.

(b) Trustor indemnifies Trustee and Beneficiary against, and holds Trustee and Beneficiary harmless from, all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other expenses which either may suffer or incur: (i) by reason of this Authority Loan Deed of Trust; (ii) by reason of the execution of this trust or in performance of any act required or permitted hereunder or by law; or (iii) as a result of any failure of Trustor to perform Trustor's obligations, except to the extent such matters which are caused as a result of the gross negligence or willful misconduct of Beneficiary or Trustee. The above obligation of Trustor to indemnify and hold harmless Trustee and Beneficiary shall survive the release and cancellation of the Secured Obligations and the release and reconveyance or partial release and reconveyance of this Authority Loan Deed of Trust.

(c) Trustor shall pay all amounts and indebtedness arising under this Section 5.9 immediately upon demand by Trustee or Beneficiary, together with interest thereon from the date the indebtedness arises at the rate of interest applicable to the principal balance of the Note as specified therein.

5.10 Substitution of Trustees. From time to time, by writing, signed and acknowledge by Beneficiary and recorded in the Office of the Recorder of the County in which the Subject Property is situated, Beneficiary may appoint another trustee to act in the place and stead of Trustee or any successor. Such writing shall set forth any information required by law. The recordation of such instrument of substitution shall discharge Trustee herein named and shall appoint the new trustee as the trustee hereunder with the same effect as if originally named Trustee herein. A writing recorded pursuant to the provisions of this Section 5.10 shall be conclusive proof of the proper substitution of such new Trustee.

5.11 Due on Sale or Encumbrance. Absent consent required pursuant to the terms of the Loan Documents, if the Subject Property or any interest therein shall be sold, transferred, mortgaged, assigned, further encumbered or leased, whether directly or indirectly, whether voluntarily, involuntarily or by operation of law, without the prior written consent of Beneficiary, or as otherwise permitted pursuant to the Agreement, then Beneficiary, in its sole discretion, may declare all Secured Obligations immediately due and payable. Nothing herein shall prohibit the sale of partnership interests in Trustor or the admission of additional partners or members in Trustor.

5.12 Releases, Extensions, Modifications and Additional Security. Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in the Subject Property or in any manner obligated under the Secured Obligations ("Interested Parties"), Beneficiary may, from time to time, release any person or entity from liability for the payment or performance of any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, or accept additional security or release all or a portion of the Subject Property and other security for the Secured Obligations. None of the foregoing actions shall release or reduce the personal liability of any of said Interested Parties, or release or impair the priority of the lien of this Authority Loan Deed of Trust upon the Subject Property.

5.13 Reconveyance. Upon Beneficiary's written request, and upon surrender to Trustee for cancellation of this Authority Loan Deed of Trust or a certified copy thereof and any note, instrument, or instruments setting forth all obligations secured hereby, Trustee shall reconvey, without warranty, the Subject Property or that portion thereof then held hereunder. To the extent permitted by law, the reconveyance may describe the grantee as "the person or persons legally entitled thereto" and the recitals of any matters or facts in any reconveyance executed hereunder shall be conclusive proof of the truthfulness thereof. Neither Beneficiary nor Trustee shall have any duty to determine the rights of persons claiming to be rightful grantees of any reconveyance. When the Subject Property has been fully reconveyed, the last such reconveyance shall operate as a reassignment of all future rents, issues and profits of the Subject Property to the person or persons legally entitled thereto.

5.14 Subrogation. Beneficiary shall be subrogated to the lien of all encumbrances, whether released of record or not, paid in whole or in part by Beneficiary pursuant to this Authority Loan Deed of Trust or by the proceeds of any loan secured by this Authority Loan Deed of Trust.

5.15 Right of Inspection. Beneficiary, its agents and employees, may enter the Subject Property at any reasonable time, upon reasonable advance notice, except in cases of emergency, for the purpose of inspecting the Subject Property and ascertaining Trustor's compliance with the terms hereof.

ARTICLE VI. DEFAULT PROVISIONS

6.1 Default. For all purposes hereof, the term "Default" shall mean (a) at Beneficiary's option, the failure of Trustor to make any payment of principal or interest on the Note or to pay any other amount due hereunder or under the Note within ten (10) days of receiving written notice from Beneficiary, whether at maturity, by acceleration or otherwise; (b) the failure of Trustor to perform any non-monetary obligation hereunder, or the failure to be true of any representation or warranty of Trustor contained herein and the continuance of such failure for thirty (30) days after written notice from Beneficiary, or within any longer grace period as is reasonably necessary to cure the Default, if any, allowed in the Agreement for such failure, or (c) the existence of any Default or Event of Default as defined in the Agreement.

6.2 Rights and Remedies. At any time after Default, Beneficiary and Trustee shall each have all the following rights and remedies:

(a) With or without notice, to declare all Secured Obligations immediately due and payable;

(b) With or without notice, and without releasing Trustor from any Secured Obligation, and without becoming a mortgagee in possession, to cure any breach or Default of Trustor and, in connection therewith, to enter upon the Subject Property and do such acts and things as Beneficiary or Trustee deem necessary or desirable to protect the security hereof, including, without limitation: (i) to appear in and defend any action or proceeding purporting to affect the security of this Authority Loan Deed of Trust or the rights or powers of Beneficiary or

Trustee under this Authority Loan Deed of Trust; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the sole judgment of either Beneficiary or Trustee, is or may be senior in priority to this Authority Loan Deed of Trust, the judgment of Beneficiary or Trustee being conclusive as between the parties hereto; (iii) to obtain insurance; (iv) to pay any premiums or charges with respect to insurance required to be carried under this Authority Loan Deed of Trust; or (v) to employ counsel, accountants, contractors, and other appropriate persons.

(c) To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this instrument as a mortgage or to obtain specific enforcement of the covenants of Trustor hereunder, and Trustor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Trustor waives the defense of laches and any applicable statute of limitations;

(d) To apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Subject Property as a matter of strict right and without regard to the adequacy of the security for the repayment of the Secured Obligations, the existence of a declaration that the Secured Obligations are immediately due and payable, or the filing of a notice of default, and Trustor hereby consents to such appointment;

(e) To enter upon, possess, manage and operate the Subject Property or any part thereof, to take and possess all documents, books, records, papers and accounts of Trustor or the then Developer of the Subject Property, to make, terminate, enforce or modify the Leases of the Subject Property upon such terms and conditions as Beneficiary deems proper, to make repairs, alterations and improvements to the Subject Property as necessary, in Trustee's or Beneficiary's sole judgment, to protect or enhance the security hereof;

(f) To execute a written notice of such Default and of its election to cause the Subject Property to be sold to satisfy the Secured Obligations. As a condition precedent to any such sale, Trustee shall give and record such notice as the law then requires. When the minimum period of time required by law after such notice has elapsed, Trustee, without notice to or demand upon Trustor except as required by law, shall sell the Subject Property at the time and place of sale fixed by it in the notice of sale, at one or several sales, either as a whole or in separate parcels and in such manner and order, all as Beneficiary in its sole discretion may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at time of sale. Neither Trustor nor any other person or entity other than Beneficiary shall have the right to direct the order in which the Subject Property is sold. Subject to requirements and limits imposed by law, Trustee may from time to time postpone sale of all or any portion of the Subject Property by public announcement at such time and place of sale. Trustee shall deliver to the purchaser at such sale a deed conveying the Subject Property or portion thereof so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee, Trustor or Beneficiary may purchase at the sale;

(g) To resort to and realize upon the security hereunder and any other security now or later held by Beneficiary concurrently or successively and in one or several consolidated

or independent judicial actions or lawfully taken non-judicial proceedings, or both, and to apply the proceeds received upon the Secured Obligations all in such order and manner as Trustee and Beneficiary, or either of them, determine in their sole discretion.

(h) To pursue any other rights and remedies available to Beneficiary or Trustee at law, in equity, or under this Authority Loan Deed of Trust, the Note, or any other agreement, document, or instrument executed in connection therewith (collectively, the "Loan Documents").

(i) Upon sale of the Subject Property at any judicial or non-judicial foreclosure, Beneficiary may credit bid (as determined by Beneficiary in its sole and absolute discretion) all or any portion of the Secured Obligations. In determining such credit bid, Beneficiary may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Subject Property as such appraisals may be discounted or adjusted by Beneficiary in its sole and absolute underwriting discretion; (ii) expenses and costs incurred by Beneficiary with respect to the Subject Property prior to foreclosure; (iii) expenses and costs which Beneficiary anticipates will be incurred with respect to the Subject Property after foreclosure, but prior to resale, including, without limitation, costs of structural reports and other due diligence, costs to carry the Subject Property prior to resale, costs of resale (e.g. Authority's, attorneys' fees, and taxes), costs of any hazardous materials clean-up and monitoring, costs of deferred maintenance, repair, refurbishment and retrofit, costs of defending or settling litigation affecting the Subject Property, and lost opportunity costs (if any), including the time value of money during any anticipated holding period by Beneficiary; (iv) declining trends in real property values generally and with respect to properties similar to the Subject Property; (v) anticipated discounts upon resale of the Subject Property as a distressed or foreclosed property; (vi) the fact of additional collateral if any, for the Secured Obligations; and (vii) such other factors or matters that Beneficiary, in its sole and absolute discretion, deems appropriate. In regard to the above, Trustor acknowledges and agrees that: (w) Beneficiary is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (x) this Section does not impose upon Beneficiary any additional obligations that are not imposed by law at the time the credit bid is made; (y) the amount of Beneficiary's credit bid need not have any relation to any loan-to-value ratios specified in the Loan Documents or previously discussed between Trustor and Beneficiary; and (z) Beneficiary's credit bid may be (at Beneficiary's sole and absolute discretion) higher or lower than any appraised value of the Subject Property. Nothing herein shall diminish or affect Trustor's right to a fair value determination in accordance with the provisions of Code of Civil Procedure Section 580(b).

6.3 Application of Foreclosure Sale Proceeds. After deducting all costs, fees and expenses of Trustee, and of this trust, including, without limitation, cost of evidence of title and attorneys' fees in connection with sale and costs and expenses of sale and of any judicial proceeding wherein such sale may be made, Trustee shall apply all proceeds of any foreclosure sale: (i) to payment of all sums expended by Beneficiary under the terms hereof and not then repaid, with accrued interest at the rate of interest specified in the Note to be applicable on or after maturity or acceleration of the Note; (ii) to payment of all other Secured Obligations; and (iii) the remainder, if any, to the person or persons legally entitled thereto.

6.4 Application of Other Sums. All sums received by Beneficiary under Section 6.2

or Section 3.1, less all costs and expenses incurred by Beneficiary or any receiver under Section 6.2 or Section 3.1, including, without limitation, attorneys' fees, shall be applied in payment of the Secured Obligations in such order as Beneficiary shall determine in its sole discretion; provided, however, Beneficiary shall have no liability for funds not actually received by Beneficiary.

6.5 No Cure or Waiver. Neither Beneficiary's nor Trustee's nor any receiver's entry upon and taking possession of all or any part of the Subject Property, nor any collection of rents, issues, profits, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Secured Obligation, nor the exercise or failure to exercise of any other right or remedy by Beneficiary or Trustee or any receiver shall cure or waive any breach, Default or notice of default under this Authority Loan Deed of Trust, or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and Trustor has cured all other defaults), or impair the status of the security, or prejudice Beneficiary or Trustee in the exercise of any right or remedy, or be construed as an affirmation by Beneficiary of any tenancy, lease or option or a subordination of the lien of this Authority Loan Deed of Trust.

6.6 Payment of Costs, Expenses and Attorney's Fees. Trustor agrees to pay to Beneficiary immediately upon demand all costs and expenses incurred by Trustee and Beneficiary pursuant to subparagraphs (a) through (i) inclusive of Section 6.2 (including, without limitation, court costs and attorneys' fees, whether incurred in litigation or not) with interest from the date of expenditure until said sums have been paid at the rate of interest then applicable to the principal balance of the Note as specified therein. In addition, Trustor shall pay to Trustee all Trustee's fees hereunder and shall reimburse Trustee for all expenses incurred in the administration of this trust, including, without limitation, any reasonable attorneys' fees.

6.7 Non-Recourse Obligation. In the event of any default under the terms of the Note or this Authority Loan Deed of Trust, the sole recourse of Beneficiary for any and all such defaults shall be by judicial foreclosure or by the exercise of the trustee's power of sale, and Trustor shall not be personally liable for the payment of the Note or for the payment of any deficiency established after judicial foreclosure or trustee's sale; provided, however, that the foregoing shall not in any way affect any rights Beneficiary may have (as a secured party or otherwise) hereunder or under the Note to recover directly from Trustor any amounts secured by this Authority Loan Deed of Trust.

ARTICLE VII. MISCELLANEOUS PROVISIONS

7.1 Additional Provisions. The Loan Documents contain or incorporate by reference the entire agreement of the parties with respect to matters contemplated herein and supersede all prior negotiations. The Loan Documents grant further rights to Beneficiary and contain further agreements and affirmative and negative covenants by Trustor which apply to this Authority Loan Deed of Trust and to the Subject Property, and such further rights and agreements are incorporated herein by this reference.

7.2 Merger. No merger shall occur as a result of Beneficiary's acquiring any other estate in, or any other lien on, the Subject Property unless Beneficiary consents to a merger in

writing.

7.3 Obligations of Trustor, Joint and Several. If more than one person has executed this Authority Loan Deed of Trust as “Trustor,” the obligations of all such persons hereunder shall be joint and several.

7.4 Recourse to Separate Property. Any married person who executes this Authority Loan Deed of Trust as a Trustor, in his or her individual and personal capacity, agrees that any money judgment which Beneficiary or Trustee obtains pursuant to the terms of this Authority Loan Deed of Trust or any other obligation of that married person secured by this Authority Loan Deed of Trust may be collected by execution upon that person's separate property, and any community property of which that person is a manager.

7.5 Waiver of Marshaling Rights. Trustor, for itself and for all parties claiming through or under Trustor, and for all parties who may acquire a lien on or interest in the Subject Property, hereby waives all rights to have the Subject Property and/or any other property, including, without limitation, the Collateral, which is now or later may be security for any Secured Obligation (“Other Property”) marshaled upon any foreclosure of this Authority Loan Deed of Trust or on a foreclosure of any other security for any of the Secured Obligations. Beneficiary shall have the right to sell, and any court in which foreclosure proceedings may be brought shall have the right to order a sale of the Subject Property and any or all of the Collateral or Other Property as a whole or in separate parcels, in any order that Beneficiary may designate.

7.6 Rules of Construction. When the identity of the parties or other circumstances make it appropriate, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. The term “Subject Property” means all and any part of the Subject Property and any interest in the Subject Property.

7.7 Successors in Interest. The terms, covenants, and conditions herein contained shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto; provided, however, that this Section does not waive or modify the provisions of Section 5.12.

7.8 Execution In Counterparts. This Authority Loan Deed of Trust may be executed in any number of counterparts, each of which, when executed and delivered to Beneficiary, will be deemed to be an original and all of which, taken together, will be deemed to be one and the same instrument.

7.9 California Law. This Authority Loan Deed of Trust shall be construed in accordance with the laws of the State of California, except to the extent that Federal laws preempt the laws of the State of California.

7.10 Incorporation. Exhibit A is incorporated into this Authority Loan Deed of Trust by this reference.

7.11 Notices, Demands and Communications Between the Parties. Any approval, disapproval, demand, document or other notice (“Notice”) required or permitted under this

Authority Loan Deed of Trust must be in writing and shall be sufficiently given if delivered by hand (and a receipt therefore is obtained or is refused to be given) or dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by telecopy or overnight delivery service to:

To Authority: Lancaster Housing Authority
44933 North Fern Avenue
Lancaster, California 93534
Attention: Executive Director

To Developer: No More Lemons, LP
6330 Variel Avenue, Suite 201
Woodland Hills, California 91367
Attention: Steven Eglash

Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 7.11.

The Authority agrees that, so long as Alliant, Inc., a Florida corporation, or its affiliates (collectively, the "Investor Limited Partner") has a continuing ownership interest in the Developer, effective notice to the Developer under this Agreement, that certain Residential Declaration of Conditions, Covenants and Restrictions and Regulatory Agreement, and that certain Declaration of Conditions, Covenants and Restrictions for the Ocean Park Community Center, a California nonprofit public benefit corporation doing business as The People Concern, each of which is being executed by the Developer in connection with the Agreement (collectively, the "Authority Documents") shall require delivery of a copy of such notice to the Investor Limited Partner. Such notice shall be given in the manner provided in Section 7.11, at the Investor Limited Partner's respective addresses set forth below:

Alliant ALP 2020, LLC
c/o Alliant Asset Management Company LLC
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel
Telephone: (818)668-6800
Telecopy: (818)668-2828

With a copy to:

Alliant Tax Credit Fund 96, LP
c/o Alliant Capital, Ltd.
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel
Telephone: (818)668-6800
Telecopy: (818)668-2828

For purposes of notice hereunder to any other location within the continental United States by the giving of thirty (30) days notice to the other party in the manner set forth hereinabove. Trustor shall forward to Beneficiary, without delay, any notices, letters or other communications delivered to the Subject Property or to Trustor naming Beneficiary, "Lender" or any similar designation as addressee, or which could reasonably be deemed to affect the ability of Trustor to perform its obligations to Beneficiary under the Note.

7.12 Waiver of Set Off Rights. Trustor hereby waives all rights to set off against any amount owed by Trustor under the Loan Documents, any claims Trustor may have against Beneficiary, including, without limitation, the rights afforded by California Code of Civil Procedure Section 431.70

7.13 Trustor's Request for Notice of Default and Notice of Sale. Trustor hereby requests that a copy of any notice of default or notice of sale under this deed of trust be mailed to Trustor at the address set forth in Section 7.11 of this deed of trust.

7.14 Tax Credit Provisions. Notwithstanding anything to the contrary contained herein or in the Authority Loan Promissory Note, the Agreement or the Declaration of Conditions, Covenants and Restrictions and Regulatory Agreement (collectively, the "Loan Documents"), the following provisions shall apply for as long as an affiliate of Alliant, Inc., is a limited partner ("Investor Limited Partner") of Trustor:

(a) Notice and Cure. Investor Limited Partner shall have the right, but not the obligation, to cure any default by Trustor under the Loan Documents, and Trustee agrees to accept any such cure tendered by Investor Limited Partner within any applicable grace period or cure period available to Borrower.

(b) Permitted Transfers. The following shall be permitted without consent of Trustee or Beneficiary and shall not constitute an event of default or result in any fee: (i) the transfer by the Investor Limited Partner of all or any portion of its interest in Trustor to any other entity which is an affiliate of Investor Limited Partner or its members, any other entity which is controlled by or under common control with Alliant, Inc., or any entity which is sponsored by Investor Limited Partner or Alliant, Inc.; (ii) the removal and replacement of the general partner of the Trustor in accordance with the Trustor's Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), and/or (iii) an amendment of the Partnership Agreement memorializing the transfers or removal described above.

IN WITNESS WHEREOF, Trustor has executed this Authority Loan Deed of Trust as of the day and year set forth above.

[Signatures continue on next page.]

DEVELOPER:

NO MORE LEMONS, LP, a California limited partnership

By: The People Concern, a California nonprofit public benefit corporation

Its Managing General Partner

By: _____
John Maceri
Executive Director

By: InSite Development, LLC,
a California limited liability company

Its Co-General Partner

By: _____
Steven Eglash
Managing Member

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed under the foregoing to the Lancaster Housing Authority, a public body, corporate and politic, is hereby accepted by the undersigned officer or agent on behalf of the Lancaster Housing Authority Board, pursuant to authority conferred by an adopted resolution of said Board and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

Lancaster Housing Authority, a
Public Body, Corporate and Politic

By: _____
Executive Director
Jason Caudle

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LANCASTER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

PARCEL 2 OF PARCEL MAP NO. 82267, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 398, PAGES 46 THROUGH 50 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE ANY PORTION LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LAND, AS EXCEPTED AND RESERVED BY THE LANCASTER HOUSING AUTHORITY IN DEED RECORDED MARCH 29, 2018, AS INSTRUMENT NO. 20180299928 OFFICIAL RECORDS OF SAID COUNTY.

PARCEL B:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS AND VEHICULAR PARKING WITHIN THE "PRIVATE ROAD AREA"; NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS OF EMERGENCY VEHICLES OVER THE "EMERGENCY ACCESS AREA" AND NON-EXCLUSIVE EASEMENTS FOR UTILITY PURPOSES, AS DESCRIBED IN THAT CERTAIN DECLARATION OF EASEMENTS AND SHARED INFRASTRUCTURE MAINTENANCE AGREEMENT, RECORDED AUGUST 29, 2018, AS INSTRUMENT NO. 20180873918, OF OFFICIAL RECORDS OVER THOSE PORTIONS OF PARCELS 1, 3 AND 4 OF PARCEL MAP NO. 82267, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 398, PAGES 46 THROUGH 50 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: A PORTION OF 3107-012-905 (OLD); 3107-012-127 (NEW)

ATTACHMENT NO. 4

RECORDING REQUESTED BY)
AND WHEN RECORDED RETURN TO:)
)
Lancaster Housing Authority)
44933 N. Fern Avenue)
Lancaster, California 93534)
Attention: Chenin Dow)

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

**DECLARATION OF CONDITIONS, COVENANTS
AND RESTRICTIONS AND REGULATORY AGREEMENT**

THIS DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS (the “Declaration”) is made by **NO MORE LEMONS, LP**, a California limited partnership (the “Covenantor”), as of the 27th day of October, 2020.

RECITALS

A. The Covenantor is the fee owner of record of that certain real property (the “Property”) located in the City of Lancaster, County of Los Angeles, State of California, legally described in the attached Exhibit “A”. The Property is the subject of a loan agreement (the “Agreement”) entered into by and between the Lancaster Housing Authority (the “Covenantee”) and Covenantor, dated as of October 27, 2020, a copy of which is on file with the Covenantee as a public record. Pursuant to the Agreement, the Covenantor is required to execute this Declaration, which has been or shall be recorded among the official land records of the County of Los Angeles.

B. The Agreement provides for the execution and recordation of this document. Except as otherwise expressly provided in this Declaration, all terms shall have the same meanings as set forth in the Agreement. References to “Exhibits” shall refer to exhibits to the Agreement.

C. The Community Redevelopment Law (California Health and Safety Code 33000, et seq.) provides that the authority shall establish covenants running with the land in furtherance of redevelopment plans.

NOW, THEREFORE, THE COVENANTOR HEREBY DECLARES AS FOLLOWS:

1. AFFORDABLE HOUSING

a. Affordable Units. During the entire term of the Affordability Period, Covenantor agrees to make available, restrict occupancy to, and rent at affordable rents fifty (50) of the units in the Kensington Campus multifamily housing project to Qualified Residents. In addition to any requirements of the Code, Covenantor agrees to comply with the provisions of Health and Safety Code Section 33413 through Section 33418 to the extent necessary to enable the Covenantantee to count the units for purposes of meeting the requirements of Section 33413 of the Health and Safety Code.

b. Income Level of Tenants. During the Affordability Period, Covenantor agrees to make available, restrict occupancy to, and rent each of the Affordable Units and Program Affordable Units to Qualified Tenants. Covenantor agrees to comply with the applicable provisions of Health and Safety Code Section 33413 through Section 33418 to the extent necessary to enable the Covenantantee to count the units for purposes of meeting the requirements of Section 33413 of the Health and Safety Code.

c. Income Verification

(i) In the event a recertification of a resident's income in accordance with subsection (d) below demonstrates that such resident no longer qualifies as a Qualified Resident of the Affordable Unit occupied by such resident, but such resident qualifies as an otherwise eligible household, the rents appropriate for that income level shall be charged. If the income of a Qualified Resident of the Affordable Unit occupied by such resident upon recertification no longer qualifies as a Qualified Resident, and there are no other requirements statutorily imposed by another Federal or State funding source or tax credit program, that tenant shall not have its lease terminated as a result thereof, but must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the household's adjusted monthly income; except that, Assisted Units subject to low-income tax credit rules under section 42 of the Internal Revenue Code shall be governed by such rules.

(ii) Immediately prior to a Qualified Resident's occupancy of an Affordable Unit, the Covenantor will obtain and maintain on file a certified statement of income on a form to be approved by the Covenantantee from each Qualified Resident occupying said Affordable Unit, dated immediately prior to the initial occupancy by each Qualified Resident.

d. Annual Reports. During the Affordability Period, Covenantor, at its expense, shall submit to the Covenantantee the reports required pursuant to Health and Safety Code Section 33418, as the same may be amended from time to time, with each such report to be in the form prescribed by the Covenantantee. Each annual report shall cover the immediately preceding calendar year.

3. Nondiscrimination. The Covenantor covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or

group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Covenantor or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendors of the Property. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Covenantee, its successors and assigns, the City and any successor in interest to the Property, or any part thereof. The foregoing covenants shall run with the land for the term of the Affordability Period.

4. Effect of Violation of the Terms and Provisions of the Agreement After Completion of Construction. The Covenantee is deemed the beneficiary of the terms and provisions of the Agreement and of the covenants running with the land, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit the Agreement and the covenants running with the land have been provided. The Agreement and the covenants shall run in favor of the Covenantee, without regard to whether the Covenantee has been, remains or is an owner of any land or interest therein in the Property or in the Project Area. The Covenantee shall have the right, if the Agreement or Covenantor's covenants contained herein are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled. The foregoing covenants shall run with the land for the term of the Affordability Period.

5. Maintenance of the Property. The Covenantor shall maintain or cause to be maintained the interiors and exteriors of the Property in a decent, safe and sanitary manner, in accordance with the standard of maintenance of similar housing units within the City, and in accordance with the maintenance standards which are set forth in this Declaration. None of the dwelling units in the Property shall at any time be utilized on a transient basis nor shall the Property or any portion thereof ever be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium or rest home. The Covenantor shall not convert the Property to condominium ownership without the prior written approval of the Covenantee, which approval the Covenantee may grant, withhold or deny in its sole and absolute discretion. If at any time Covenantor fails to maintain the Property in accordance with the Agreement or this Declaration and such condition is not corrected within ten (10) days after written notice from the Covenantee (with a copy to the then existing lenders for the project) with respect to graffiti, debris, waste material, and general maintenance, or thirty days (or such longer period of time as is reasonably necessary to correct the condition) after written notice from the Covenantee with respect to landscaping and building improvements, then the Covenantee, in addition to whatever remedy it may have at law or at equity, shall have the right to enter upon the applicable portion of the Property and perform all acts and work reasonably necessary to protect, maintain, and preserve the Improvements and landscaped areas on the Property, and to attach a lien upon the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the Covenantee and/or costs of such cure, including a five percent (5%) administrative charge, which amount shall be promptly paid by Covenantor to the Covenantee upon demand. The foregoing covenants shall run with the land for the term of the Affordability Period.

a. Physical Needs Assessment. The Covenantor shall ensure that: 1) a third-party physical needs assessment of the replacement needs of the development shall be conducted every 5 years commencing from the date of this agreement; and 2) annual deposits to the replacement reserve shall be adjusted based on the results of the physical needs assessment.

6. Long Term Management of the Property. The parties acknowledge that the Covenantee is interested in the long term management and operation of the Property and in the qualifications of any person or entity retained by the Covenantor for that purpose (the "Property Manager"). The Covenantee may from time to time review and evaluate the identity and performance of the Property Manager of the Property and the Property Manager's compliance with the provisions of the Agreement and this Declaration. If the Covenantee reasonably determines that the performance of the Property Manager is deficient based upon the standards and requirements set forth in the Agreement and this Declaration, the Covenantee shall provide notice to the Covenantor of such deficiencies and the Covenantor shall use its best efforts to correct or cause to be corrected such deficiencies. Upon Default of the terms of the Agreement or this Declaration by the Property Manager, the Covenantee shall have the right to require the Covenantor to immediately remove and replace the Property Manager with another property manager or property management company reasonably acceptable to the Covenantee. Such Property Manager shall be experienced in managing multifamily residential developments similar to the Project and shall not be related to or affiliated with the Covenantor. The foregoing covenants shall run with the land for the term of the Affordability Period.

7. Covenants Do Not Impair Lien. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Declaration shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security interest.

8. Conflict with Other Laws; Severability. In the event that any provision of this Declaration is found to be contrary to applicable law or any other provision of this Declaration, then the contrary provisions of this Declaration shall be deemed to mean those provisions which are enforceable and consistent with such laws and policies. The remaining portions of this Declaration shall be deemed modified in a manner which is consistent with the goals and intent of this Declaration to provide housing to Lower Income Residents as set forth in the Agreement. Every provision of this Declaration is intended to be severable. In the event any term or provision of this Declaration is declared by a court of competent jurisdiction to be unlawful, invalid or unenforceable for any reason, such determination shall not affect the balance of the terms and provisions of this Declaration, which terms and provisions shall remain binding and enforceable.

9. Covenants For Benefit of City and Covenantee. All covenants without regard to technical classification or designation shall be binding for the benefit of the Covenantee and the City and such covenants shall run in favor of the Covenantee and the City for the entire period during which such covenants shall be in force and effect. such covenants, shall have the right to exercise all the rights and remedies and to maintain any actions at law or suits in equity or other proper legal proceedings to enforce and to cure such breach to which it or any other

beneficiaries of these covenants may be entitled during the term specified for such covenants, except the covenants against discrimination which may be enforced at law or in equity at any time in perpetuity.

10. Notices, Demands and Communications. Written notices, demands and communications between the Covenantor and the Covenantee shall be sufficiently given if delivered by hand or dispatched by registered or certified mail, postage prepaid, return receipt requested, as follows:

Covenantor: Lancaster Housing Authority
44933 North Fern Avenue
Lancaster, California 93534
Attention: Executive Director

Covenantee: No More Lemons, LP
6330 Variel Avenue, Suite 201
Woodland Hills, California 91367
Attention: Steven Eglash

Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 10.

The Authority agrees that, so long as Alliant, Inc., a Florida corporation, or its affiliates (collectively, the "Investor Limited Partner") has a continuing ownership interest in the Developer, effective notice to the Developer under this Agreement, that certain Residential Declaration of Conditions, Covenants and Restrictions and Regulatory Agreement, and that certain Declaration of Conditions, Covenants and Restrictions for the Ocean Park Community Center, a California nonprofit public benefit corporation doing business as The People Concern, each of which is being executed by the Developer in connection with the Agreement (collectively, the "Authority Documents") shall require delivery of a copy of such notice to the Investor Limited Partner. Such notice shall be given in the manner provided in this Section 10, at the Investor Limited Partner's respective addresses set forth below:

Alliant ALP 2020, LLC
c/o Alliant Asset Management Company LLC
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel
Telephone: (818)668-6800
Telecopy: (818)668-2828

With a copy to:

Alliant Tax Credit Fund 96, LP
c/o Alliant Capital, Ltd.
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel
Telephone: (818)668-6800
Telecopy: (818)668-2828

Such addresses for notice may be changed from time to time upon notice to the other party.

Any written notice, demand or communication shall be deemed received immediately if delivered by hand and shall be deemed received on the fifth (5th) calendar day from the date it is postmarked if delivered by registered or certified mail.

11. Expiration Date. This Declaration shall automatically terminate and be of no further force or effect upon the expiration of the Affordability Period, except as otherwise provided in this Declaration.

12. Covenantee Remedies. The occurrence of any Event of Default under this Declaration will, either at the option of the Covenantee or automatically where so specified, entitle the Covenantee to proceed with any and all remedies set forth in the Agreement, including but not limited to the following:

(a) Specific Performance. The Covenantee shall have the right to mandamus or other suit, action or proceeding at law or in equity to require Covenantor to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Declaration.

(b) Right to Cure at Covenantor's Expense. The Covenantee shall have the right to cure any monetary default by Covenantor under a loan or grant other than the Authority Loan; provided, however, that if the Covenantor is in good faith contesting a claim of default under a loan and the Covenantee's interest under this Agreement is not imminently threatened by such default, the Covenantee shall not have the right to cure such default. The Covenantor agrees to reimburse the Covenantee for any funds advanced by the Covenantee to cure a monetary default by Covenantor upon demand therefore, together with interest thereon at the rate of ten percent (10%) per annum, from the date of expenditure until the date of reimbursement.

[Signatures begin on next page.]

IN WITNESS WHEREOF, the Covenantor have caused this instrument to be executed on its behalf by its officers hereunto duly authorized as of the date set forth above.

DEVELOPER:

NO MORE LEMONS, LP, a California limited partnership

By: The People Concern, a California nonprofit public benefit corporation

Its Managing General Partner

By: _____
John Maceri
Executive Director

By: InSite Development, LLC,
a California limited liability company

Its Co-General Partner

By: _____
Steven Eglash
Managing Member

LANCASTER HOUSING AUTHORITY,
a public body, corporate and politic

By: _____
Executive Director
Jason Caudle

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LANCASTER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

PARCEL 2 OF PARCEL MAP NO. 82267, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 398, PAGES 46 THROUGH 50 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH AND TO USE ANY PORTION LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LAND, AS EXCEPTED AND RESERVED BY THE LANCASTER HOUSING AUTHORITY IN DEED RECORDED MARCH 29, 2018, AS INSTRUMENT NO. 20180299928 OFFICIAL RECORDS OF SAID COUNTY.

PARCEL B:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS AND VEHICULAR PARKING WITHIN THE “PRIVATE ROAD AREA”; NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS OF EMERGENCY VEHICLES OVER THE “EMERGENCY ACCESS AREA” AND NON-EXCLUSIVE EASEMENTS FOR UTILITY PURPOSES, AS DESCRIBED IN THAT CERTAIN DECLARATION OF EASEMENTS AND SHARED INFRASTRUCTURE MAINTENANCE AGREEMENT, RECORDED AUGUST 29, 2018, AS INSTRUMENT NO. 20180873918, OF OFFICIAL RECORDS OVER THOSE PORTIONS OF PARCELS 1, 3 AND 4 OF PARCEL MAP NO. 82267, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 398, PAGES 46 THROUGH 50 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: A PORTION OF 3107-012-905 (OLD); 3107-012-127 (NEW)

STAFF REPORT
City of Lancaster

Date: November 10, 2020
To: Mayor Parris and City Council Members
From: George N. Harris II, Finance Director
Subject: **Check Registers – October 11, 2020 through October 24, 2020**

CC 2
11/10/20
JC

Recommendation:

Approve the Check and Wire Registers for October 11, 2020 through October 24, 2020 in the amount of \$4,949,757.90. Approve check register as presented.

Fiscal Impact:

\$4,949,757.90 as detailed in the Check Registers.

Background:

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

Check Nos.:	7414385-7414612	\$ 3,289,673.48
ACH/Wire Check Nos.:	101010741-101010748	\$ <u>1,660,084.42</u>
		\$ 4,949,757.90
Voided Check No.:	N/A	
Voided ACH/Wire No.:	N/A	

GH:sp

Attachments:

Check Register
ACH/Wire Register

City of Lancaster Check Register



From Check No.: 7414385 - To Check No.: 7414612
 From Check Date: 10/11/20 - To Check Date: 10/24/20

Printed: 10/27/2020 10:52

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7414385	D4333	BAKER, JAMES J	JB-BOOT/PANT REIMBURSEMNT	113.32	203 4752220	113.32
7414386	10271	CARRIERE, MONIQUE DESIREE	MC-REIMB-CLASS A DL RENEW/PRMT	82.00	101 4220311	82.00
7414387	04987	FAIRCHILD, COLE	CF-BOOT/PANT REIMBURSEMENT	265.71	101 4635209	265.71
7414388	10277	GUZMAN, GEORGE	PURCH RD ESMT-APN 3112-050-002	2,100.00	203 15SW016924	2,100.00
7414389	1215	L A CO WATERWORKS	11/20/19-09/21/20 WATER SVC	5,977.78	203 4636654 306 4342684 482 4636654	390.28 536.77 <u>5,050.73</u> 5,977.78
7414390	D2287	LANCASTER CODE ENFRMNT ASSN	UNION DUES-PP 21/2020	330.00	101 2171000	330.00
7414391	VOID					
7414392	A7221	P E R S LONG TERM CARE PROGRAM	LONG TERM CARE PREM-PP 21/2020	729.06	101 2170200	729.06
7414393	A7221	P E R S LONG TERM CARE PROGRAM	10/20-RETIREE LONG TERM CARE	5,652.01	109 1101000	5,652.01
7414394	1705	QUARTZ HILL WATER DISTRICT	09/01-10/01/20 WATER SVC	1,708.57	101 4634654 203 4636654 306 4300654 306 4300682 482 4636654	40.06 368.57 54.28 34.63 <u>1,211.03</u> 1,708.57
7414395	08988	SMITH, CHRISTINA	09/26-10/09/20 CONSULTING SVCS	3,034.60	101 4300301	3,034.60
7414396	03154	SO CA EDISON	09/01-10/01/20 ELECTRIC SVC	76.09	483 4785660	76.09
7414397	03154	SO CA EDISON	03/20-09/15/20 ELECTRIC SVC	176.78	483 4785660	176.78
7414398	03154	SO CA EDISON	09/02-10/05/20 ELECTRIC SVC	1,088.37	203 4636652 482 4636652	259.82 <u>828.55</u> 1,088.37
7414399	03154	SO CA EDISON	08/11-10/07/20 ELECTRIC SVC	1,114.81	101 4634652 203 4636652 203 4785652 482 4636652 483 4785660	580.92 38.83 46.90 23.40 <u>424.76</u> 1,114.81

City of Lancaster Check Register



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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7414400	03154	SO CA EDISON	09/02-10/09/20 ELECTRIC SVC	49,184.72	101 4631652 101 4633652 101 4634652 101 4635652 101 4636402 101 4651652 101 4800403 482 4636652 483 4785660	13,316.81 9,266.15 2,277.39 19,130.20 2,137.63 1,923.44 691.93 16.50 424.67
				49,184.72		49,184.72
7414401	A1393	TEAMSTERS LOCAL 911	10/20 UNION DUES	3,227.00	101 2157000	3,227.00
7414402	D3370	VERIZON WIRELESS	09/20-WIRELESS SERVICE	3,535.92	101 4315651	3,535.92
7414403	10209	1000BULBS.COM	AVTA/OMP-PHOTO CELLS LIGHTS	186.94	361 11ZZ007924	186.94
7414404	C0999	A N M CONSTR & ENGINEERING	RAILTOP REPAIRS-AVE J & CHLNDR	12,530.00	484 4755301	12,530.00
7414405	06576	A V CHEVROLET	CABLE-EQ3832 HANDLE-EQ3831 ROD-EQ3832	476.06 112.19 549.03	203 4752207 203 4752207 203 4752207	476.06 112.19 549.03
				1,137.28		1,137.28
7414406	00105	A V FLORIST	OMP-FLORAL ARGMT FOR MEMORIAL	114.98	101 4649225	114.98
7414407	D1445	A V PARTNERS FOR HEALTH	PROJECT SVCS & SUPPLY REIMB	39.15	306 4300682	39.15
7414408	09826	ACME ASSET PROTECTION SERVICES	09/20-SECURITY-MTNC YD 08/20-SECURITY-MTNC YD	8,200.00 8,200.00	203 4752301 207 4752301 203 4752301 207 4752301	4,100.00 4,100.00 4,100.00
				16,400.00		16,400.00
7414409	08894	ADHERENCE COMPLIANCE INC	MEDICAL CANNABIS SUPPORT SVCS	5,070.00	101 4230301	5,070.00
7414410	10191	ALERT NEIGHBORHOOD SECURITY	10/20-12/20 SECURITY ALARM COMMUNITY HOMES	675.00	306 4300682	675.00
7414411	D3147	AMERICAN PLUMBING SERVICES,INC	DRAIN CLEANOUT-44611 YUCCA AVE	962.50	101 4300301	962.50
7414412	02693	ANDY GUMP, INC	OMP-FENCE RENTAL-9/28-10/25/20	44.68	101 4634602	44.68
7414413	C9805	ARROW TRANSIT MIX INC	READY MIX CONCRETE READY MIX CONCRETE	622.67 523.03	203 4752410 203 4752410	622.67 523.03
				1,145.70		1,145.70
7414414	D2995	ARTILLERY, LLC	MOAH-SEP/OCT 20-ADVERTISING	1,250.00	101 4653251	1,250.00

City of Lancaster Check Register



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7414415	04446	AUTO PROS	SMOG INSPECTION-EQ6817	61.99	101 4245207	61.99
7414416	04151	AXES FIRE INC	FIRE CERTS(7)	90.65	101 4245207 101 4635207 101 4800207 203 4752207 203 4752207 480 4755207 485 4755207	12.95 12.95 12.95 12.95 12.95 12.95
				<u>90.65</u>		<u>90.65</u>
7414417	03485	BAKERSFIELD TRUCK CENTER	SENSOR-EQ3779	199.32	484 4755207	199.32
7414418	C4358	BEST BEST & KRIEGER LLP	LEGAL SVCS THRU 09/30/2020 RE: ECON DEVT	396.00	306 4240301	396.00
7414419	10272	BULLARD, KIMBLE	REFUND-BEG HEBREW CLASS 10/6-10/27/2020	80.00	101 2182001	80.00
7414420	10276	BURNS, KELLIE	REFUND-PERF-WHOSE LIFE ANYWAY	102.60	101 3405104	102.60
7414421	D1872	CA WATER ENVIRONMENTAL ASSN	OR-MEMBERSHIP RENEWAL	192.00	101 4220311	192.00
7414422	10278	CALIFORNIA TRAFFIC CONTROL	RFND PERMIT CANCEL ECR20-04289	1,631.75	101 3201120 101 3201120 101 3201120 101 3201200	(128.25) (73.00) 513.00 1,320.00
				<u>1,631.75</u>		<u>1,631.75</u>
7414423	00382	CARRIER COMMUNICATIONS	10/20-HAUSER MTN SITE RENT	604.95	101 4245350	604.95
7414424	04636	CAYENTA/N HARRIS COMPUTER CORP	PAYMENTUS-LICENSE PAYMENTUS INTEGRATION PMT PROCESSING-ANNUAL MAINT 7/1/20-6/30/21	5,000.00 13,300.00 1,250.00	101 4410302 101 4410302 101 4410302	5,000.00 13,300.00 1,250.00
				<u>19,550.00</u>		<u>19,550.00</u>
7414425	C2185	CLARK PEST CONTROL	CH-ESSENTIAL CLEANING-COVID-19 CH-ESSENTIAL CLEANING-COVID-19	880.00 880.00	101 4431295 101 4431295	880.00 880.00
				<u>1,760.00</u>		<u>1,760.00</u>
7414426	05128	CLEANSTREET	09/20 MONTHLY STREET SWEEP	44,986.81	203 4752450 484 4752450	43,986.81 1,000.00
				<u>44,986.81</u>		<u>44,986.81</u>
7414427	03552	COASTLINE EQUIPMENT CO	SLCTV CNTRL VLV-EQ3355	120.83	203 4752207	120.83
7414428	08484	CONSOLIDATED ELECTRCL DIST INC	PAC-FLOOR BOX COVER	256.78	101 4650403	256.78
7414429	A0925	DESERT HAVEN ENTERPRISES	LUC-09/20 SANITIZE/DISINFECT COVID-19	1,101.10	101 4431295	1,101.10

City of Lancaster Check Register



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7414430	00414	DESERT LOCK COMPANY	NSC-PM LOCK KEYWAYS	60.23	101 4632403	60.23
7414431	09191	DESIGNERS TOUCH LANDSCAPE INC	PAC-LANDSCAPING-BACK & PKG LOT RDP-RPR IRRIG WIRING-FIELD 1	15,865.00 985.00 <u>16,850.00</u>	213 11BS022924 101 4634402	15,865.00 985.00 <u>16,850.00</u>
7414432	05473	DEWEY PEST CONTROL	43745 12TH W-PEST CONTROL 43028 GUYMAN-PEST CONTROL 45534 GADSDEN-PEST CONTROL 1102 W AVE H5-PEST CONTROL 422 LANSFORD-PEST CONTROL 302 E J12-PEST CONTROL 45304 5TH E-PEST CONTROL 45740 KINGTREE-PEST CONTROL 43057 39TH W-PEST CONTROL 44381 STANRIDGE-PEST CTRL	70.00 70.00 70.00 70.00 70.00 70.00 70.00 70.00 70.00 70.00 <u>70.00</u> 700.00	306 4300682 306 4300682 306 4300682 306 4300682 306 4300682 306 4300682 306 4300682 306 4300682 306 4300682 306 4300682 306 4300682	70.00 70.00 70.00 70.00 70.00 70.00 70.00 70.00 70.00 70.00 <u>70.00</u> 700.00
7414433	L1065	DHINSA, JASWINDER	LCE NEM PAYOUT LCE-NEM PAYOUT	55.34 51.68 <u>107.02</u>	101 2140000 101 2140000	55.34 51.68 <u>107.02</u>
7414434	06421	DIESEL EMISSIONS SERVICE	SERVICE CALL-EQ3776 SERVICE CALL-EQ4359	1,150.36 1,053.52 <u>2,203.88</u>	203 4752207 203 4785207	1,150.36 1,053.52 <u>2,203.88</u>
7414435	09811	DUNN CONSULTING	09/20-LEGISLATIVE CNSLTNG SVC	5,000.00	490 4250301	5,000.00
7414436	09614	ENCOMPASS CONSULTANT GROUP INC	CP16005-BUS STOP IMPROVEMENTS	7,752.50	207 11BS033924	7,752.50
7414437	D3240	FASTENAL COMPANY	CREDIT-ORIG INV #CA0631298 ECON DEVT COVID-19 SUPPLIES CREDIT-ORIG INV #CA0631328 ECON DEVT ECON DEVT-5 LBS UNIVERSAL BLA CREDIT-ORIG INV #CA0631309 UTILITY SVCS ECON DEVT-BLK ALUM CHAIR(120) UTILITY SVCS PARKS & FACILITIES ENVIRONMENTAL	(1,741.05) 314.55 (1,191.36) 315.36 (782.21) 19,893.96 1,029.83 2,324.56 1,010.90	101 4240355 101 4431295 101 4240355 101 4240355 484 4755410 101 4240355 480 4755208 480 4755209 484 4755410 484 4755410 101 4633403 101 4634208 101 4634403 101 4634404 101 4635406 482 4636230 482 4636404 330 4755777	(1,741.05) 314.55 (1,191.36) 315.36 (782.21) 19,893.96 22.52 62.42 309.79 635.10 974.82 673.39 37.47 284.75 236.52 18.48 99.13 349.30

City of Lancaster Check Register



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					331 4755787	267.40
					331 4755787	394.20
			BUSINESS SUPPORT KIT	17,132.86	101 4240355	17,132.86
			CITY CLERK-OFC SUPPLIES	75.01	101 4210259	75.01
			CREDIT-ORIG INV #CA0631379 UTIL SVCS	(62.42)	480 4755209	(62.42)
				<u>38,319.99</u>		<u>38,319.99</u>
7414438	00617	FEDERAL EXPRESS CORPORATION	EXPRESS MAILINGS	52.17	232 15SW016924	26.25
					483 4785212	25.92
				<u>52.17</u>		<u>52.17</u>
7414439	07124	FIRST AMERICAN DATA TREE, LLC	09/20-PROFESSIONAL SERVICES	247.00	101 4230301	247.00
7414440	D1793	FISH WINDOW CLEANING	CH-WINDOW CLEANING	328.00	101 4633402	328.00
7414441	10275	GARRAY, ROSEMARY	REFUND-BEG HEBREW CLASS 10/6-10/27/2020	87.00	101 2182001	87.00
7414442	04721	GET TIRES, INC	TIRES(2)-EQ3832	837.37	203 4752207	837.37
7414443	08245	GOLDEN STATE LABOR COMPLIANCE	CP20007 DRAINAGE FENCING	7,124.10	220 12FW003924	7,124.10
7414444	02536	GRACE RESOURCES, INC	HYGIENE SERVICES	1,808.19	261 4542773	1,808.19
7414445	00849	HAAKER EQUIPMENT CO	BALL VALVE-EQ3779	121.50	484 4755207	121.50
7414446	819	HERC RENTALS INC	MOAH-BOOM ARTICU 45FT JIB ELEC JLG-9/4-9/10/20	1,806.58	101 4653251	1,806.58
			MOAH-UTV CART RNTL-9/4-9/10/20 POLARIS RANGER CREW 570	413.49	101 4653251	413.49
			MOAH-UTV CART RNTL-9/4-9/10/20 KUBOTA RTV-X1140WL-H	419.59	101 4653251	419.59
			MOAH-BOOM ARTIC 45FT JIB ELEC RNTL-9/4-9/10/2020	998.42	101 4653251	998.42
			MOAH-UTV CART RNTL-9/4-9/10/20 POLARIS RANGER CREW 570	397.16	101 4653251	397.16
			MOAH-BOOM ARTIC 34 FT JIB ELEC RNTL-9/1-9/10/2020	628.84	101 4653251	628.84
			OMP-BOOM ARTICU 45FT JIB ELEC 9/4-9/12/20	1,048.06	101 4653251	1,048.06
			OMP-BOOM ARTICU 45FT JIB ELEC GENIE-9/4-9/12/2020	1,048.06	101 4653251	1,048.06
				<u>6,760.20</u>		<u>6,760.20</u>
7414447	09083	INT'L BUSINESS MACHINES CORP	09/20-LANC INNOV PLATFRM MAINT	3,000.00	101 4240301	3,000.00
7414448	06328	INTERSTATE ALL BATTERY CENTER	12V HIGH RATE-EQ3983	161.29	480 4755207	161.29
			12V HIGH RATE-EQ3984	161.29	480 4755207	161.29
				<u>322.58</u>		<u>322.58</u>
7414449	A2594	INTERSTATE BATTERY SYS OF A V	BATTERY-EQ5809	56.79	101 4635207	56.79
7414450	03366	JAS PACIFIC	PLAN REVIEW/INSPECTION SVCS	10,038.48	101 4783301	10,038.48
			PLAN REVIEW/INSPECTION SVCS	10,000.00	101 4783301	10,000.00
				<u>20,038.48</u>		<u>20,038.48</u>
7414451	10220	JOBSCONNECTED, INC	LA COUNTY VIRTUAL JOB FAIR	1,000.00	101 4240301	1,000.00

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7414452	C8411	JULIE SUTTON PHOTOGRAPHY	AV HEALTHY CMNTY COMMISSIONERS	216.81	101 4100205	216.81
7414453	D1903	KERN MACHINERY INC-LANCASTER	NSC-DOOR HINGES-EQ5853	214.87	101 4635207	214.87
7414454	A8656	KIMLEY-HORN & ASSOCIATES INC	SB 743 IMPLEMENTATION SVC	1,727.00	101 4783301	1,727.00
7414455	1214	L A CO SHERIFF'S DEPT	08/20-SPECIAL EVENTS	20,044.09	101 4820355	18,057.73
					101 4820357	1,986.36
				<u>20,044.09</u>		<u>20,044.09</u>
7414456	1203	LANCASTER PLUMBING SUPPLY	PLUMBING SUPPLIES	585.31	203 4636404	585.31
7414457	D3426	LAW OFFICES CHRISTOPHER RAMSEY	CLAIM #040-19/CLGL-1400A1	1,150.50	109 4430300	1,150.50
7414458	02270	MELDON GLASS	DOOR CLOSER/TOILET/BATHROOM	140.00	203 4752403	140.00
			MLS-REPLACE DOOR/FRAME	2,980.00	101 4633402	2,980.00
				<u>3,120.00</u>		<u>3,120.00</u>
7414459	10256	MIER, BRYAN	PHOTO/VIDEO DOCU-POW WOW AV	1,990.00	101 4653251	1,990.00
7414460	D3578	MINUTEMAN PRESS	LCE CALPINE PUSH NOTICES(374)	269.87	490 4250213	269.87
			LCE-CALPINE PUSH NOTICES(385)	211.45	490 4250213	211.45
				<u>481.32</u>		<u>481.32</u>
7414461	01184	MONTE VISTA CAR WASH	CAR WASHES(19)	380.00	101 4200207	20.00
					101 4245207	20.00
					101 4245207	20.00
					101 4245207	20.00
					101 4245207	20.00
					101 4245207	20.00
					101 4315207	20.00
					101 4647207	20.00
					101 4647207	20.00
					101 4761207	20.00
					101 4761207	20.00
					101 4761207	20.00
					101 4800207	20.00
					101 4800207	20.00
					101 4800207	20.00
					101 4800207	20.00
					203 4752207	20.00
					203 4752207	20.00
					480 4755207	20.00
				<u>380.00</u>		<u>380.00</u>
7414462	05773	MORRISON WELL MAINTENANCE	NSC-08/20-BACTERIOLOGICAL TST	200.00	101 4635301	200.00
7414463	D1878	MURPHY & EVERTZ,ATTYS AT LAW	09/20-LGL SVCS-AV GRNDWTR MTTR	1,275.00	101 4100303	1,275.00

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7414464	08562	NAPA AUTO PARTS	CANISTER PURGE VALVE-EQ2300	498.24	101 4647207	498.24
			ALTERNATOR-EQ3992	305.64	485 4755207	305.64
			WNDW RGNLTR-EQ6812	95.48	306 4342207	95.48
			AIR FILTER-EQ7770	20.88	101 4783207	20.88
			VRTL KT-EQ1520	263.01	101 4800207	263.01
			COMPRESSOR-EQ3832	913.14	203 4752207	913.14
			WINDOW RGLTR ASSY-EQ6812	88.59	306 4342207	88.59
			BLUE DEF	606.61	203 4752207	303.31
				480 4755207	303.30	
			VAC PUMP OIL-EQ6817	25.52	101 4245207	25.52
			BREAK AWAY-EQ3368	37.21	203 4752207	37.21
			COUPLERS/BLUE HS-EQ3746	267.13	484 4752207	267.13
			BMX IGNITION WIRE ST-EQ3822	99.68	203 4752207	99.68
			LWR BLL JNT-EQ3757	140.37	203 4752207	140.37
			GAS CAP-EQ3822	15.87	203 4752207	15.87
			AIR FILTER-EQ3805	17.56	101 4761207	17.56
				<u>3,394.93</u>		<u>3,394.93</u>
7414465	06636	P & J ELECTRIC INC	EDP-ELECTRICAL TROUBLESHOOTING	526.91	101 4631403	526.91
			AHP-ELECTRICAL REPAIR	521.91	101 4631301	521.91
			<u>1,048.82</u>			<u>1,048.82</u>
7414466	09275	PACIFIC COAST LOCATORS	DIG ALERT SERVICE	9,500.00	480 4755301	3,166.66
					483 4785301	3,166.67
					484 4755301	3,166.67
			<u>9,500.00</u>			<u>9,500.00</u>
7414467	06984	PACIFIC DESIGN & INTEGRATION	07/20-BROADCAST MANAGER SVC	2,781.00	101 4207296	2,781.00
			08/20-BROADCAST MANAGER SVC	2,781.00	101 4207296	2,781.00
			<u>5,562.00</u>			<u>5,562.00</u>
7414468	09496	PAY PLUS SOLUTIONS	CALPERS MONTHLY CHARGES	327.00	101 4220301	327.00
7414469	10273	PETERSON, JEANICE	REFUND-CHILDCARE-VLLYVW-COOPER 10/11-10/31/2020	336.00	101 2182001	336.00
7414470	05602	PETROLEUM EQUIPMENT CONST SRVS	09/20-DESIGNATED OPERATOR INSP	150.00	101 4753402	150.00
7414471	A7779	PHIL BURKE RIGGING, INC	PAC-RIGGING SVCS	24,096.87	213 11BS022924	24,096.87
7414472	09976	POPID INC	POPENTRY+	16,250.00	101 4431295	16,250.00
7414473	06160	PRIME TIME PARTY RENTALS	TBL/CHR/UMB RNTL-9/26-9/27/20	462.00	101 4431295	462.00
			TBL/CHR/UMB RNTL-10/2-10/3/20	462.00	101 4431295	462.00
			<u>924.00</u>			<u>924.00</u>
7414474	C5395	PRO ACTIVE WORK HEALTH SERVICES	JL-PHYS/TB/ESCR/COLL NON/DOT	120.00	101 4220301	20.00
					101 4220301	20.00
					101 4220301	35.00

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			SH-PHYSICAL-DOT-DMV-09/14/20	69.00	101 4220301	45.00
			TH-PHYSICAL-DOT-DMV-9/15/20	69.00	101 4220301	69.00
			JL-PHYSICAL-BASIC-09/11/20	45.00	101 4220301	45.00
			NL-ESCREEN TEST-ECUP-09/01/20	40.00	101 4220301	40.00
			BS-ESCREEN TEST-ECUP-9/22/20	40.00	101 4220301	40.00
				<u>383.00</u>		<u>383.00</u>
7414475	07126	QUADIENT LEASING USA INC	08/01-10/31/20 LEASE PAYMENT POSTAGE MACHINE	965.40	101 2175000	(23.02)
					101 4600211	988.42
				<u>965.40</u>		<u>965.40</u>
7414476	05864	QUINN COMPANY	COUPLING-EQ5761	170.12	101 4632207	170.12
			RCNDTN HDRLC/ENV FEE-EQ3831	682.28	203 4752207	682.28
				<u>852.40</u>		<u>852.40</u>
7414477	10274	RINEHART, JENNIFER	REFUND-CHILDCARE-VALLYVIEW 10/4-10/17/20 ALEXIS & ETHAN	448.00	101 2182001	448.00
7414478	10270	ROYCO DELIVERY SERVICE	MOAH-TRANSPORT EXHIBIT ART D.B. KORBEL SCULPTURES(14)	1,000.00	101 4651251	1,000.00
7414479	D3947	S G A CLEANING SERVICES	BOEING PLAZA CLEAN UP-HOMELESS	980.00	101 4633402	980.00
			CH-AC ENCLOSURE GAUGE GUARD	385.00	101 4633403	385.00
			SKT-VANDALISM-GRAFFITI REMOVAL	460.00	101 4631301	460.00
			WCP-VANDALISM-GRAFFITI REMOVAL	380.00	101 4631301	380.00
			JRP-VANDALISM-GRAFFITI REMOVAL	725.00	101 4631301	725.00
			AHP-VANDALISM-GRAFFITI REMOVAL	260.00	101 4631301	260.00
			WCP-VANDALISM-GRAFFITI REMOVAL	385.00	101 4631301	385.00
			NSC-MATERIALS FOR GAZEBO RPR	780.00	101 4635402	780.00
				<u>4,355.00</u>		<u>4,355.00</u>
7414480	03962	SAFETY KLEEN	OIL SVC/STOP FEE NON-PREQUAL	175.00	331 4755787	175.00
			OIL SVC/STOP FEE NON-PREQUAL	175.00	331 4755787	175.00
			OIL SVC/STOP FEE NON-PREQUAL	175.00	331 4755787	175.00
				<u>525.00</u>		<u>525.00</u>
7414481	09863	SELBERT PERKINS DESIGN	08/20-BRAND DEVELPMNT/IMPLMNTN	10,100.00	101 4200301	10,100.00
7414482	06174	SHAWNS PAINTING	PAC-EXTERIOR PAINTING	7,750.00	101 4650403	7,750.00
7414483	01816	SMITH PIPE & SUPPLY INC	NSC-VALVE	252.64	101 4635404	252.64
			NSC-ADAPTERS	25.94	101 4635404	25.94
			NSC-PVC 90S	21.42	101 4635404	21.42
				<u>300.00</u>		<u>300.00</u>
7414484	09801	SPECTRUM REACH	RECYCLING BEVERAGE CONTAINERS	796.00	330 4755779	796.00
7414485	05703	SUPERIOR ALARM SYSTEMS	10/20-MONTHLY ALARM MONITORING	45.00	101 4633301	45.00
7414486	C2554	SUPERIOR COURT OF CA-CO OF L A	09/20-ALLCTN OF PRKG PENALTIES	18,564.90	101 3310200	1,715.40

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					101 3310200	1,759.50
					101 3310200	1,759.50
					101 3310200	1,759.50
					101 3310200	2,187.00
					101 3310200	2,346.00
					101 3310200	3,519.00
					101 3310200	3,519.00
				<u>18,564.90</u>		<u>18,564.90</u>
7414487	07234	T C F EQUIPMENT FINANCE	FLEET VEHICLE LEASE(10)	24,739.37	104 4753762	24,739.37
7414488	10208	TBWBH PROPS & MEASURES	CONSULTING FEE #2 - SEPT SVC	10,000.00	101 4200301	10,000.00
7414489	C5522	THOMSON REUTERS-WEST PMT CENTI	09/20-INFORMATION CHARGES	894.50	101 4230301	894.50
			LIBRARY PLAN-10/01-10/31/20	28.11	101 4230301	28.11
				<u>922.61</u>		<u>922.61</u>
7414490	04239	TIM WELLS MOBILE TIRE SERVICE	TIRES/SERVICE CALL-EQ3367	500.74	203 4752207	500.74
			SERVICE CALL-EQ3773	244.00	203 4752207	244.00
			TIRES-EQ5655	224.24	101 4634207	224.24
			REPAIR-EQ3775	48.61	203 4752207	48.61
				<u>1,017.59</u>		<u>1,017.59</u>
7414491	2003	TIP TOP ARBORISTS, INC	07/20-TREE TRIMMING/REMOVAL	11,550.00	101 4631267	11,550.00
			09/20-TREE TRIMMING/REMOVAL	7,260.00	482 4636267	7,260.00
			09/20-TREE TRIMMING/REMOVAL	2,760.00	483 4636267	2,760.00
			09/20-TREE TRIMMING/REMOVAL	14,945.00	203 4636267	14,945.00
			09/20-TREE TRIMMING/REMOVAL	3,200.00	101 4631267	3,200.00
			09/20-TREE TRIMMING/REMOVAL	5,950.00	203 4636267	5,950.00
				<u>45,665.00</u>		<u>45,665.00</u>
7414492	02977	TURBO DATA SYSTEMS INC	09/20-PARKING CITATIONS	5,554.38	101 4820301	5,554.38
			09/20-ICS COLLECTION	6.92	101 4820301	6.92
			09/20 ADMIN CITATIONS	2,461.06	101 4245301	2,461.06
				<u>8,022.36</u>		<u>8,022.36</u>
7414493	A7515	U S BANK	08/20-ADMIN FEE	250.00	101 3501110	250.00
7414494	A2124	UNDERGROUND SERVICE ALERT/SC	09/20-TICKETS(198)	336.70	484 4755301	336.70
			CA STATE FEE FOR REGLTRY COSTS	133.60	484 4755311	133.60
				<u>470.30</u>		<u>470.30</u>
7414495	08783	UNIFIRST CORPORATION	UNIFORM CLEANING	118.72	101 4755355	8.36
					480 4755209	110.36
				<u>118.72</u>		<u>118.72</u>
7414496	05551	UNITED SITE SRVCS OF CA,SO DIV	FENCE RENTAL-9/4-10/1/20	61.32	101 4633403	61.32
			FENCE RENTAL-9/10-10/7/20	19.72	101 4633403	19.72
				<u>81.04</u>		<u>81.04</u>

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7414497	31009	UNIVERSAL ELECTRONIC ALARMS	MNTC YD-09/20-FIRE ALARM	27.00	203 4752301	27.00
			MNTC YD-09/20 SECURITY ALARM	27.00	203 4752301	27.00
			PAC-05/20-SECURITY ALARM	27.00	101 4650301	27.00
			NSC WEST-05/20-FIRE ALARM	56.00	101 4635301	56.00
			PAC-05/20-FIRE ALARM	56.00	101 4650301	56.00
			MOAH-05/20 FIRE ALARM	27.00	101 4633301	27.00
			WH-05/20 SECURITY ALARM	27.00	101 4633301	27.00
				<u>247.00</u>		<u>247.00</u>
7414498	05537	VALEW WELDING	DIAPHRAGM ASSY-EQ3769	792.28	203 4752207	792.28
7414499	C2434	VINSA INSURANCE ASSOCIATES	TULIP RENEWAL POLICY 10/12/20-10/12/2021	3,599.30	101 4230260	3,599.30
7414500	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	127.84	203 4752410	127.84
			COLD MIX	255.68	203 4752410	255.68
				<u>383.52</u>		<u>383.52</u>
7414501	31026	WAXIE SANITARY SUPPLY	LCS-FLOORWAY	333.39	101 4633406	333.39
			35 QT WAVEBRAKE 2.0 DN-PRESS	300.51	101 4633406	300.51
				<u>633.90</u>		<u>633.90</u>
7414502	03988	YAMADA ENTERPRISES	LCS-LIBRARY FURNITURE	15,303.05	101 4300753	15,303.05
			LCS-COMPUTER LAB FURNITURE	9,732.77	101 4300753	9,732.77
				<u>25,035.82</u>		<u>25,035.82</u>
7414503	07131	DE LAGE LANDEN FINANCIAL SVCS	CHEVROLET VEHICLES(8)	51,498.13	104 4753762	51,498.13
7414504	09800	DOD CONSTRUCTION LTD	CP20003-2019 SIDEWALK/CURB RPR	153,954.63	150 2100003	(8,102.88)
					701 12ST044924	8,102.88
					701 12ST044924	153,954.63
				<u>153,954.63</u>		<u>153,954.63</u>
7414505	05804	ITERIS, INC	CAMERA SYSTEM FOR AVE K	75,574.71	203 4785763	75,574.71
7414506	C7946	L A CO DEPT ANIMAL CARE&CONTRL	08/20-HOUSING COSTS	81,894.93	101 4820363	81,894.93
7414507	09832	QUALITY FENCE CO	CP20007-DRAINAGE FENCING	80,617.00	150 2100003	(2,743.00)
					150 2100003	(1,500.00)
					220 12FW003924	2,743.00
					220 12FW003924	52,117.00
					701 11BS029924	1,500.00
					701 11BS029924	28,500.00
				<u>80,617.00</u>		<u>80,617.00</u>
7414508	09160	ST. FRANCIS ELECTRIC, LLC	08/20-TRAFFIC SIGNAL MTNC	27,950.00	203 4785461	27,950.00
			08/20-STREET LIGHTING MTNC	24,226.50	483 4785660	24,226.50
			08/20-TRAFFIC SIGNAL MTNC	3,736.88	203 4785461	3,736.88
			08/20-STREET LIGHTING MTNC	177.75	483 4785660	177.75

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				56,091.13		56,091.13
7414509	10207	SULLY-MILLER CONTRACTING CO	CP21001-2020 SPRING PVMT MGMT	943,482.21	150 2100003 150 2100003 203 12ST041924 203 12ST041924 701 12ST041924 701 12ST041924	(49,093.21) (563.75) 563.75 10,711.25 49,093.21 <u>932,770.96</u>
				<u>943,482.21</u>		<u>943,482.21</u>
7414510	07141	BERKOVITZ, DAN	REIMBURSE-TOASTMASTERS DUES 2 SESSIONS(45 EA)	90.00	101 4220290	90.00
7414511	D1872	CA WATER ENVIRONMENTAL ASSN	MEMBERSHIP RNWL-BBURDICK395003	192.00	101 4220311	192.00
7414512	D1872	CA WATER ENVIRONMENTAL ASSN	MEMBERSHIP RENEW-BSTEWART42877	192.00	101 4220311	192.00
7414513	C2060	CA WATER SERVICE COMPANY	09/10-10/09/20 WATER SVC	379.84	482 4636654	379.84
7414514	03527	L A CO FIRE DEPT	FIRE IMPCT FEE-FY19/20 3RD QTR BALANCE OWED	846.41	101 2174000 101 3501100 101 3614100	881.28 9.68 <u>(44.55)</u>
				<u>846.41</u>		<u>846.41</u>
7414515	1215	L A CO WATERWORKS	07/20-10/13/20 WATER SVC	14,670.97	101 4633654 203 4636654 306 4300654 482 4636654	442.56 4,410.51 101.84 <u>9,716.06</u>
				<u>14,670.97</u>		<u>14,670.97</u>
7414516	D3151	LNCSTR MUSEUM/PUBLIC ART FNDTN	LMPAF SALES/DONATNS-JUL-SEP 20	494.20	101 2102500 101 2175001 101 4643235 101 4643235	466.52 49.15 (13.73) <u>(7.74)</u>
				<u>494.20</u>		<u>494.20</u>
7414517	1705	QUARTZ HILL WATER DISTRICT	09/01-10/01/20 WATER SVC	8,460.75	101 4634654 203 4636654 482 4636654	4,835.47 388.72 <u>3,236.56</u>
				<u>8,460.75</u>		<u>8,460.75</u>
7414518	10259	SANDOVAL, ROBERTO	BEEF&BARREL-OUTDR DINING SETUP TBLS/CHRS/CANOPY/WALLS/BARRELS	4,095.60	101 4240355	4,095.60
7414519	10259	SANDOVAL, ROBERTO	COACH'S OUTDOOR DINING SETUP CANOPY/WALLS/BARRELS/LIGHTS	10,485.26	101 4240355	10,485.26
7414520	03154	SO CA EDISON	09/09-10/09/2020 ELECTRIC SVC	618.97	203 4636652 482 4636652 484 4755652	37.32 570.44 <u>11.21</u>
				<u>618.97</u>		<u>618.97</u>

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7414521	03154	SO CA EDISON	09/08--10/12/2020 ELECTRIC SVC	5,010.75	101 4633652 203 4785652 482 4636652 483 4785660	4,136.35 74.39 90.50 709.51
				<u>5,010.75</u>		<u>5,010.75</u>
7414522	03154	SO CA EDISON	09/02-10/05/2020 ELECTRIC SVC	14,760.46	203 4785652 480 4755652 484 4755652 485 4755652 490 4250652	7,280.19 502.60 212.65 6,227.08 537.94
				<u>14,760.46</u>		<u>14,760.46</u>
7414523	05388	SPELLMAN, LENNY	LS-BOOT/PANT REIMB-BOOTS	218.70	101 4633209	218.70
7414524	05388	SPELLMAN, LENNY	LS-BOOT/PANT REIMB-PANTS	240.68	101 4633209	240.68
7414525	C2555	TIME WARNER CABLE	09/21-10/20/20 TV SERVICE TW INV#2224927092120	90.26	101 4315651	90.26
7414526	C7500	A B I DOCUMENT SUPPORT SRVCS	CLAIM #040-19/CLGL-1400A1	2,292.94	109 4430300	2,292.94
7414527	02071	A G SOD FARMS INC	SKT-SOD	933.05	101 4631404	933.05
7414528	C0077	A V E K	NSC-BACTERIOLOGICAL TEST	20.00	101 4635301	20.00
7414529	01039	A V FORD LINCOLN MERCURY	SENDER AND PU-EQ1510	367.25	480 4755207	367.25
7414530	03854	A V JANITORIAL SUPPLY	JANITORIAL SUPPLIES	1,795.25	101 4633406	1,795.25
7414531	D1445	A V PARTNERS FOR HEALTH	COMPASSION CONNECTIONS	1,076.60	101 4300301	1,076.60
7414532	06099	A V RECYCLING CENTER	CITY CLEAN UP	30,000.00	101 4800301	30,000.00
7414533	06294	A V WEB DESIGNS	PAC-10/20-MONTHLY HOSTING CHGS	99.95	101 4650301	99.95
7414534	07489	ACCESSO SHOWARE	PAC-09/20-TICKET SALES	16.50	101 4650302	16.50
7414535	10165	ADT COMMERCIAL LLC	10/20-LMS-ALARM MONITORING	56.70	101 4632301	56.70
			10/20-LMS-ELEVATOR MONITORING	40.96	101 4632301	40.96
				<u>97.66</u>		<u>97.66</u>
7414536	C8745	ADVANCE ELECTRIC	OMP-REPLACE BAD WIRING-WALKWAY	725.00	101 4634402	725.00
7414537	09972	AFFORDABLE HSG & DEV OF SOCAL	ADVISORY SVCS	12,650.00	306 4240301	12,650.00
7414538	D3147	AMERICAN PLUMBING SERVICES,INC	EDP-RESTROOM REPAIR	185.04	101 4631301	185.04
			EDP-RESTROOM REPAIR	185.04	101 4631301	185.04
			AHP-RESTROOM REPAIR	195.74	101 4631403	195.74

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				565.82		565.82
7414539	04760	AMERINAT	09/20-MONTHLY SERVICE FEE	504.07	306 4342301	504.07
7414540	10279	ANDERSON, AUSTIN	FILMING SVCS-LPAC PRODUCTION	800.00	101 4650257	800.00
7414541	02693	ANDY GUMP, INC	WCP-FENCE	65.70	101 4631404	65.70
7414542	C9805	ARROW TRANSIT MIX INC	READY MIX CONCRETE	477.97	203 4752410	477.97
			READY MIX CONCRETE	567.92	203 4752410	567.92
				<u>1,045.89</u>		<u>1,045.89</u>
7414543	C8921	BARTEL ASSOCIATES, LLC	08/20-CONSULTING SVCS CONT WK-6/30/19 OPEB VALUATION	4,821.00	101 4410301	4,821.00
7414544	08902	BUILDERS UNLIMITED CONSTRUCTRS	COMM CTR-GATE/FENCE INSTALL	9,600.00	306 11FW004924	9,600.00
7414545	06176	C S TECH GROUP, INC	COMM CTR-RMV OLD LOW VLT WIRES	4,560.00	101 4315301	4,560.00
7414546	10278	CALIFORNIA TRAFFIC CONTROL	REFUND AFTER-HRS INSP FEE ECR20-04999 EMER/AFT HR ENC360	2,567.00	101 3201120	(73.00)
					101 3201200	<u>2,640.00</u>
				<u>2,567.00</u>		<u>2,567.00</u>
7414547	10282	CITY VENTURES, LLC	RFND-PEER REVIEW FEE TR72875	1,232.15	101 2185903	1,232.15
7414548	C2185	CLARK PEST CONTROL	CH-ESSENTIAL CLEANING-COVID-19	880.00	101 4431301	880.00
7414549	07545	COSTAR REALTY INFORMATION INC	10/20-PROFESSIONAL SERVICES	1,196.45	101 4240301	1,196.45
7414550	00432	DEPT OF JUSTICE	09/20-FINGERPRINT APPS	96.00	101 4220301	96.00
7414551	00414	DESERT LOCK COMPANY	OMP-PM LOCKS SECURE 8 FIELDS	385.92	101 4634404	385.92
			EDP & MP-KEYS	30.66	101 4631403	30.66
			CH-PM KEYWAYS	60.27	101 4633403	60.27
			ESP-LOCK SERVICE	87.50	101 4631403	87.50
			ESP-LOCK SERVICE	55.00	101 4631403	55.00
			JRP-VANDALISM-LOCK REPAIR	60.00	101 4631301	60.00
			CDR ST-REKEY LOCKS	113.50	101 4633403	113.50
			MP-VANDALISM-LOCK REPAIR	71.43	101 4631301	71.43
			LMS-PANIC BAR REPAIRS	237.50	101 4632402	237.50
			NSC-REPAIR LOCK CONCESSIONS	65.00	101 4635402	65.00
				<u>1,166.78</u>		<u>1,166.78</u>
7414552	09614	ENCOMPASS CONSULTANT GROUP INC	CP21001-SIGNING/STRIPING PLANS	2,965.00	701 12ST041924	2,965.00
			GRANT FUNDING ASSISTANCE	17,675.00	101 4783301	17,675.00
				<u>20,640.00</u>		<u>20,640.00</u>
7414553	09575	ENTERPRISE FM TRUST	19/20 MODEL LEASES	10,329.43	101 4753762	6,299.91
					104 4753762	<u>4,029.52</u>
				<u>10,329.43</u>		<u>10,329.43</u>

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7414554	10257	ENVIRO-TEC HVAC INC	CH-CHILLER(HVAC)-CONSULTATION	1,040.00	101 4633403	1,040.00
7414555	D2427	ENVIRONMENTAL SOUND SOLUTIONS	10/20-MUSIC SERVICE	65.00	101 4633301	65.00
7414556	D3240	FASTENAL COMPANY	STAKE CHASERS / SURVEYORS LATH	295.52	209 15BW008924	295.52
7414557	D1793	FISH WINDOW CLEANING	CH-WINDOW CLEANING	34.00	203 4752402	34.00
7414558	07369	FRONTIER COMMUNICATIONS CORP	09/25-10/24/20 TELEPHONE SVC	969.68	101 4633651	969.68
7414559	00849	HAAKER EQUIPMENT CO	SWIVEL ASSY-EQ3779	138.47	484 4755207	138.47
7414560	09095	HDL COREN & CONE	19/20 SECURED PROPERTY TAX AUD 19/20 UNSECURED PROP TAX AUDIT	2,917.32 359.65 <u>3,276.97</u>	101 4410301 101 4410301	2,917.32 359.65 <u>3,276.97</u>
7414561	00828	HINDERLITER DE LLAMAS & ASSOC	1ST QTR 2020-SALES TAX	4,650.91	101 4410301 101 4410301	2,250.91 <u>2,400.00</u> 4,650.91
7414562	04852	IMAGE 2000	WT-860/WASTE TONER	23.00	101 4800254	23.00
7414563	D4004	J P POOLS	ESP-MAINTENANCE 10/20 WPL-MAINTENANCE 10/20	1,350.00 1,000.00 <u>2,350.00</u>	101 4631301 101 4631301	1,350.00 1,000.00 <u>2,350.00</u>
7414564	L0234	JONES, MARY	LCE NEM PAYOUT	169.02	490 4250658	169.02
7414565	08895	JPW COMMUNICATIONS, LLC	WEBSITE DEVELOPMENT PROJECT	20,000.00	261 4300771	20,000.00
7414566	C7873	LANCASTER AUTO MALL ASSOC	10/20-AUTO MALL SIGN EXPENSE	185.17	101 4240340	185.17
7414567	1203	LANCASTER PLUMBING SUPPLY	NSC-RV DUMP REPAIR	177.77	101 4635404	177.77
7414568	D3426	LAW OFFICES CHRISTOPHER RAMSEY	CLAIM #020-18/CLGL-1392A1 CLAIM #S050-19, 051-19, 052-19 CLGL-1406C1	4,680.00 7,254.00 <u>11,934.00</u>	109 4430300 109 4430300	4,680.00 7,254.00 <u>11,934.00</u>
7414569	D1736	LEVEL 3 COMMUNICATIONS LLC	09/20-INTERNET/DATA	3,739.61	101 4315651	3,739.61
7414570	08387	LOOMIS	10/20-ARMORED CAR SERVICE	343.13	101 3501110	343.13
7414571	09439	LOST ANGELS CHILDREN'S PROJECT	THE GOOD LIFE SOCIAL ENT PRGM	20,000.00	261 4300771 261 4300771	4,470.88 <u>15,529.12</u> 20,000.00
7414572	10190	MCKESSON MEDICAL-SURGICAL INC	TEST KITS-SOFIA 2 SARS ANTIGEN	3,778.18	101 4431302 101 4431302	0.43 <u>3,777.75</u>

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			TEST KITS-SOFIA 2 SARS ANTIGEN	1,889.31	101 4431302	0.43
					101 4431302	1,888.88
			TEST KITS-SOFIA 2 SARS ANTIGEN	37,777.93	101 4431302	0.43
					101 4431302	37,777.50
				<u>43,445.42</u>		<u>43,445.42</u>
7414573	D3578	MINUTEMAN PRESS	LMS-IRRIGATIONS PLANS/LAYOUT	205.31	101 4632404	205.31
7414574	09891	MONITRONICS INTERNATIONAL INC	WLNSS HMS-SECURITY SVC-09/20	185.55	306 4300682	185.55
7414575	31007	MOTION INDUSTRIES, INC	BOLT FLG-EQ3384	787.33	203 4752207	787.33
7414576	D2822	NATIONAL CINEMEDIA, LLC	THEATER ADS-02/28-03/26/20	415.64	101 4649567	415.64
			ADS-07/12/2019-0625/2020	78.02	101 4800205	78.02
			THEATER ADS-03/27-04/23/20	122.24	101 4649567	122.24
				<u>615.90</u>		<u>615.90</u>
7414577	06513	ODYSSEY POWER	CH-MINOR PM/LOAD	1,399.00	101 4633301	1,399.00
			LMS-MINOR PM/LOAD	1,009.00	101 4632301	1,009.00
			MOAH-MINOR PM/LOAD	1,009.00	101 4633301	1,009.00
			MOAH-BATTERY REPLACEMENT	698.40	101 4633301	698.40
			OMP-MINOR PM/LOAD	1,009.00	101 4634301	1,009.00
				<u>5,124.40</u>		<u>5,124.40</u>
7414578	06636	P & J ELECTRIC INC	NSC-TROUBLESHOOT ELECTRICAL	695.88	101 4635402	695.88
7414579	07249	PATRIOT PLUMBING	CH-SNAKED URINALS MENS R-RM	110.00	101 4633402	110.00
7414580	05998	PAVING THE WAY FOUNDATION	CMMNTY SPPRT/GOOD CTZNSHP PRGM	500.00	101 4820301	500.00
			CMMNTY SPPRT/GOOD CTZNSHP PRGM	1,968.00	101 4820301	1,968.00
				<u>2,468.00</u>		<u>2,468.00</u>
7414581	09597	PLACEWORKS, INC.	09/20-GRANT CONSULTING SVCS	810.00	101 4600308	810.00
7414582	10125	POWERSFURNITURE	DEPOSIT-CURVED CHAMBER UNITS	16,575.57	701 11BS019924	209.00
					701 11BS019924	16,366.57
				<u>16,575.57</u>		<u>16,575.57</u>
7414583	06160	PRIME TIME PARTY RENTALS	TBL/CHR/UMB RNTL-10/9-10/10/20	462.00	101 4431295	462.00
7414584	C5395	PRO ACTIVE WORK HEALTH SERVICES	BS-BAT NON DOT-09/22/2020	35.00	101 4220301	35.00
			JH-PHYSICAL DOT-DMV-09/22/20	69.00	101 4220301	69.00
			JA-PHYSICAL DOT-DMV-09/24/20	69.00	101 4220301	69.00
			MC-PHYSICAL-DOT-DMV-09/24/20	69.00	101 4220301	69.00
			JD-PHYSICAL-DOT-DMV-09/24/20	69.00	101 4220301	69.00
			DG-PHYSICAL-DOT-DMV-09/30/20	69.00	101 4220301	69.00
				<u>380.00</u>		<u>380.00</u>
7414585	A6770	PURSLEY, DENNIS	LEASE PMT BAL DUE-7/1-6/30/21	476.69	220 17SD021924	476.69

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7414586	06313	R C BECKER & SON, INC	CP17015-REBID-AVE I IMPRVMT	41,531.17	150 2100003	(1,533.16)
					150 2100003	(435.77)
					150 2100003	(195.38)
					150 2100003	(21.54)
					206 15ST054924	21.54
					206 15ST054924	409.28
					210 15ST054924	435.77
					210 15ST054924	8,279.72
					211 15ST054924	195.38
					211 15ST054924	3,712.21
					399 15ST054924	1,533.16
					399 15ST054924	29,129.96
				<u>41,531.17</u>		<u>41,531.17</u>
7414587	2601	REPRO-GRAPHIC SUPPLY	HP PRINTER INK(3)	489.90	101 4410254	489.90
7414588	09456	RRM DESIGN GROUP	PROF SVCS-UNIFRM PLANT PALETTE	2,102.50	701 11ZZ005924	2,102.50
7414589	07158	RUPPERT, KIM S	09/20-HEARING OFFICER SERVICES	320.00	101 4820301	320.00
7414590	D3947	S G A CLEANING SERVICES	OMP-VANDALISM-MATS GEN DR RPR	485.00	101 4634403	485.00
			OMP-WELD GENERATOR DOOR VANDALISM	495.00	101 4634402	495.00
			SKT-WELDING RPR-VANDALISM	480.00	101 4631301	480.00
			LMS-IRRIG-SHOP LIGHTS REPAIRS	460.00	101 4632402	460.00
			NSC-GAZEBO REPAIR LABOR	990.00	101 4635402	990.00
			EQ#5658 STAKEBED-MATS FOR RPR	985.00	101 4633207	985.00
			LMS-SWAMP COOLER REPAIR	495.00	101 4632402	495.00
			TBP-MATS FOR HANDRAIL RPRS	645.00	101 4631402	645.00
				<u>5,035.00</u>		<u>5,035.00</u>
7414591	09863	SELBERT PERKINS DESIGN	09/20-BRAND DEVELPMNT/IMPLMNTN	20,700.00	101 4200301	20,700.00
			COL-ASR LOGOS & DESIGN RESRCH	5,000.00	101 4200301	5,000.00
				<u>25,700.00</u>		<u>25,700.00</u>
7414592	05934	SHI INTERNATIONAL CORP	VMWARE ESXI/FIRMWARE UPGRADE	14,380.88	101 4315301	14,380.88
7414593	04664	SKAUG TRUCK BODY WORKS	TOMMY GATE SWITCH-EQ4358	175.02	203 4785207	175.02
7414594	5210	SLATER PIANO SERVICE	PAC-PIANO TUNING	100.00	101 4650257	100.00
7414595	01816	SMITH PIPE & SUPPLY INC	RDP-SPRINKLERS	148.78	101 4634404	148.78
			SKT-RAINBIRD NOZZLE	36.28	101 4631404	36.28
			ACS-BURLAP	27.07	101 4631403	27.07
			STP-SPRINKLERS	829.76	101 4631404	829.76
			RDP-NOZZLES FOR 1800	17.18	101 4634404	17.18
			RDP/HP-SPRINKLERS	671.04	101 4634404	671.04
			IRRIGATION SUPPLIES	45.09	101 4633404	45.09
			OMP-BATTERY TIMER/SPRINKLERS	600.63	101 4634404	600.63

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			IRRIGATION SUPPLIES	370.58	101 4633404	370.58
			TBP-IRRIGATION REPAIR	238.86	101 4631404	238.86
			IRRIGATION SUPPLIES	36.40	101 4633404	36.40
			IRRIGATION SUPPLIES	98.96	101 4633404	98.96
				<u>3,120.63</u>		<u>3,120.63</u>
7414596	10189	SPIRAL COMMERCIAL SVCS INC	FLIGHT SUPPORT-AUG 2020	2,533.00	101 4820301	2,533.00
7414597	D1617	STOFFEL, MATTHEW	MS-BOOT/PANT REIMBURSEMENT	155.75	203 4752220	155.75
7414598	09029	SUSTAINABLE TURF SCIENCE INC	LMS-FOLIAR APP PRODUCT	1,793.06	101 4632404	1,793.06
7414599	A8398	SWANK MOTION PICTURES, INC	WIDESCREEN DVDS(3)	975.00	101 4649222	975.00
7414600	A6479	TAFT ELECTRIC COMPANY	REPLACE STEEL ST LIGHT POLES	39,750.00	483 4785461	39,750.00
7414601	09316	TEKWERKS INTERNET	INTERNET & VOICE SVCS	4,346.69	101 4300302	670.19
					101 4315651	3,676.50
				<u>4,346.69</u>		<u>4,346.69</u>
7414602	09979	THE SPECTRUM FIRM INC	CONSULTING SVCS-VHF/UHF BANDS	6,000.00	349 4240771	6,000.00
7414603	2009	THE TIRE STORE	ALIGNMENT-EQ3757	40.00	203 4752207	40.00
			TIRES(4)-EQ6822	717.90	101 4245207	717.90
				<u>757.90</u>		<u>757.90</u>
7414604	08783	UNIFIRST CORPORATION	UNIFORM CLEANING	118.72	101 4755355	8.36
					480 4755209	110.36
				<u>118.72</u>		<u>118.72</u>
7414605	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	268.82	203 4752410	268.82
			COLD MIX	258.97	203 4752410	258.97
				<u>527.79</u>		<u>527.79</u>
7414606	31026	WAXIE SANITARY SUPPLY	AVTA/OMP-JANITORIAL SUPPLIES	1,951.62	207 4634406	1,951.62
			CH-JANITORIAL SUPPLIES	318.44	101 4633406	318.44
			NSC-JANITORIAL SUPPLIES	592.20	101 4635406	592.20
				<u>2,862.26</u>		<u>2,862.26</u>
7414607	05093	WESTERN EQUIPMENT SERVICE CO	JRP-AC MAINT	631.44	101 4631402	631.44
7414608	D0298	WILLDAN FINANCIAL SERVICES	LFA-ARBITRAGE REBATE SVCS 1997 SERIES A & B BONDS	1,350.00	991 4240962	1,350.00
7414609	03527	L A CO FIRE DEPT	FIRE IMPCT FEE-20/21 1ST QTR	403,916.55	101 2174000	424,152.04
					101 3501100	1,023.28
					101 3614100	(21,258.77)
				<u>403,916.55</u>		<u>403,916.55</u>
7414610	A8656	KIMLEY-HORN & ASSOCIATES INC	PROGRAM MGMT-AVE K INTERCHANGE	4,775.00	210 15BR004924	4,775.00

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			PROGRAM MGMT-AVE M INTERCHANGE	5,762.50	210 15BR005924	5,762.50
			PROGRAM MGMT-AVE J INTERCHANGE	12,464.62	210 15BR007924	12,464.62
			PROGRAM MGMT-AVE L INTERCHANGE	1,755.00	210 15BR008924	1,755.00
			CP20005-AVE J-PS&E	33,456.28	210 15BR007924	9,249.83
					210 15BR007924	24,206.45
			CP21005-AVE M PS&E	8,203.60	210 15BR005924	8,203.60
			CP16008/21014	42,822.38	211 15SW016924	40,727.50
					232 15SW016924	2,094.88
			CP15001-AVE L PA & ED	98,929.74	210 15BR008924	98,929.74
				<u>208,169.12</u>		<u>208,169.12</u>
7414611	1916	STRADLING, YOCCA, CARLSON, RAUTH	08/20-LEGAL SERVICES	94,586.15	101 4100303	20.00
					101 4100303	234.40
					101 4100303	468.80
					101 4100303	673.90
					101 4100303	849.70
					101 4100303	1,177.20
					101 4100303	1,230.60
					101 4100303	1,611.50
					101 4100303	1,885.60
					101 4100303	2,920.00
					101 4100303	4,770.10
					101 4100303	6,397.90
					101 4100303	7,500.00
					101 4100303	64,846.45
				<u>94,586.15</u>		<u>94,586.15</u>
7414612	09665	TERRACARE ASSOCIATES, LLC	STUMP REMOVAL(13)	1,140.00	203 4636404	1,140.00
			09/20-LMD-MONTHLY MAINTENANCE	52,463.36	482 4636402	52,463.36
			09/20-PARKS MONTHLY MAINT	36,266.00	101 4631402	15,543.00
					101 4632402	956.00
					101 4634402	9,643.00
					101 4635402	10,124.00
			09/20-PERIMETER AREAS MTNC	16,665.29	203 4636264	16,665.29
			09/20-BP-MONTHLY MAINTENANCE	2,969.14	482 4636401	2,969.14
				<u>109,503.79</u>		<u>109,503.79</u>
Chk Count						<u>228</u>
				Check Report Total		<u>3,289,673.48</u>

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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
101010741	09509	ADP, LLC	ADP FEES-PE 08/31/2020	65.92	101 4220301	65.92
101010742	08374	CALRECYCLING, ACCOUNTING	OPP9-18-0099 REIMB OIL CHG KIT	15,567.00	101 4755355	15,567.00
101010743	A7515	U S BANK	DEBT SVC DUE 10/15/20	1,280,733.98	101 4999701 203 4999701 212 4999701 227 4999701 480 4999701 482 4999701 484 4999701 486 4250981 486 4250982 490 4999701 701 3990101 701 3990203 701 3990212 701 3990227 701 3990480 701 3990482 701 3990484 701 3990490 701 4430978	137,208.88 8,758.01 67,144.76 14,596.69 8,758.01 37,951.39 8,758.01 570,000.00 418,800.22 8,758.01 (137,208.88) (8,758.01) (67,144.76) (14,596.69) (8,758.01) (37,951.39) (8,758.01) (8,758.01) 291,933.76
				1,280,733.98		1,280,733.98
101010744	C9589	U S BANK CORP PAYMENT SYSTEMS	10/12/20-CALCARD STATEMENT	46,280.92	101 2601000	46,280.92
101010745	07101	CALPINE ENERGY SOLUTIONS LLC	09/20-RESOURCE ADEQUACY PRCRD	24,750.00	490 4250653	24,750.00
101010746	08916	TENASKA POWER SERVICES CO	09/20-LCE-CARBON FREE ENERGY	49,246.60	490 4250653	49,246.60
101010747	09015	POWEREX CORP	09/20-RA DELIVERY	225,000.00	490 4250653	225,000.00
101010748	1973	CA DEPT OF TAX/FEE ADMINISTR TN	SALES & USE TAX FY 19/20	18,440.00	101 2175000 101 2175000	8,686.00 9,754.00
				18,440.00		18,440.00
Chk Count					Check Report Total	1,660,084.42
						8

STAFF REPORT
City of Lancaster

CC 3
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Sewer Collection System Annual Report for Fiscal Year 2019-2020

Recommendation:

Accept the Sanitary Sewer Collection System Annual Report for Fiscal Year 2019-2020.

Fiscal Impact:

None.

Background:

The City of Lancaster assumed responsibility for the operation and maintenance of its sanitary sewer system from the County of Los Angeles Consolidated Sewer Maintenance District (CSMD) on July 1, 2008, believing that local control of the system was in the best interest of its residents. The production of an annual report is one of the performance measures approved by City Council in the Fiscal Year 2011-2012 Program and Financial Plan. The following objectives were achieved by the Development Services Department, Utilities Services Division, for Fiscal Year 2019-2020:

- Providing for the health and safety of the citizens of Lancaster through proper maintenance of the sewer collection system.
- Responding to and reporting all public Sanitary Sewer Overflows (SSOs) in accordance with waste discharge requirements mandated by the State of California. Of note, the 2019-2020 reporting year is the second year in which the City's Utilities Services Division achieved zero overflows.
- Responding to resident complaints in compliance with the City's Stand-by Policy as stated in the MOU between the City and the Local 911 Employees Union.
- Training staff to California Water Environment Association (CWEA) Sewer Collection System Technician Certification requirements.
- Preparation of the city-wide Sanitary Sewer Collection System Annual Report for Fiscal Year 2019-2020.

The attached Sewer Collection System Annual Report provides detailed information regarding the system's growth and characteristics over the past year, and outlines the accomplishments of the Development Services Department, Utilities Services Division regarding operations and maintenance of the City's sewer system.

JW/df

Attachment:

Sewer Collection System Annual Report for Fiscal Year 2019-2020

SEWER COLLECTION SYSTEM ANNUAL REPORT

2019/2020

City of Lancaster



A report of the history, current assessment, budget, activities, and the achievements of the Lancaster, California Sewer Collection System in Fiscal Year 2019/2020.

Sewer Collection System Annual Report

LANCASTER, CALIFORNIA 2019/2020

System Overview

A Sanitary Sewer Collection System is a series of pipes, manholes, and lift stations that convey wastewater from homes and businesses to a treatment plant. The City of Lancaster's (City) sanitary sewer collection system consists of a network of 433 miles of sewer lines, 9,162 sewer manholes, and one sewer lift station. This information is obtained from data input into the City's Geographic Information System. The oldest sewer pipes in the City were installed in 1947 with a resultant average age of 36 years old. The estimated value of the sewer collection system is in excess of 300 million dollars.

City of Lancaster Sanitary Sewer System Collection History

The City assumed responsibility for the operation and maintenance of its sanitary sewer system from the County of Los Angeles Consolidated Sewer Maintenance District on July 1, 2008. At that time the City formed Utility Services, a Section of the Public Works Division with the primary goal of properly managing, operating, and planning for the system to ensure it is a valuable asset for many years to come. With the goal of reducing the number of sewer overflows and to develop a program for the sustainability of

the system, the City worked with the State and County Sanitation District to develop a maintenance program which would systematically clean and inspect the sewer pipes, visually and with cameras. Additionally, a program was developed to reduce the amount of harmful materials being discharged into the system. With these efforts, the number of overflows have been greatly reduced and staff believes there is a reliable plan in place to prolong the life of and manage the orderly growth of the sewer system.

DID YOU KNOW?

SANITARY SEWER MANHOLES IN THE CITY OF LANCASTER VARY IN DEPTH FROM 8 FEET TO UP TO 23 FEET. THAT'S OVER TWO STORIES DEEP!

Sanitary Sewer Overflow

A collection system's greatest concern is a sanitary sewer overflow (SSO); this is when a pipe becomes clogged and raw sewage wastewater flows up and out of a manhole. SSOs are typically caused by roots growing into the pipes or a buildup of grease. Before the City maintained the system, the City suffered 20 or more SSOs every year. Currently, the City averages zero per year.

Maintenance Program

Cleaning

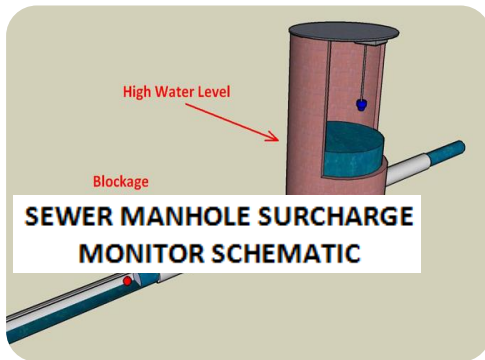
Cleaning consists of pipe flushing and root removal. Field staff cleans system pipes regularly using a hydrojet, a high-pressure jetting system which utilizes water and an optional vacuum to remove debris. This removes grease buildup as well as minor roots and debris to enable the wastewater to flow freely through the pipes. Blocked wastewater causes odors, SSOs, and damage to pipes. The objective of sewer pipe cleaning is to prevent future blockages of the sewer system. Roots are also removed by a mechanical cutting rodder or treated with environmentally safe foam. The majority of the maintenance budget is spent on these procedures.



Inspections

Waiting for damage or blockages to present themselves is an expensive maintenance strategy. Therefore, staff follows a strict inspection schedule to identify problems before they result in SSOs or expensive repairs. The City owns a closed circuit television (CCTV) truck from which an operator sends a camera on a small-wheeled vehicle through the sewer lines. It is controlled remotely from the truck and the video is stored for further analysis. Blockages, roots, cracks, and damaged pipes are located and cleaning or repair is scheduled. CCTV provides staff an additional resource which enhances the planning of maintenance and repair programs.

When a system pipe is blocked, wastewater will slowly rise and fill a manhole. Locations have been identified where blockages are common and field staff visually inspect these manholes on a regular basis to proactively monitor for impending overflows. Additionally, surcharge monitors have been installed in selected manholes; these monitors contain sensors on the underside of the manhole cover to measure water levels and will issue alerts of elevated flow levels so that corrective action can be taken before an overflow occurs. This prevents costly and messy sewer overflows. Surcharge monitors are currently installed at ten locations throughout the City which had previously experienced sewer overflows.

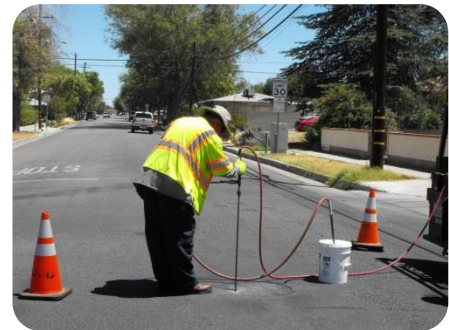


WOULD YOU BELIEVE?

SOME CITY SANITARY SEWER LINES ARE UP TO 30 INCHES IN DIAMETER; ENOUGH TO ACCOMMODATE 52 MILLION TOILET FLUSHES PER DAY!

Vermin Abatement

The City maintains a vermin abatement program within sewer manholes. The product used to treat manholes for roaches is called Zone Defense (boric acid). Boric acid, or Boron, is used in many household products and is safe for humans, unless ingested in large quantities. The product is applied by trained professionals using compressed air with a high pressure hose to spread the product inside of the manhole. The product is pulled from the container and blown through the vent hole in the manhole lid to produce a dusting of powder throughout the manhole. A six-month follow-up inspection of the manhole is performed to evaluate the treatment. If necessary, the manhole is re-treated to eliminate vermin.



Prevention Program

Fats, Oils, and Grease (FOG)

Keeping harmful substances from entering the sewer is much easier than trying to get them out. Fats, Oils, and Grease are harmful to sewers and feed the bacteria that create hydrogen sulfide gas. Hydrogen sulfide causes a "rotten egg" smell, is a health risk, and deteriorates sewer pipes. FOG build up in pipes creates blockages and leads to blockages and SSOs.

Food service establishments (restaurants, cafeterias, etc.) produce a significant amount of FOG. Lancaster is one of many cities that work with restaurants to reduce the amount of FOG sent down the drain. All food service establishments are required to apply for a FATS, OILS, AND GREASE (FOG) WASTEWATER DISCHARGE PERMIT prior to commencing operation and to submit to no less than an annual inspection by a FOG inspector. Under the regulations of the FOG discharge permit, a business must maintain best management practices to prevent FOG discharge, including scraping and dry wiping of pans and dishes into the trash before being washed, and maintain a grease removal device, such as a grease interceptor or trap. Staff regularly engages with the community to educate residents and business owners on how to best reduce their FOG impact on the sewer system.



Industrial Waste Water Discharge

Some businesses in the community manufacture or generate harmful chemicals that pose a health risk and damage sewer pipes, if not properly disposed of or treated. Utility Service staff is evaluating the creation of a program to help businesses identify their hazards and ensure they are mitigated.

Capital Improvements

A capital improvement program is employed to plan for affordable improvements instead of expensive emergency repairs. With an investment as large as the City's sewer system, financial reserves and good planning are crucial.

As sewer pipes age or are exposed to chemicals, they can wear, crack, or collapse resulting in wastewater flowing out, and ground water seeping into the pipe. Once the sites in need of repair or replacement have been identified, staff develops a plan to fix them in the most cost effective manner. New methods such as cured in place lining using trenchless technology to rehabilitate pipes, are proving to be an economical alternative to digging up streets and installing new pipe. The City is utilizing these and other cutting-edge techniques to stretch the capital budget. Trucks, equipment, and pumps require regular overhauls or replacement in order to remain efficient and effective; staff has developed, and is constantly enhancing, the long-term capital improvement program to ensure that major expenses are identified early and financial reserves are established.

Staffing

The Utility Services Section currently consists of a staff of 30, including the Senior Manager, Supervisor, Management Analyst, Senior Engineering Technician, Specialist II, Environmental Compliance Officer, Senior Specialist, Specialist I, three Maintenance Aides, two Lead Maintenance Workers, seven Maintenance Worker IIs and seven Maintenance Worker Is, Administrative Assistant, Clerk Aide/Typist, Administrative Trainee.

Training

Staff holds memberships in the following organizations -

- National Association of Sewer Service Companies, Inc. (NASSCO),
- Water Environment Federation (WEF),
- American Water Works Association (AWWA),
- California Water & Environment Association (CWEA),
- American Public Works Association (APWA),
- Association for GIS Professionals (URISA).

These organizations provide training and certification to ensure staff is able to safely and proficiently maintain the system. In fiscal year 2019/2020, staff members received 3 new certifications and 8 re-certifications.

Conclusion

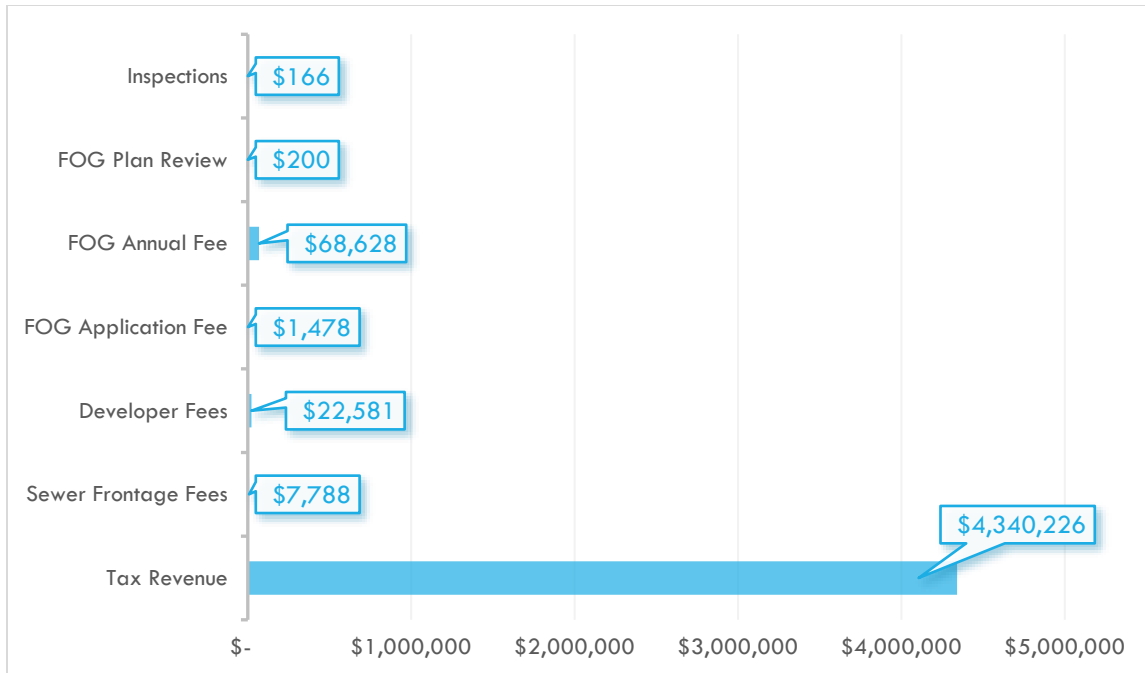
As staff reviews the past year's performance of the sewer system, the maintenance, investigation, and prevention programs are proving to continue to be successful. Expansion of preventive programs, specifically community outreach and the FOG program, are continuing to be evaluated and will be implemented as they are developed. Additionally, new asset management software systems are beginning to roll out and will aid in the scheduling and tracking of maintenance in order to ensure a complete, system-wide approach. The capital improvement program provides assurance that our system will be successful for future generations and is constantly being evaluated and updated with the most current and urgent needs. The staff of the Utility Services Section is proud to provide such a vital service to the residents and businesses of the community and will continue to remain proactive in order to safeguard one of the City's major assets.

YOU CAN HELP:

NEVER POUR GREASE DOWN THE DRAIN. PUT IT IN A CAN OR SOAK IT UP IN A PAPER TOWEL AND PUT IT INTO THE TRASH OR SAVE YOUR GREASE & DELIVER TO CITY MAINTENANCE YARD AT 615 W. AVENUE H, FOR RECYCLING.

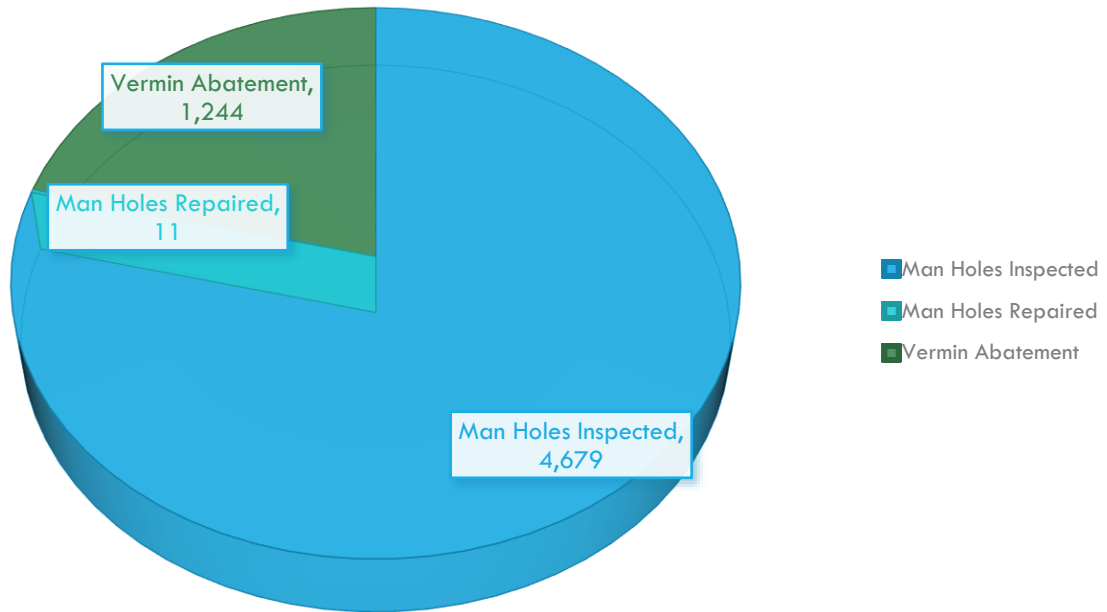
2019/2020 Annual Sewer District Revenue Sources

The City collects sewer fees from a variety of sources; however, the overwhelming majority of revenue comes from property owners whose properties are connected to the sewer system. As shown in the exhibit below, the City collects over \$4.3 million in sewer charges; these funds are used for the care of the system and the specialized equipment required to properly clean and inspect the asset.

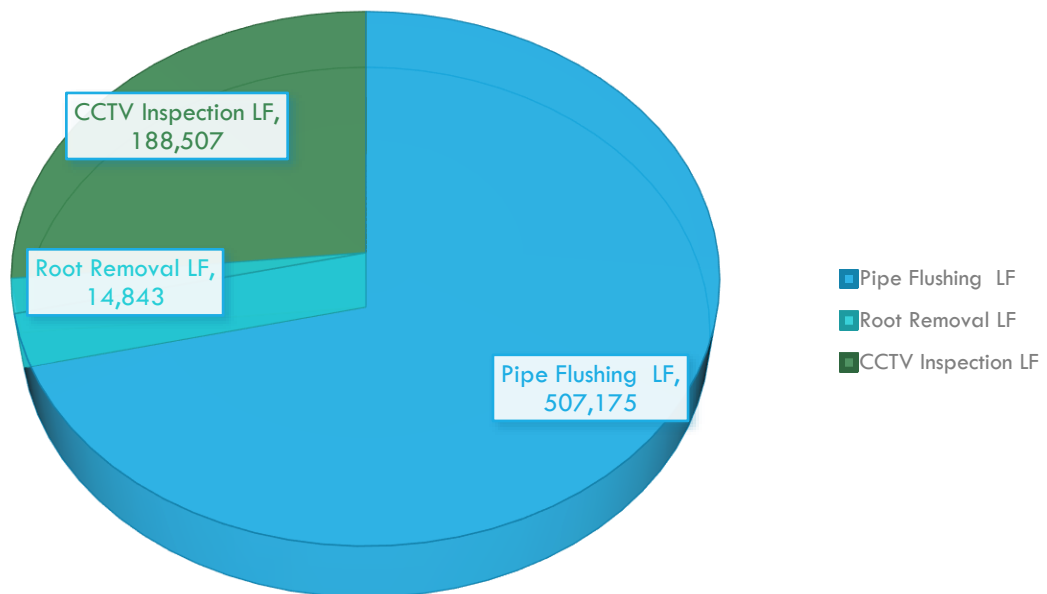


2019/2020 Annual Sewer Maintenance Activity at a Glance

MAN HOLE ACTIVITY



PIPELINE ACTIVITY, LINEAR FEET



Sewer System Performance Review

Sewer System Performance	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
<u>Pipe Cleaning:</u>						
Pipe Flushing	257,242 LF or 48.7 Miles	313,117 LF or 59.3 Miles	432,498 LF or 81.9 Miles	445,914 LF or 84.45 Miles	463,198 LF or 87.73 Miles	507,175 LF or 96.06 Miles
Root Removal	117,296 LF or 22.2 Miles	39,380 LF or 7.46 Miles	29,439 LF or 5.56 Miles	8,555 LF or 1.62 Miles	8,397 LF or 1.59 Miles	14,843 LF or 2.81 Miles
<u>Closed-Circuit TV Inspection:</u>	85,834 LF or 16.3 Miles	55,095 LF or 10.43 Miles	33,911 LF or 6.42 Miles	58,395 LF or 11.06 Miles	52,847 LF or 10.01 Miles	188,507 LF or 35.70 Miles
<u>Manholes:</u>						
Inspected	2,127	2,318	1,306	1,489	2,909	4,679
Repaired	30	10	1	0	4	11
Vermin Abatement	233	352	592	525	1,560	1,244
<u>Sewer Overflow (SSOs):</u>	4	4	3	0	2	0
Annual SSO Rate (SSO/100 miles of pipe)	0.93	0.93	0.69	0	0.47	0
Portion of SSO Runoff Contained	32%	98%	100%	N/A	51%	N/A
<u>Main SSO Causes</u>						
Grease	75%	80%	15%	N/A	0%	0%
Roots	0%	10%	15%	N/A	0%	0%
Other (Vandalism, etc.)	25%	10%	70%	N/A	100%	N/A

STAFF REPORT
City of Lancaster

CC 4
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Final Map Approval – Tract Map No. 62578-01 (Located on the Northwest Corner of 40th Street West and Avenue J-12)

Recommendation:

Approve the map and accept the dedications as offered on the map for Tract Map No. 62578-01; make findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1, and 66474.6 of the Subdivision Map Act; and instruct the City Clerk to endorse on the face of the map the certificate, which embodies the approval of said map and the dedications shown thereon.

Fiscal Impact:

None.

Background:

On November 16, 2015, the Planning Commission approved Tentative Tract Map No. 62578. The Final Map is in substantial conformance with the approved tentative map. Tract Map No. 62578-01 has been examined by the City Surveyor, and is ready for Council approval. In addition, an Undertaking Agreement and improvement securities have been submitted to guarantee the installation of improvements.

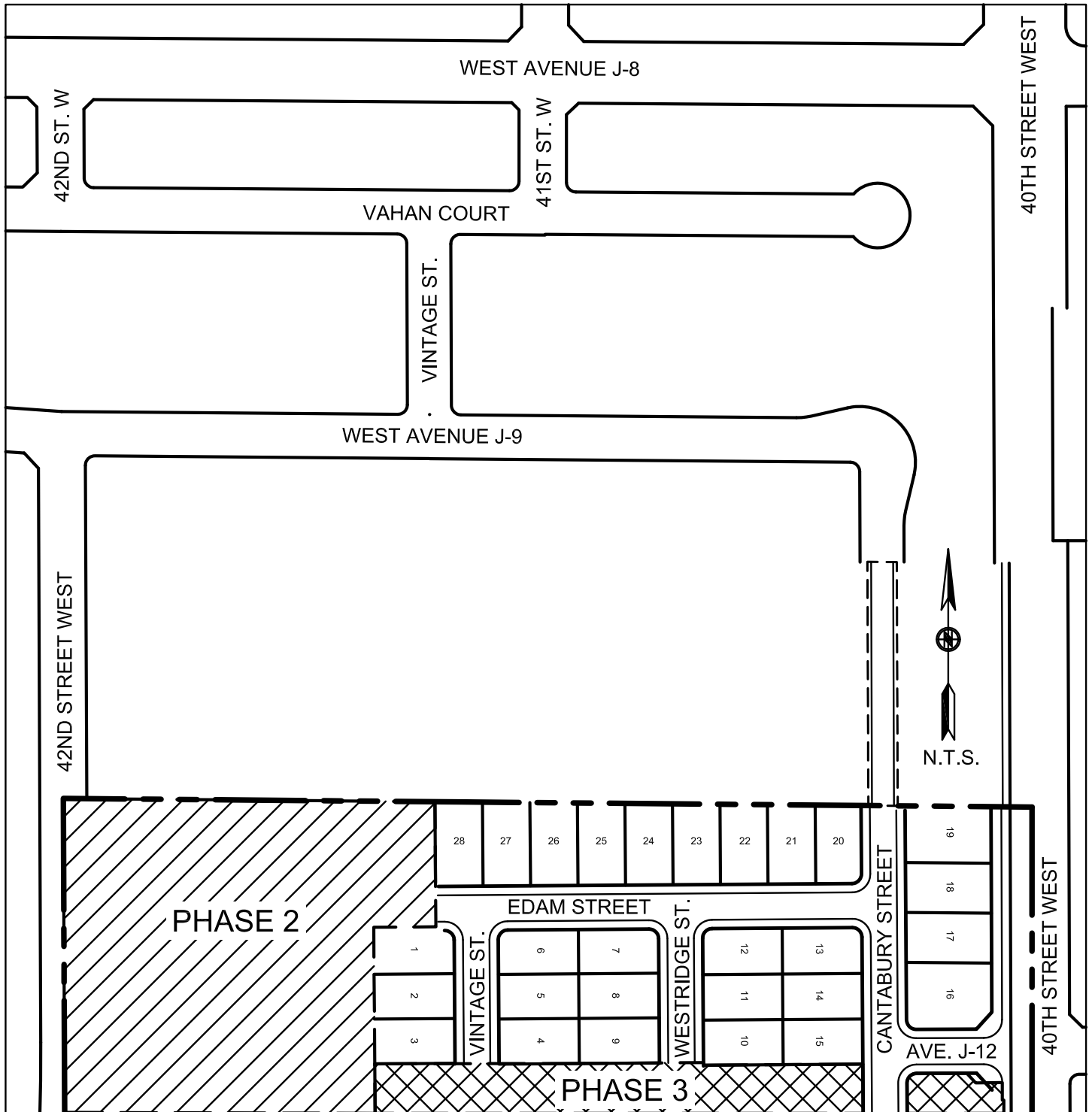
JF:gb

Attachment:

Vicinity Map

TR 62578-01 VICINITY MAP

LANCASTER, CA



STAFF REPORT
City of Lancaster

CC 5
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Vacate and Abandon Certain Portions of Street Right-Of-Way Named W. Avenue H-11 and Towne Center Court Located within Tract Map 51836

Recommendation:

Adopt **Resolution No. 20-58** , to summarily vacate and abandon certain portions of street right-of-way named W. Avenue H-11 and Towne Center Court located within Tract Map 51836.

Fiscal Impact:

None.

Background:

In 1996, the City of Lancaster accepted street right-of-way dedicated on Final Tract Map 51836 recorded in the county of Los Angeles, State of California. Two of the streets within that Tract named W. Avenue H-11 and Towne Center Court have never been constructed, and the lots surrounding the streets have been approved to be merged through Lot Line Adjustment 19-15; therefore, these streets would serve no function, and have been conditioned to be vacated as part of the lot line adjustment.

This street right-of-way may be abandoned through a summary vacation process according to the Streets and Highways Code Sections 8330 to 8336, because the right-of-way has not been improved for vehicular traffic for more than five years, and no public funds have ever been expended for maintenance over the subject portion of the street right-of-way.

AT:gb

Attachment:

Resolution No. 20-58

RESOLUTION NO. 20-58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, SUMMARILY VACATE AND ABANDON CERTAIN PORTIONS OF STREET RIGHT-OF-WAY NAMED W, AVENUE H-11 AND TOWNE CENTER COURT LOCATED WITHIN TRACT MAP 51836

WHEREAS, in 1996, the City of Lancaster accepted Street right-of-way dedicated on Final Tract Map 51836 recorded in the county of Los Angeles, State of California.

WHEREAS, on December 23, 2019, the City of Lancaster Development Services Department - Community Development Division approved Lot Line Adjustment No. 19-15, which conditioned the vacation of excess street right-of-way described in Exhibit "A" and shown on Exhibit "B".

WHEREAS, Section 8331 of the Streets and Highways Code states "The legislative body of a local agency may summarily vacate a street or highway if both of the following conditions exist: (a) for a period of five consecutive years, the street or highway has been impassable for vehicular travel; (b) no public money was expended for maintenance on the street or highway during such period."

WHEREAS, the street has never been improved for vehicular traffic, and no public funds have ever been expended for maintenance over the subject portions of street right-of-way, and due to the planned development's merger of the lots surrounding W. Avenue H-11 and Towne Center Court, the street right-of-way, as described in Exhibit "A" and shown in Exhibit "B", is determined to be excess and not required for public road and highway purposes.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, THAT:

Section 1. The Public interest, convenience, and necessity so requiring, the City of Lancaster summarily vacates the said portions of street right-of-way more particularly described in Exhibit "A" and shown on Exhibit "B" attached hereto and by reference made a part hereof.

Section 2. Said summary vacation has been duly recommended for approval based on the fact that the said portions of street right-of-way is not required for public access.

Section 3. It is ordered, the said portions of street right-of-way is abandoned by summary vacation pursuant to the California Streets and Highways Code Division 9, Part 3, Chapter 4, commencing with Section 8330, the provisions of which have been fully and completely complied with. Said portions of street right-of-way described in Exhibit "A" and shown on Exhibit "B" is hereby terminated, abandoned, and summarily vacated upon recordation of this resolution, from and after the date of recordation, said portions of street right-of-way is considered vacated and abandon and no longer constitutes street right-of-way.

Section 4. The City Clerk is hereby authorized and directed to record at the County of Los Angeles Records Office this resolution, including Exhibit "A" and "B" attached hereto.

PASSED, APPROVED, and ADOPTED this 10th day of November, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California,
do hereby certify that this is a true and correct copy of the original Resolution No. 20-58, for
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____
day of _____, 2020.

(seal)

AVENUE H-11 AS SHOWN ON TRACT MAP 51836 IN THE CITY OF LANCASTER RECORDED IN MAP BOOK 1220 PAGES 25 AND 26 IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER LYING WESTERLY OF A LINE PARALLEL WITH AND 40 FEET WEST OF THE CENTERLINE OF TREVOR AVENUE AS SHOWN ON SAID MAP.

TOGETHER WITH; THAT PORTION OF TOWNE CENTER COURT AS SHOWN ON SAID MAP WHICH LIES SOUTHERLY OF THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 11 AS SHOWN ON SAID MAP.

ALSO SHOWN ON EXHIBIT B ATTACHED HERETO AND MADE A PART HEREOF

 09/03/20
KARL MALLICK LS7822



CITY OF LANCASTER

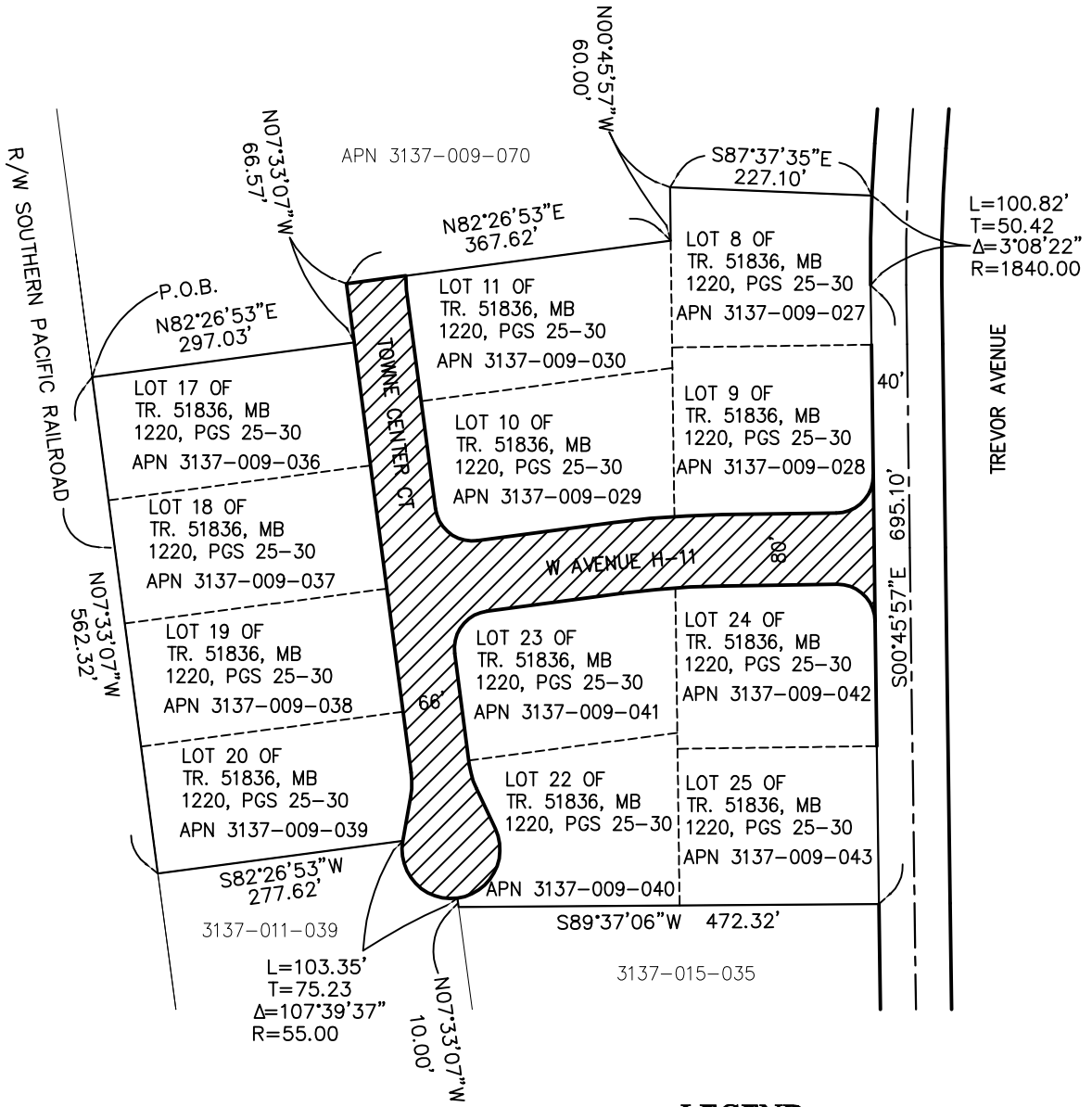


44732 YUCCA AVENUE
LANCASTER, CA 93534

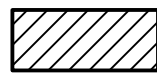
TITLE:
VACATION RESOLUTION

EXHIBIT "A"

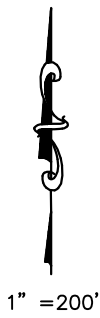
SHEET:
2 OF 3



LEGEND:



STREET VACATION AREA



THE USE OF ASSESSOR'S PARCEL NUMBERS IS LIMITED TO REFERENCE OF PARCELS ONLY, AND CANNOT BE USED FOR LEGAL DESCRIPTION PURPOSES. REVENUE AND TAXATION CODE SECTION 327.

THIS PLAT IS FOR REFERENCE ONLY, NOT FOR THE PURPOSE OF SURVEYING.



CITY OF LANCASTER



TITLE:
VACATION RESOLUTION

EXHIBIT "B "

SHEET:
3 OF 3

STAFF REPORT
City of Lancaster

CC 6
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Vacate Offers to Dedicate Road Right-of-Way in the Vicinity of Avenue J-6 & 97th Street West

Recommendation:

Adopt **Resolution No. 20-59** , declaring its intention to summarily vacate and abandon certain offers to dedicate road right-of-way in the vicinity of Avenue J-6 and 97th Street West.

Fiscal Impact:

None.

Background:

In 1980, the County of Los Angeles (County) was offered street rights-of-way on Tract Map 39252 recorded in Map Book 981 pages 65 through 81 in the office of the Recorder of the County of Los Angeles, State of California. Since such time, the City has taken jurisdiction of said properties and has the right to accept said offers. sPower Development Company, LLC, a Delaware limited liability company (Developer) intends to develop the sites.

As part of the approval to develop said sites under Conditional Use Permit No. 15-09c, the Developer is conditioned to dedicate certain streets deemed necessary for public use to current City standards that supersede the existing offers of dedication. Through Section 66477.2(c) of the California Government Code, the offers of dedication may be terminated and abandoned; and per Streets and Highways Code Sections 8330 to 8336, the easements can be summarily vacated if the easements have not been used, if there is not a foreseeable need, and if the easements can be considered excess and abandoned.

AT:gb

Attachment:

Resolution No. 20-59

RESOLUTION NO. 20-59

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DECLARING ITS INTENTION TO SUMMARILY VACATE AND ABANDON CERTAIN OFFERS TO DEDICATE ROAD RIGHT-OF-WAY IN THE VICINITY OF AVENUE J-6 AND 97TH STREET WEST

WHEREAS, the City of Lancaster is holder of an offer to dedicate road rights-of-way through Tract Map No. 39252 recorded in Map Book 981 pages 65 through 81 in the office of the Recorder of the County of Los Angeles, State of California; and

WHEREAS, on June 15, 2020, the City of Lancaster Planning Commission approved Conditional Use Permit No. 15-09c, which set the conditions to dedicate Easements for new configuration of said subject streets; and

WHEREAS, the street easements offered have never been accepted, the road has never been improved for vehicular traffic, no public funds have ever been expended for maintenance, and due to the planned development and dedication of new street easements through Conditional Use Permit No. 15-09c, those particular easements offered Tract Map No. 39252, as described in Exhibit A and shown on Exhibit B, are determined to be excess and not required for public road and highway purposes.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, THAT:

Section 1. The Public interest, convenience, and necessity so requiring, it is the intention of the City of Lancaster to summarily vacate the offers of road right-of-way more particularly described in Exhibit "A" and shown on Exhibit "B" attached hereto and by reference made a part hereof.

Section 2. Said summary vacation of offers has been duly recommended for approval based on the fact that the offer of road right-of-way is not required for public access, and the offers have not been used for their intended purposes for more than twenty-five (25) years; therefore, the subject summary vacation is not objectionable.

Section 3. It is ordered the offers shall be abandoned by summary vacation pursuant to the California Government Code Section 66477.2(c) and the California Streets and Highways Code Division 9, Part 3, Chapter 4, commencing with Section 8330, the provisions of which have been fully and completely complied with. Said offers of easements described in Exhibit "A" and shown on Exhibit "B" are hereby terminated, abandoned, and summarily vacated upon recordation of this resolution, and after recordation, said offers are considered vacated and abandon.

Section 4. The City Clerk is hereby authorized and directed to record, at the County of Los Angeles Recorders Office, this resolution, including Exhibits "A" and "B" attached hereto.

Resolution No.

Page 2

PASSED, APPROVED, and ADOPTED this _____, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California,
do hereby certify that this is a true and correct copy of the original Resolution No. _____, for
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____
day of _____, 2020.

(seal)

EXHIBIT "A"

PORTIONS OF TRACT NO. 39252, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 981, PAGES 65 THRU 81, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF AVENUE J-6 WITHIN LOT 35 OF SAID TRACT.

THOSE PORTIONS OF 97TH STREET WEST WITHIN LOT 35 OF SAID TRACT.

THOSE PORTIONS OF 98TH STREET WEST WITHIN LOT 45 OF SAID TRACT.



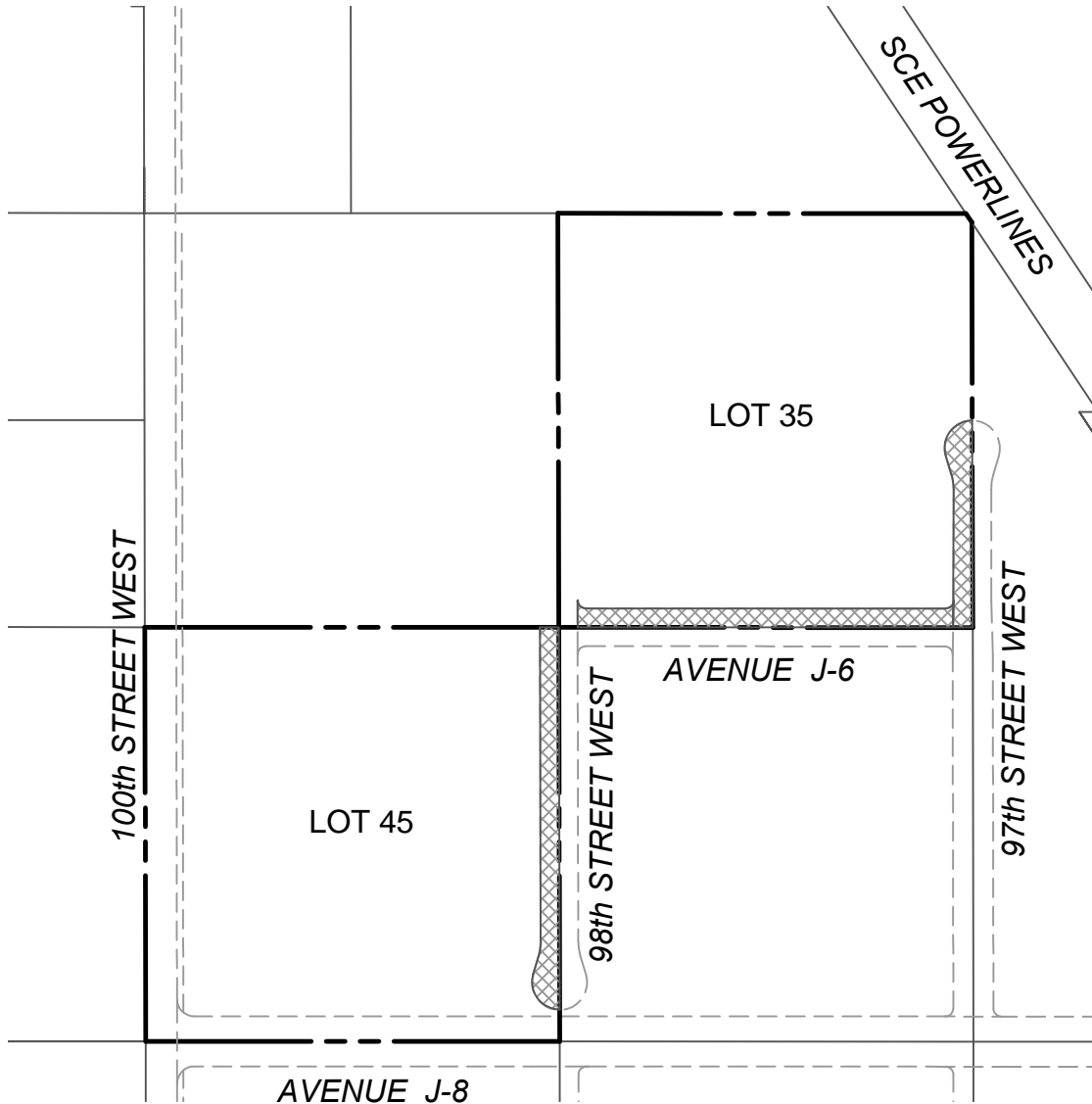
CITY OF LANCASTER

CITY OF LANCASTER
44933 N. FERN AVENUE
LANCASTER, CA 93534


TITLE:
SUMMARY VACATION
APN 3203-034-23 & 31

EXHIBIT "A"

EXHIBIT "B"



N.T.S.

 INDICATES SUMMARY VACATION



CITY OF LANCASTER

CITY OF LANCASTER
44933 N. FERN AVENUE
LANCASTER, CA 93534

TITLE:
SUMMARY VACATION
APN 3203-034-23 & 31

EXHIBIT "B"

STAFF REPORT
City of Lancaster

CC 7
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Award of Bid – Public Works Construction Project No. 17-013 Intersection of Avenue I at 60th Street West, HSIPL-5419(056)

Recommendation:

Award Public Works Construction Project No. 17-013, Intersection of Avenue I at 60th Street West, HSIPL-5419(056), to California Professional Engineering, Inc., of La Puente, California, in the amount of \$173,654.00 plus a 10% contingency, to modify the existing traffic signal to provide east/west protected left-turn phasing, and to install advance signal ahead signs and flashing LED sign assemblies. Authorize the City Manager, or his designee, to sign all documents. This contract is awarded to the lowest responsible bidder per California Public Code Section 22038 (b).

Fiscal Impact:

\$191,019.40 (including 10% contingency) to be awarded; sufficient funds are available in Capital Improvements Budget Account Numbers 232-16ST030-924 and 399-16ST030-924.

Background:

The proposed project at the intersection of Avenue I and 60th Street West includes modification of an existing traffic signal to provide east/west protected left-turn phasing, installation of advance signal ahead signs and flashing LED sign assemblies, and installation of advanced street surface warning devices to improve the safety at the intersection.

This project is primarily funded with Highway Safety Improvement Program (HSIP) grant funds for Construction Engineering and Construction.

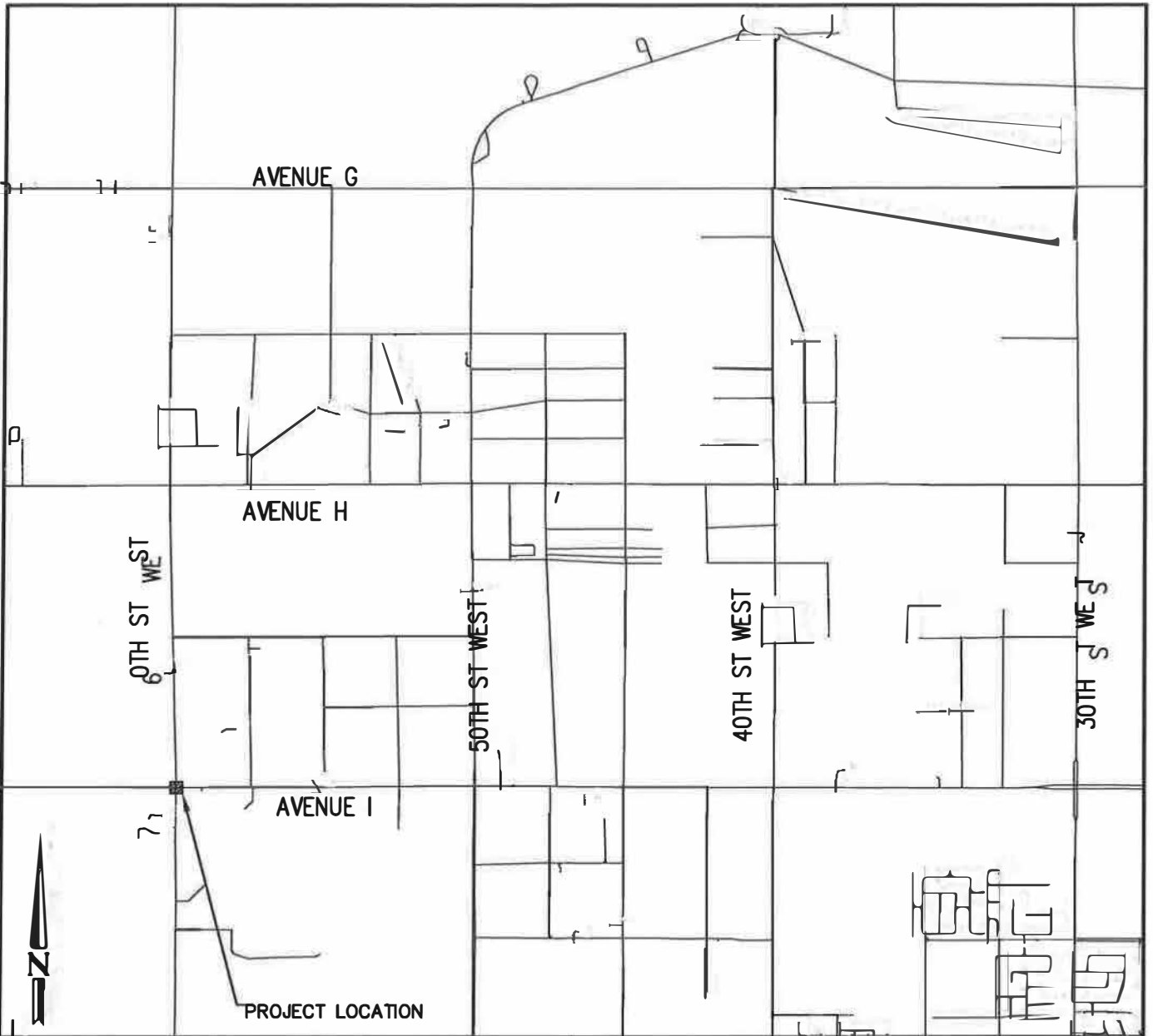
On October 13, 2020, at 11:00 a.m., the City conducted an electronic bid opening for Public Works Construction Project No. 17-013 via PlanetBids. Four (4) electronic bids were received. Of those four (4) electronic bids, four (4) had accompanying sealed bid bonds. The bids were as follows:

	Contractor	City	Bid Amount
1.	California Professional Engineering, Inc.	La Puente, CA	\$ 173,654.00
2.	DBX, Inc.	Temecula, CA	\$ 178,386.00
3.	Taft Electric Company	Ventura, CA	\$ 179,622.00
4.	Comet Electric, Inc.	Chatsworth, CA	\$ 228,433.00
	Engineer's Estimate		\$ 159,000.00

VZ:gb

Attachment:
Vicinity Map

PWCP 17-013 - INTERSECTION OF AVENUE I AT 60TH STREET WEST



Federal Grant No. HSIPL-5419(056)

CITY OF LANCASTER

VICINITY MAP
PROPOSED IMPROVEMENTS AT
AVENUE I AND 60TH STREET WEST

Scale: NTS
Sheet 1 of
1 Sheets

STAFF REPORT
City of Lancaster

CC 8
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: George Harris, Director of Finance

Subject: CDBG Subrecipient Agreement between the City of Lancaster and The People Concern to provide funding for Kensington Campus Infrastructure

Recommendation:

- a. Approve the CDBG Subrecipient Agreement between the City of Lancaster and The People Concern
- b. Appropriate \$150,000.00 from 2019/20 CDBG Program Year Funds
- c. Authorize the City Manager or designee to execute all contracts and associated documents, including subrecipient agreements, subject to City Attorney approval

Financial Impact:

None to the General Fund

Background:

On May 26, 2020, the City Council approved the Substantial Amendment to the 2019-2020 Community Development Block Grant (CDBG) Action Plan, in response to a thorough review of the proposed activities, consultation with Housing and Urban Development representatives, recognition of emerging City needs and the COVID-19 pandemic, enabling the City to be more responsive in meeting the needs of the community.

Additionally, part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136) funding to the U.S. Department of Housing and Urban Development (HUD) made available supplemental CDBG funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). By entitlement, the City of Lancaster received a special CDBG-CV allocation in the amount of \$874,303.00.

The Substantial Amendment to the 2019-2020 Community Development Grant (CDBG) Action plan provides for funds in the amount of \$150,000.00 be granted to The People Concern to help offset the costs of the Edison Electrical Connection for the Kensington Campus Phase 3 improvements. Excerpt from the above referenced action plan is shown below:

Proposed Substantial Amendment PY 19/20: Kensington Campus Infrastructure

HUD Matrix Code: 03C – Homeless Facilities
National Objective: Low-Mod Clientele (LMC)
Funding: \$150,000.00
Goals Supported: Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed: Construct / Upgrade Public Facilities / Infrastructure
Projected Start Date: 07/01/2019
Projected End Date: 06/30/2020
Location/Service Area Beneficiaries: Citywide – Kensington Campus
Description: Edison Utility Connections

Attachment:

1. CDBG Subrecipient Agreement between the City of Lancaster and The People Concern
2. Cares Act Substantial Amendment No. 1, Annual Action Plan, PY 2019-2020

CDBG SUBRECIPIENT AGREEMENT

This **CDBG SUBRECIPIENT AGREEMENT (Fair Housing Services)** (“Agreement”) is made and entered into as of July 1, 2019, by and between the **CITY OF LANCASTER**, a municipal corporation and charter city (“City”), and **THE PEOPLE CONCERN**, a California nonprofit public benefit corporation (“Subrecipient”).

R E C I T A L S

A. City has applied for and received (“CDBG Funds”) from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383, 42 U.S.C. Section 5301, *et seq.*, (as amended, the “HCD Act”), and the regulations promulgated thereunder at 24 CFR part 570 (“CDBG Regulations”; and, together with the HCD Act, the “CDBG Program”).

B. City wishes to engage the Subrecipient to assist the City in utilizing such CDBG Funds.

C. City has engaged Subrecipient to provide the Services described herein, or similar services, in the 2019/20 CDBG Program Year and prior years.

D. City and Subrecipient now desire to enter into this Agreement to provide for City to transfer CDBG Funds to Subrecipient to enable Subrecipient to perform the Services required by this Agreement, all in accordance with the CDBG Program.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

ARTICLE 1 SCOPE OF SERVICES

1.1 Statement of Work. Subrecipient agrees to provide infrastructure improvements as described in the Statement of Work, “Attachment “A”, attached hereto and by this reference made a part hereof. In connection with the scope of work, Subrecipient shall comply with all requirements of the HCD Act and all other requirements of this Agreement. In addition, Subrecipient shall perform in accordance with the Subrecipient Handbook for CDBG Funding (“Subrecipient Handbook”), which Subrecipient acknowledges it has received from City.

1.2 National Objectives. Subrecipient certifies that the proposed scope of work meets the National Objectives of the CDBG Program by benefiting a limited clientele, at least 51% of whom are low- and moderate-income persons, to 24 CFR 570.208(a)(2).

1.3 Levels of Accomplishment – Goals and Performance Measures. Subrecipient agrees to provide electrical infrastructure as required by the County of Los Angeles, at the Kensington Homeless Campus.

1.4 Performance Monitoring. City will monitor the performance of the Subrecipient against the goals and performance standards set forth above. From time to time, City shall be entitled to audit and review Subrecipient’s performance of the work in accordance with the terms hereof, and as may be otherwise appropriate to verify adequate performance of the work and compliance with the HCD Act and this Agreement. Substandard performance as determined by the City will constitute

noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the City, termination procedures will be initiated in accordance with Section 4.10.

ARTICLE 2 TIME OF PERFORMANCE

2.1 Term. Services of the Subrecipient shall start on the 1st day of July, 2020 and end on the 30th day of June, 2021 (“Term”). The Term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG Funds or other CDBG assets, including program income.

ARTICLE 3 BUDGET AND PAYMENTS

3.1 Budget. Subrecipient has submitted a budget to City for approval; a copy of the Subrecipient’s fiscal year 2020-2021 budget for the Services is attached as Attachment No. 1 (Scope of Work) and incorporated herein. Any amendments to the approved budget for the Services must be approved by the City’s Director of Finance or authorized designee (“Director”). In the event this Agreement is extended past the initial one-year Term, Subrecipient shall prepare and submit to the Director for approval annual budgets for each year during which this Agreement remains in effect. The City may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the City.

3.2 Payments. It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed \$150,000.00. Drawdowns for the payment of eligible expenses for work, shall be made based on the line item budget specified in Section 3.1 herein and in accordance with Subrecipient’s performance of the work. Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 24 CFR 84.21.

3.3 Requests for Payments. To receive each payment under this Agreement, Subrecipient shall submit to the City a Subrecipient Reimbursement Request in substantially the form included in the Subrecipient Handbook and such other and supporting documentation as may be requested by the City to verify Subrecipient’s performance of the Services for which the payment is requested.

3.4 Accounting. Subrecipient shall, upon request, provide City with an accounting report, in form and content reasonably satisfactory to City, of any funds disbursed by City pursuant to Section 3.2.

ARTICLE 4 GENERAL CONDITIONS

4.1 General Compliance. The Subrecipient agrees to comply with all CDBG Regulations, including subpart K thereof, except that (1) the Subrecipient does not assume the recipient’s environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient’s responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable federal, state and local laws,

regulations, and policies governing the funds provided under this Agreement. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

4.2 Independent Contractor. In performing under this Agreement, Subrecipient is and shall at all times be acting and performing as an independent contractor to City, performing its duties in accordance with its own judgment. City shall neither have nor exercise any control or direction over the methods by which Subrecipient performs its work and function nor shall City have the right to interfere with such freedom or action or prescribe rules or otherwise control or direct the manner in which such services are performed. The sole interest of the City in the Services performed by the Subrecipient is that such Services be performed in a legal, competent, efficient, and satisfactory manner. Nothing contained herein shall cause the relationship between the parties to this Agreement to be that of employer and employee. Subrecipient shall not have the authority to obligate City to any contract, obligation, or undertaking whatsoever and shall make no representation, either oral or in writing, except those expressly set forth in the materials provided by City.

4.3 Hold Harmless. The Subrecipient shall hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient’s performance or nonperformance of the services or subject matter called for in this Agreement.

4.4 Insurance.

A. Operator shall procure and maintain throughout the term of this Agreement the insurance coverages set forth below:

Commercial General Liability

Each Occurrence	\$2,000,000	
Per Project General Aggregate		\$5,000,000
Including Products/Completed Operations;	Contractual	
Liability/Independent Contractors; Property Damage		

(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)

Commercial Automobile Liability

Combined Single Limit per Accident for Bodily Injury and Property Damage	\$5,000,000
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(Coverage shall be at least as broad as ISO form CA00 01)

Workers Compensation

As Required by the State of California	Statutory Limits
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Employers’ Liability

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000

(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers' Liability policies)

Professional Liability

Each Occurrence	\$2,000,000
General Aggregate	\$4,000,000

B. Operator's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

C. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Operator's insurance and shall not contribute with it.

D. Operator shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days' written notice for non-payment) to the City of Lancaster.

(2) List in the "Descriptions of Operations/Locations/Vehicles" section:

"CDBG SUBRECIPIENT AGREEMENT The City of Lancaster, its elected officials, officers, employees and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned."

(3) List in the "Certificate Holder" section:

The City of Lancaster, 44933 Fern Avenue, Lancaster, California 93534.

4.5 City Recognition. The Subrecipient shall insure recognition of the role of the City in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

4.6 Notices. Any approval, disapproval, demand, document or other notice ("Notice") which any party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by reputable document delivery service such as

Federal Express that provides a receipt showing date and time of delivery, (iii) facsimile transmission, or (vi) mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below, or at any other address as that party may later designate by Notice. Service shall be deemed conclusively made at the time of service if personally served; upon confirmation of receipt if sent by facsimile transmission; the next business day if sent by overnight courier and receipt is confirmed by the signature of an agent or employee of the party served; the next business day after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by express mail; and three (3) days after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by certified mail.

Subrecipient: The People Concern
 2116 Arlington Avenue
 Los Angeles, California 90018
 Attn: Brian McCullom

City: City of Lancaster
 44933 North Fern Avenue
 Lancaster, California 93534
 Attn: Lisa Anderson

Such addresses may be changed by Notice to the other party(ies) given in the same manner as provided above.

4.7 Amendment and Waiver. This Agreement may be amended, modified, or supplemented only by a writing executed by each of the parties. Any party may in writing waive any provision of this Agreement to the extent such provision is for the benefit of the waiving party. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver by that party of its or any other party's compliance with any representations or warranties or with any provision of this Agreement. No waiver by any party of any provision of this Agreement shall be construed as a waiver of any subsequent or different breach, and no forbearance by a party to seek a remedy for non-compliance or breach by another party shall be construed as a waiver of any right or remedy with respect to such compliance or breach.

4.8 Entire Agreement. This Agreement (including all Attachments attached hereto) embodies the entire agreement and understanding between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations, representations, and discussions, whether verbal or written, of the parties pertaining to the subject matter.

4.9 Governing Law. The validity, construction, and performance of this Agreement shall be governed by the laws of the State of California.

4.10 Termination.

(a) Termination for Cause. In accordance with 24 CFR 85.43, the City may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

(i) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;

(ii) Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;

(iii) Ineffective or improper use of funds provided under this Agreement; or

(iv) Submission by the Subrecipient to the City reports that are incorrect or incomplete in any material respect.

(b) Termination for Convenience. In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the City or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the City determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the City may terminate the award in its entirety.

ARTICLE 5 ADMINISTRATIVE REQUIREMENTS

5.1 Financial Management.

(a) Accounting Standards. Subrecipient agrees to comply with 24 CFR 84.21 through 84.28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

(b) Cost Principles. Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations." These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

5.2 Documentation and Recordkeeping.

(a) Records to be maintained. Subrecipient shall maintain all records required by the federal regulations specified in 24 CFR 570.506, that are pertinent to the Services to be funded under this Agreement. Such records shall include but not be limited to:

(i) Records providing a full description of each activity undertaken;

(ii) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program, specifically including records documenting that at least 51% of the clientele served by Subrecipient under this Agreement are persons whose family income does not exceed the low and moderate income limit;

(iii) Records required to determine the eligibility of activities;

(iv) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;

(v) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;

(vi) Financial records as required by 24 CFR 570.502 and 24 CFR 84.21–28; and

(vii) Other records necessary to document compliance with the CDBG Program.

(b) Retention. The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the City’s annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then all pertinent records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

(c) Client Data. The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.

(d) Disclosure. The Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the City’s or Subrecipient’s responsibilities with respect to Services provided under this Agreement, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

(e) Close Outs. The Subrecipient’s obligation to the City shall not end until all close-out requirements are completed. Activities during the close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the City), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG Funds, including program income.

(f) Audits and Inspections. All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the City and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning Subrecipient audits and OMB Circular A-133.

5.3 Reporting and Payment Procedures.

(a) Program Income. The Subrecipient shall prepare and deliver to City monthly reports declaring all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG Funds made available under this Agreement. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the Term of this Agreement for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the City at the end of the Term of this Agreement. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the City.

(b) Payment Procedures. The City will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient, including the Subrecipient Reimbursement Request form required by the Subrecipient Handbook, and consistent with the approved budget and other pertinent City policies concerning payments. All payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the City reserves the right to liquidate funds available under this Agreement for costs incurred by the City on behalf of the Subrecipient.

(c) Quarterly Progress Reports. Subrecipient shall submit quarterly progress reports to the City on or before each April 15 (for January through March), July 15 (for April through June), October 15 (for July through September), and January 15 (for October through December) in the form, content, and frequency as required by the Subrecipient Handbook or as otherwise directed by City. Such reports shall include information regarding the income of individuals served by Subrecipient to satisfy the requirements of 24 CFR 570.208(a)(2)(B) and evidence satisfaction of the national objective set forth at 24 CFR 570.200(a)(2). Such reports shall describe Subrecipient's activities during the prior quarter.

5.4 Procurement.

(a) Compliance. The Subrecipient shall comply with current City policy (including as stated in the Subrecipient Handbook) concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All CDBG program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this Agreement.

(b) OMB Standards. Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40-48 and the Subrecipient Handbook.

(c) Travel. The Subrecipient shall obtain written approval from the City for any travel outside the metropolitan area with CDBG Funds provided under this Agreement.

5.5 Use and Reversion of Assets. The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

(a) The Subrecipient shall transfer to the City any CDBG Funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.

(b) In all cases in which equipment acquired, in whole or in part, with CDBG Funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to City for the CDBG Program or (b) retained after compensating the City an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment.

ARTICLE 6 PERSONNEL & PARTICIPANT CONDITIONS

6.1 Civil Rights.

(a) Compliance. The Subrecipient agrees to comply with the Lancaster Municipal Code, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*, Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

(b) Nondiscrimination. The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279 and the applicable non-discrimination provisions in Section 109 of the HCDA Act.

(c) Land Covenants. This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602.

(d) Section 504. The Subrecipient agrees to comply with all federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any federally assisted program.

6.2 Affirmative Action.

(a) Executive Order 11246. The Subrecipient agrees that it shall be committed to carry out pursuant to the City's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966.

(b) Women- and Minority-Owned Businesses (W/MBE). The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's

business enterprise” means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, “minority group members” are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

(c) Notifications. The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker’s representative of the Subrecipient’s commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement. The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

(e) Subcontract Provisions. The Subrecipient will include the provisions of Sections 6.1, Civil Rights, and 6.2, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

6.3 Employment Restrictions.

(a) Prohibited Activity. The Subrecipient is prohibited from using CDBG Funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

(b) Labor Standard. The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

(c) Prevailing Wage. The Subrecipient agrees that, to the extent applicable, all contractors engaged under contracts for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement shall comply with the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 and California Labor Code Section 1720, *et seq.* governing the payment of wages and ratio of apprentices and trainees to journey workers. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

(d) Section 3 Clause. The Subrecipient agrees, to the extent applicable, to comply with Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135. The Subrecipient further agrees to include the following language in all subcontracts for construction, demolition or rehabilitation work executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

6.4 Conduct.

(a) Assignment. The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Subrecipient from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

(b) Subcontracts.

(i) Approvals. The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of the City prior to the execution of such agreement.

(ii) Monitoring. The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

(iii) Content. The Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

(iv) Selection Process. The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.

(c) Hatch Act. The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

(d) Conflict of Interest. The Subrecipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:

(i) The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by CDBG Funds.

(ii) No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by CDBG Funds if a conflict of interest, real or apparent, would be involved.

(iii) No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, subrecipient, officer, or elected or appointed official of the City, the Subrecipient, or any designated public agency.

(e) Lobbying. The Subrecipient hereby certifies that:

(i) No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;

(ii) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and

(iii) It will require that the language of paragraph (iv) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

(iv) Lobbying Certification. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(f) Religious Activities. The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**ARTICLE 7
DISPUTE RESOLUTION**

7.1 Mediation and Conciliation. Any controversy between City and Subrecipient arising out of or relating to this Agreement, or involving the construction or application of any of the terms, provisions, or conditions of this Agreement shall, on the written request of either City or Subrecipient served on the other, be submitted to a nonbinding mediation by a mediation or conciliation service mutually agreeable to Subrecipient and City, prior to submitting such controversy to arbitration pursuant to Section 7.2. The decision of the mediator or conciliator shall not be binding on either party, and exercising the provisions of this Section 7.1 shall not prevent either party to this Agreement from subsequently pursuing arbitration of the dispute or controversy as provided in Section 7.2.

7.2 Arbitration. Except as provided in Section 7.1, any controversy between City and Subrecipient arising out of or relating to this Agreement, or involving the construction or application of any of the terms, provisions, or conditions of this Agreement, shall, on the written request of either City or Subrecipient served on the other, be submitted to arbitration; any such arbitration shall comply with and be governed by the provisions of the California Arbitration Act (Cal. Civil Proc. Code §§ 1280 – 1294.2). City and Subrecipient shall mutually agree upon one person to hear and determine the dispute and, if the parties are unable to agree, then a judge’s decision shall be final and conclusive upon both parties. The cost of arbitration shall be divided equally among the parties. Any arbitral award, where appropriate, may be enforced by a court of competent jurisdiction through injunctive or other equitable relief, as well as relief at law (*e.g.*, damages). City and Subrecipient shall each be entitled, as a matter of right, to apply to a court of competent jurisdiction for temporary, interim, provisional, or partial injunctive relief (*e.g.*, temporary restraining order or preliminary injunction) during or prior to any arbitration proceedings. Neither this provision nor the exercise by either City or Subrecipient of its rights hereunder shall constitute a waiver by either City or Subrecipient of any other rights hereunder which it may have to damages or otherwise.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year above first written.

CITY:

CITY OF LANCASTER,
a municipal corporation and charter city

By: _____
Jason Caudle
City Manager

ATTEST:

By: _____
Andrea Alexander
City Clerk

APPROVED AS TO FORM:

By: _____
Allison E. Burns, Esq.
City Attorney

APPROVED BY DIRECTOR:

By: _____
George Harris
Director, Finance

SUBRECIPIENT:

THE PEOPLE CONCERN,
a California nonprofit public benefit corporation

By: _____
John Maceri,
Chief Executive Officer

ATTACHMENT NO. 1
STATEMENT OF WORK

Kensington Campus – Phase 3

a) New electrical requirements for Phase 3 (excluding Frontier / Charter around the shelters and conduits from switch to shelters)	\$311,377.00**
b) Sidewalks around shelters	\$122,344.00
c) Equipment Pads at shelters	\$6,362.00
d) Camera systems and data	\$57,297.00
e) Raceway for fire alarm inside of the shelters	\$4,214.00
Budget Total:	\$501,594.00

**\$150,000.00 of the total cost for item “a” above will be paid thru CDBG funds, 2019-2020 program year.

ATTACHMENT NO. 2

BUDGET

**SEE BREAKDOWN PROVIDED IN THE SCOPE OF WORK REFERENCED AS
ATTACHMENT NO. 1 (above)**



CITY OF LANCASTER
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

CARES ACT
SUBSTANTIAL AMENDMENT NO. 1

ANNUAL ACTION PLAN

PY 2019 - 2020

City of Lancaster

Community Development Block Grant (CDBG)

Citizen Participation Plan
CARES Act Substantial Amendment to Consolidated Plan 2015 – 2020
Annual Action Plan PY 2019 – 2020

May 5, 2020

Jurisdiction(s)

City of Lancaster

Mailing Address: 44933 Fern Avenue
Lancaster, California 93534
Telephone: 661-723-6000
Web Address: www.cityoflancafterca.org

CDBG Contacts

Lisa Anderson
Grant Administrator
Email: landerson@cityoflancafterca.org
Telephone: 661-723-6158
Fax: 661-723-5839

Toi Chisom
Director of Administrative & Community Services
Email: tchisom@cityoflancafterca.org
Telephone: 661-723-6008
Fax: 661-723-5839

Grant Number: B-19-MC-06-0558
Tax Identification Number: 95-3213004
DUNS Number: 151324167

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

BACKGROUND

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Act identified additional funding for the Community Development Block Grant (CDBG) to support preparation for and response to the community impacts of the COVID-19 pandemic. HUD's distribution plan for the additional funding included multiple phases that would allow for quick access to funding necessary to address the immediate crisis resulting from the rising pandemic, as well as phases that would support post-pandemic community recovery.

This document constitutes the City of Lancaster's substantial amendment to the following three documents:

- Citizen Participation Plan for the CDBG program
- Five-Year (FY 2015-2020) Consolidated Plan, covering July 1, 2015 through June 30, 2020
- FY 2019-2020 Action Plan, covering October July 1, 2019 through June 30, 2020

The following amendment language will be added to the respective documents to allow the City of Lancaster access to emergency CDBG-CV funding through the CARES Act to assist in ensuring a timely response to the impacts of the COVID-19 pandemic.

AMENDMENT TO THE CITIZEN PARTICIPATION PLAN

The following Section 14 will be added to the Citizen Participation Plan:

14. Substantial Amendment Process

In compliance with HUD memos, dated March 31, 2020 and April 9, 2020, the following amendments(s) are added as part of this Citizen Participation Plan.

These amendments were set up as a response to the recent novel coronavirus (COVID-19) pandemic:

- Addition of disaster response and declaration of emergency public notice requirements (reduction of 15 days to 5 days minimum) and public comment (reduction of 30 days to 5 days);
- Amendments to the Consolidated Plan and Annual Action Plan that meet the Substantial Amendment general provisions as well as expeditious allocation of uncommitted funds to emergency activities, with a reduced notice and comment period to accommodate swift allocation of funds;
- Include provisions relative to Consolidated Plan citizen participation, Community Development Block Grant (CDBG) and Grant waivers made available under the Coronavirus Aid, Relief, and Economic Security (CARES) Act;

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

- Include virtual hearings as an allowed method for citizen participation;
- Make minor edits that do not change current citizen participation policies. In the event virtual hearings are used, real-time responses and accommodations for persons with disabilities and/or with limited English proficiency will be made available to the greatest extent possible.

This substantial amendment to the Citizen Participation Plan, added as Section 14, will be applicable to all CDBG community planning development grants through the City's FY 19 and FY 20 Action Plan(s).

FIVE-YEAR (FY 2015 – FY 2020) CONSOLIDATED PLAN

The following sections in the Consolidated Plan will be amended:

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

2. Summary of the Objectives and Outcomes Identified in the Plan Needs Assessment Overview

The following is specific to COVID-19 responses will be added to the Consolidated Plan:

Provide Timely Assistance to Those Impacted by the COVID-19 Pandemic

Priority: COVID-19 Pandemic Response: Priority activities may include but are not limited to:

- Building Improvements, Including Public Facilities
- Provision of New or Quantifiably increased Public Service
- Urgent Needs COVID-19 Emergency Response
- Subsistence Payments

NA-05 Overview

Needs Assessment Overview

The needs previously identified in this Consolidated Plan focused on housing, homelessness prevention and response, public services, public facilities and infrastructure. The COVID-19 pandemic has only exacerbated needs already existing in Lancaster. However, some needs have been reprioritized.

The ongoing shut-down of businesses has resulted in record unemployment, which severely impacts the low-and moderate-income households, especially those already living below the poverty level and those with severe housing cost burden.

As a result of shortages in some areas, combined with loss of income for many households, there has been substantial increase in demand for assistance through public services, especially food

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

banks, meal delivery services, and healthcare-related services. The rapid increase in demand has left many service providers under-staffed and under-resourced and has added substantial cost. The increased demand is expected to be sustained beyond the shutdown as households will take time to regain employment and economic stability.

Homelessness response and homelessness prevention has also risen in priority. Many households have been unable to pay rent since the shut-down and shelter-in-place orders were issued in early March 2020. While there are moratoriums on evictions, housing costs are still a major concern, particularly for lower income households who may be at risk of homelessness once the moratorium is lifted. Homelessness prevention must be a community priority to prevent increase in homelessness as housing protections are lifted.

Persons already experiencing homelessness are also at increased risk of infection and death due to COVID-19. Congregate shelters are not a viable housing solution in a pandemic, and persons experiencing homelessness need access to safe shelter to prevent infection and spread of the disease.

Public facilities that support healthcare or that provide safe housing for persons experiencing homelessness also are prioritized. Both temporary and permanent capacity-building for healthcare and homeless facilities are priorities as well.

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SP-25 Priority Needs - 91.215(a)(2)

Priority Needs Summary

7	Priority Need Name	COVID-19 Pandemic Response (CARES Act)	
	Priority Level	High	
	Population	Income	Extremely Low Low Moderate
	Geographic Areas Affected	Emphasis on low-income neighborhoods (area benefit) Citywide (based on income)	
	Associated Goals	Provide Timely Assistance to Those Impacted by the COVID-19 Pandemic	
	Description	Provide emergency response for persons vulnerable to health risks posed by the COVID-19 pandemic.	
	Basis for Relative Priority	In March of 2020 the Coronavirus pandemic began to impact U.S. communities and projections indicated that the elderly, persons with underlying health conditions, and persons without access to housing were at particular risk of infection and death. Communities across the nation, including the State of California, initiated Shelter in Place Orders that encouraged non-essential workers to shelter in their homes, and that shut down all non-essential businesses. Impacts from the pandemic are expected to spread from health risks from homelessness, needs for additional housing to support persons experiencing homelessness in providing non-congregate shelters to prevent the spread of COVID-19. Additionally, the Shelter-in-Place Orders resulted in mass business shut-downs during the term of the order. The shutdowns impacted non-essential services and resulted in record unemployment, causing financial strains on many lower- and moderate-income households.	

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SP-35 Anticipated Resources – 91.215(a)(4), 91.220(c)(1,2)

Anticipated Resources

Program	Source of Funds	Use of Funds	Annual Allocation	Program Income	Prior Year(s)	Total	Amt. Avail. For Remain. ConPlan	Narrative
CDBG – CV	Public-Federal	Acquisition Admin & Planning Housing Public Improvements Public Services Urgent Need	\$874,303	\$0	\$0	\$874,303	\$0	One time aware of funding-CARES Act, March 2020

City of Lancaster
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SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Goal Number	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	COVID-19 Pandemic Response	2020	2020	COVID-19 Pandemic Response	Emphasis on low-income neighborhoods (area benefit) Citywide (based on income)	Public Service(s) Senior Citizen Assistance Urgent Need	CDBG: \$874,303	Feed the Need Meal Program for eligible Senior Citizens :900 Citywide Subsistence payments: 100 Households Assisted Funds to cover or reimburse the costs to prevent, prepare for and respond to coronavirus incurred by the City Approx. 400 individuals

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FY 2019-2020 Annual Action Plan (July 1, 2019 through June 30, 2020)

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Act identified additional funding for the Community Development Block Grant (CDBG) program to support preparation for, and response to, the community impacts of the COVID-19 pandemic. The distribution plan of the U.S. Department of Housing and Urban Development (HUD) for the additional funding includes multiple phases: an initial phase that would allow for quick access to funding necessary to address the immediate crisis resulting from the rising pandemic, as well as later phases that would support post-pandemic community recovery.

The 2019-2020 Annual Action Plan (AP) is being amended to incorporate additional funding in the initial phase (FY 2019-2020) of HUD’s CARES Act resource distribution plan.

The City of Lancaster also proposes to take the unexpended balance(s) remaining from the approved Community Development Block Grant (CDBG) projects / activities from previous program years along with amendment and/or deletion of programs / activities previously described in the 2019-2020 Annual Action Plan and redistribute the funds to approved CDBG programs / activities as well as new CDBG programs / activities.

Pursuant to the U.S. Department of Housing and Urban Development (HUD) regulations and the City of Lancaster Citizen Participation Plan, these changes are considered a “Substantial Amendment) to the 2019-2020 Annual Action Plan that require specific citizen participation actions before the change may be approved by the City Council and submitted to HUD. To allow interested residents the opportunity to review and comment on the proposed changes, the City published a public notice on the City of Lancaster website May 20,2020 informing residents of the availability of the Substantial Amendment document for public review and comment for a period of 5 days from May 20, 2020 to May 26, 2020. The public review and comment period concludes with a public hearing before the City Council on May 26, 2020 at 5:00 p.m. when the City Council will consider the amendment.

This amendment is necessary to reallocate unexpended CDBG funds from the previously-approved programs / activities in the amount of \$704,304.04 and \$ 1,823.00 in program income to amend and/or delete previously-approved programs / activities (PY 19/20).

Staff proposes to reallocate these funds to projects which meet the Consolidated Plan – Strategic Plan goals which are required by HUD to benefit low to moderate income persons.

The tables on the following page outline and show the proposed changes to the 2019-2020 Annual Action Plan, Section AP-38 where approved CDBG projects and activities are detailed.

City of Lancaster
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Approved Funding Allocation PY 19/20

Project Name	Kensington Campus Set-Aside Beds
HUD Matrix Code:	03T – Homeless Programs
National Objective:	Low-Mod Area (LMA) Low-Mod Clientele (LMC)
Funding:	\$60,000.00
Goals Supported:	Support Special Needs Programs and Services
Needs Addressed:	Provide Decent Affordable Housing / Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide
Description:	To cover costs associated with providing set aside beds for homeless individuals at the Kensington Campus Homeless Shelter, including wrap around support services.

Proposed Substantial Amendment PY 19/20

Project Name	Kensington Campus Set-Aside Beds
HUD Matrix Code:	03T – Homeless Programs
National Objective:	Low-Mod Area (LMA) Low-Mod Clientele (LMC)
Funding:	\$0.00
Goals Supported:	Support Special Needs Programs and Services
Needs Addressed:	Provide Decent Affordable Housing / Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide
Description:	To cover costs associated with providing set aside beds for homeless individuals at the Kensington Campus Homeless Shelter, including wrap around support services.

Approved Funding Allocation PY 19/20

Project Name	Youth Programs
HUD Matrix Code:	05D – Youth Services
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$30,000.00
Goals Supported:	Support Special Needs Programs and Services
Needs Addressed:	Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide / Eligible Census Tracts

City of Lancaster
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Description:	Funding to support youth programs including prevention, intervention, and development programs across multiple domains, including academics, workforce preparation, leadership and civic engagement, and health and well-being.
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Proposed Substantial Amendment PY 19/20

Project Name	Youth Programs
HUD Matrix Code:	05D – Youth Services
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$10,000.00
Goals Supported:	Support Special Needs Programs and Services
Needs Addressed:	Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide / Eligible Census Tracts
Description:	Funding to support youth programs including prevention, intervention, and development programs across multiple domains, including academics, workforce preparation, leadership and civic engagement, and health and well-being.

Proposed Substantial Amendment PY 19/20

Project Name	Feed the Need
HUD Matrix Code:	05A – Senior Services
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$200,000.00
Goals Supported:	Support Special Needs Programs and Services
Needs Addressed:	Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide
Description:	Funding to support a food program to deliver meals to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.

Approved Funding Allocation PY 19/20

Project Name	Community Center Infrastructure & Rehabilitation
HUD Matrix Code:	03D – Youth Centers
National Objective:	Low-Mod Clientele (LMC)

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

Funding:	\$360,000.00
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Construct / Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	44611 Yucca Avenue
Description:	To cover cost associated with the renovation of the Lancaster Community Center.

Proposed Substantial Amendment PY 19/20

Project Name	Community Center Infrastructure & Rehabilitation
HUD Matrix Code:	03D – Youth Centers
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$408,213.59
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Construct / Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	44611 Yucca Avenue
Description:	To cover cost associated with the renovation of the Lancaster Community Center.

Proposed Substantial Amendment PY 19/20

Project Name	Kensington Campus Infrastructure
HUD Matrix Code:	03C – Homeless Facilities
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$150,000.00
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Construct / Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide – Kensington Campus
Description:	Edison Utility Connections

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

Approved Funding Allocation PY 19/20

Project Name	Park ADA Improvement Program
HUD Matrix Code:	03D – Youth Centers
National Objective:	Low-Mod Area Benefit (LMA)
Funding:	\$908,213.00
Goals Supported:	Support Special Needs Program and Services Construct and Upgrade Public Facilities / Infrastructure
Needs Addressed:	Maintain and Promote Neighborhood Preservation / Support Special Needs Programs and Services / Construct/Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Owen Memorial Park, Skytower Park, Pierre Bain Park, Eligible Census tracts
Description:	To cover cost associated with the update of area parks with the installation of all-inclusive ADA compliant playgrounds and surrounding areas.

Proposed Substantial Amendment PY 19/20

Project Name	Park ADA Improvement Program
HUD Matrix Code:	03D – Youth Centers
National Objective:	Low-Mod Area Benefit (LMA)
Funding:	\$700,000.00
Goals Supported:	Support Special Needs Program and Services Construct and Upgrade Public Facilities / Infrastructure
Needs Addressed:	Maintain and Promote Neighborhood Preservation / Support Special Needs Programs and Services / Construct/Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Owen Memorial Park, Skytower Park, Pierre Bain Park, Eligible Census tracts
Description:	To cover cost associated with the update of area parks with the installation of all-inclusive ADA compliant playgrounds and surrounding areas.

City of Lancaster
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Approved Funding Allocation PY 19/20

Project Name	Alternate Programs
HUD Matrix Code:	14A – Single Unit Rehabilitation
National Objective:	Low / Mod Housing Benefit
Funding:	\$50,000.00
Goals Supported:	Maintain and Promote Neighborhood Preservation
Needs Addressed:	Provide Decent Affordable Housing Maintain and Promote Neighborhood Preservation
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Eligible Census tracts - Citywide
Description:	To cover cost associated with implementation of housing programs to assist low / low moderate homeowners with emergent housing issues / repairs

Proposed Substantial Amendment PY 19/20

Project Name	Alternate Programs
HUD Matrix Code:	14A – Single Unit Rehabilitation
National Objective:	Low / Mod Housing Benefit
Funding:	\$0.00
Goals Supported:	Maintain and Promote Neighborhood Preservation
Needs Addressed:	Provide Decent Affordable Housing Maintain and Promote Neighborhood Preservation
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Eligible Census tracts - Citywide
Description:	To cover cost associated with implementation of housing programs to assist low / low moderate homeowners with emergent housing issues / repairs

Approved Funding Allocation PY 19/20

Project Name	Code Enforcement Officers
HUD Matrix Code:	15 – Code Enforcement
National Objective:	Low-Mod Housing (LMH)
Funding:	\$219,152.00
Goals Supported:	Maintain and Promote Neighborhood Preservation

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

Needs Addressed:	Maintain and Promote Neighborhood Preservation
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Eligible Census Tracts
Description:	Funds will be allocated for the salary and overhead costs incurred by code enforcement staff within a targeted area of the City. This effort is being provided to help promote social and physical revitalization as well as enhance the quality of life for its residents through rehabilitation efforts. These code enforcement activities, together with public improvements, rehabilitation and services to be provided, are expected to help reverse the declining conditions and recent trends of deterioration within the neighborhoods.

Proposed Substantial Amendment PY 19/20

Project Name	Code Enforcement Officers
HUD Matrix Code:	15 – Code Enforcement
National Objective:	Low-Mod Housing (LMH)
Funding:	\$0.00
Goals Supported:	Maintain and Promote Neighborhood Preservation
Needs Addressed:	Maintain and Promote Neighborhood Preservation
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Eligible Census Tracts
Description:	Funds will be allocated for the salary and overhead costs incurred by code enforcement staff within a targeted area of the City. This effort is being provided to help promote social and physical revitalization as well as enhance the quality of life for its residents through rehabilitation efforts. These code enforcement activities, together with public improvements, rehabilitation and services to be provided, are expected to help reverse the declining conditions and recent trends of deterioration within the neighborhoods.

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Approved Funding Allocation PY 19/20

Project Name	108 Loan Repayment Mental Health Assn
HUD Matrix Code:	19F – Planned Repayment of Section 108 Loan
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$96,535
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Construct / Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide / Eligible Census Tracts
Description:	Funds will be used to repay a \$1.45 million loan that was used to acquire property for the new site of the Antelope Valley Mental Health Association within the North Downtown Neighborhood Revitalization/Transit Village project area.

Proposed Substantial Amendment PY 19/20

Project Name	108 Loan Repayment Mental Health Assn
HUD Matrix Code:	19F – Planned Repayment of Section 108 Loan
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$98,143.00
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Construct / Upgrade Public Facilities / Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide / Eligible Census Tracts
Description:	Funds will be used to repay a \$1.45 million loan that was used to acquire property for the new site of the Antelope Valley Mental Health Association within the North Downtown Neighborhood Revitalization/Transit Village project area.

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

Approved Funding Allocation PY 19/20

Project Name	108 Loan Repayment Fox Field Infrastructure / Corridor
HUD Matrix Code:	19F – Planned Repayment of Section 108 Loan
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$26,380.00
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Maintain and Promote Neighborhood Preservation / Construct/Upgrade Public Facilities/Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide
Description:	Funds will be used to repay a \$320,000 loan that was used for public improvements to the Fox Field Industrial area. The improvements have been completed and will aid in attracting new industrial and manufacturing businesses to the area expanding economic and job creation opportunities.

Proposed Substantial Amendment PY 19/20

Project Name	108 Loan Repayment Fox Field Infrastructure / Corridor
HUD Matrix Code:	19F – Planned Repayment of Section 108 Loan
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$30,495.00
Goals Supported:	Construct / Upgrade Public Facilities / Infrastructure
Needs Addressed:	Maintain and Promote Neighborhood Preservation / Construct/Upgrade Public Facilities/Infrastructure
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Citywide
Description:	Funds will be used to repay a \$320,000 loan that was used for public improvements to the Fox Field Industrial area. The improvements have been completed and will aid in attracting new industrial and manufacturing businesses

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

	to the area expanding economic and job creation opportunities.
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Approved Funding Allocation PY 19/20

Project Name	108 Loan Repayment Antelope Valley Children’s Center
HUD Matrix Code:	19F – Planned Repayment of Section 108 Loan
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$98,559.00
Goals Supported:	Maintain and Promote Neighborhood Preservation / Support Special Needs Programs and Services
Needs Addressed:	Maintain and Promote Neighborhood Preservation / Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Eligible Census Tracts
Description:	Funds will be used to repay a \$1.5 million loan that was used to construct a 14,445 square foot Antelope Valley Child Abuse Center within the City's North Downtown Neighborhood Revitalization/Transit Village project area.

Proposed Substantial Amendment PY 19/20

Project Name	108 Loan Repayment Antelope Valley Children’s Center
HUD Matrix Code:	19F – Planned Repayment of Section 108 Loan
National Objective:	Low-Mod Clientele (LMC)
Funding:	\$100,182.60
Goals Supported:	Maintain and Promote Neighborhood Preservation / Support Special Needs Programs and Services
Needs Addressed:	Maintain and Promote Neighborhood Preservation / Support Special Needs Programs and Services
Projected Start Date:	07/01/2019
Projected End Date:	06/30/2020
Location/Service Area Beneficiaries:	Eligible Census Tracts
Description:	Funds will be used to repay a \$1.5 million loan that was used to construct a 14,445 square foot Antelope Valley Child Abuse Center within

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

	the City's North Downtown Neighborhood Revitalization/Transit Village project area.
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AP-12 Participation - 91.115, 91.300(c)

Summary of citizen participation process/Efforts made to broaden citizen participation

The AP Amendment addressing additional funding from the CARES Act will be available for a public comment period of 5 days per waiver of the federal regulations. The draft AP Amendment is available for comment from all interested members of the public from May 20, 2020 through May 26, 2020.

The draft AP Amendment and the public notice document are available for review on the City of Lancaster’s website at: www.cityoflanasterca.org

Please submit written comments to landerson@cityoflanasterca.org

Comments may also be mailed to:

Lisa Anderson, Grant Administrator
 Administrative and Community Services Department
 City of Lancaster
 44933 Fern Avenue
 Lancaster, California 93534

AP-15 Expected Resources – 91.320(c) (1,2)

Introduction

In addition to the annual CDBG entitlement, The CARES Act provides one-time funding for the following state-level programs (funding designations for CARES Act funds is Coronavirus (CV):

- Community Development Block Grant CARES Act Stimulus (CDBG-CV).

Anticipated Resources

Program	Source of Funds	Use of Funds	Annual Allocation	Program Income	Prior Year(s)	Total	Amt. Avail. For Remain. ConPlan	Narrative
CDBG	Public-Federal	Acquisition Admin & Planning Housing Public Improvements Public Services	\$1,478,391	\$1,823	\$704,304.04	\$2,184,518.04	\$0	Annual Entitlement, Prior year(s) to be reallocated in 19/20 Annual Action Plan
CDBG – CV	Public-Federal	Acquisition Admin & Planning Housing Public Improvements Public Services Urgent Need	\$874,303	\$0	\$0	\$874,303	\$0	One time award of funding-CARES Act, March 2020

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

AP-20 Annual Goals and Objectives – 91.320(c)(3) &(e)

Goals Summary Information

The figures below represent estimates of allocation goals and objectives for the additional funding provided under the CARES Act. These figures are determined by the funding recipients’ priority needs.

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
COVID-19 Pandemic Response	2020	2020	COVID-19 Pandemic Response	Emphasis on low-income neighborhoods (area benefit) Low – Mod Clientele Citywide (based on income)	Senior Citizen Assistance Subsistence Payments Urgent Need	CDBG: \$874,303	Feed the Need Meal Program for eligible Senior Citizens :900 Citywide Subsistence payments: 100 Households Assisted Funds to cover or reimburse the costs to prevent, prepare for and respond to coronavirus incurred by the City Approx. 400 individuals

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

AP-25 Allocation Priorities – 91.320(d)

Introduction

The amended percentages below are based on the expected amount of funds that will be awarded by each new program funded by the CARES Act for federal Fiscal Year (FY) 2019-2020 for eligible activities that fall within that goal. The percentages below will depend on funding needs for activities within the specified goal categories.

Funding Allocation Priorities Program	Expansion of Public Services (%)	Rental Assistance Program (%)	Urgent Need - City (%)	Total (%)
CDBG-CV	TBD %	TBD %	TBD %	100%

AP-38 Project Summary

Project Summary Information

Project Name	CARES Program Administration
Target Area	Citywide
Goals Supported	CARES – CDBG-CV Grant Administration
Needs Addressed	COVID-19 Pandemic Response
Funding	CDBG: \$174,86.60
Description	Funds will be used to oversee and ensure that all CDBG-funded projects comply with applicable federal regulations, perform community outreach, collaborate with partner agencies, and file all necessary reports with U.S. HUD.
Target Date	12/31/2020
Estimate the number and type of families that will benefit from the proposed activities	N/A
Location Description	Citywide
Planned Activities	Funds will be used to oversee and ensure that all CDBG-funded projects comply with applicable federal regulations, perform community outreach, collaborate with partner agencies, and file all necessary reports with U.S. HUD.

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

Project Name	Public Services
Target Area	Citywide
Goals Supported	Feed the Need / Assistance to Those Impacted by the COVID-19 Pandemic
Needs Addressed	COVID-19 Pandemic Response
Funding	CDBG: \$125,000
Description	Provide a variety of public services to aid in the urgent needs of the most vulnerable segments of Lancaster residents
Target Date	12/31/2020
Estimate the number and type of families that will benefit from the proposed activities	900 Persons Assisted
Location Description	Citywide
Planned Activities	Activities may include: <ul style="list-style-type: none"> • Senior Meal Services • Senior Assistance Services • Meals for Quarantined Needy Residents

Project Name	Public Service - Rental Subsistence Grant Program
Target Area	Citywide
Goals Supported	Provide Timely Assistance to Those Impacted by the COVID-19 Pandemic
Needs Addressed	COVID-19 Pandemic Response
Funding	CDBG: \$364,609.68
Description	CDBG-COVID funds will provide additional support to this activity for Very Low, Low/Mod populations, by supporting individuals who have been adversely impacted by COVID-19 and are unable to make their rental payments.
Target Date	12/31/2020
Estimate the number and type of families that will benefit from the proposed activities	100 Persons Assisted (max \$1,000 month, not to exceed 3 months)
Location Description	Citywide
Planned Activities	Activities may include: <ul style="list-style-type: none"> • Subsistence Assistance

City of Lancaster
2019-2020 CARES Act Substantial Amendment No. 1

Project Name	Urgent Need – City Emergency Response
Target Area	Citywide
Goals Supported	Provide Reimbursement to the City for emergency preparations as a result of the COVID-19 Pandemic
Needs Addressed	COVID-19 Pandemic Response
Funding	CDBG: \$209,832.72
Description	Provide the City of Lancaster funds to cover or reimburse costs to prevent, prepare for and respond to coronavirus incurred by the City, regardless of the date of which such costs were incurred, when those costs comply the CDBG requirements.
Target Date	12/31/2020
Estimate the number and type of families that will benefit from the proposed activities	Approx. 400 individuals
Location Description	Citywide
Planned Activities	Activities may include: <ul style="list-style-type: none"> • Multi-Service Center Administration • Mobile/Drive-Thru Testing and Clinics • City COVID Prevention/Mitigation/Response

STAFF REPORT

City of Lancaster

CC 9
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: **Local Road Safety Plan Grant**

Recommendation:

Approve the appropriation of \$72,000.00 in grant funds from the State of California Department of Transportation to develop a Local Road Safety Plan (LRSP).

Local Road Safety Plan Grant:

- Revenue Account: 349-3308-102
- Expenditure Account: 349-4785-303

Fiscal Impact:

\$80,000.00; \$72,000.00 in grant funding. There is an \$8,000.00 City match requirement for this grant that will get funded through General Fund account 101-4785-301.

Background:

The Lancaster City Council adopted the Lancaster Safer Streets Action Plan on January 28, 2020, which resulted from the City completing a state-funded Systemic Safety Analysis Report (SSAR). It focuses on improving road safety through the implementation of engineering countermeasures through a systemic methodology. Engineering is one of the 4-Es of road safety as defined by the Highway Safety Improvement Program (HSIP).

As of 2019, federal regulations require each state to have a Strategic Highway Safety Plan (SHSP). A SHSP is a statewide data-driven traffic safety plan that coordinates the efforts of a wide range of organizations to reduce traffic accident fatalities and serious injuries on all public roads. In coordination with federal, state, local, and private sector safety stakeholders, the SHSP establishes goals, objectives, and emphasis (or challenge) areas. The SHSP addresses all of the 4-Es of traffic safety: Engineering, Enforcement, Education, and Emergency Services.

The SHSP used as a statewide approach for improving roadway safety, however, a Local Road Safety Plan (LRSP) can be a means for providing local and rural road owners with an opportunity to address unique highway safety needs in their jurisdictions while contributing to the success of

the SHSP. The process of preparing an LRSP creates a framework systematically identifying and analyzing safety problems, and recommending safety improvements. Preparing an LRSP facilitates the development of local agency partnerships and collaboration, resulting in a prioritized list of improvements and actions that can demonstrate a defined need and contribute to the statewide plan. The LRSP offers a proactive approach to addressing safety needs and demonstrates agency responsiveness to safety challenges.

A LRSP provides a framework for organizing stakeholders to identify, analyze, and prioritize roadway safety improvements on local roads. Therefore, completing a LRSP will round out the City's Safer Streets Action Plan by addressing the other 3-Es of road safety: Enforcement, Education, and Emergency Services.

In the future, HSIP Calls-for-Projects, a LRSP (or its equivalent such as an SSAR or Vision Zero Action Plan) will be preferred or required for an agency to be eligible to apply for federal HSIP funds.

The California Transportation Commission allocated state funds to assist local agencies in developing their local roadway safety plans in 2019. City staff immediately applied for these funds in November 2019. They received approval by January 2020.

The process for completing the LRSP will include the development of an Action Plan committee of local safety stakeholders, for example, law enforcement, public health, and education leaders. Together they will work to identify, analyze, and prioritize roadway safety improvements and programs with a clear goal of eliminating traffic fatalities and severe injuries in Lancaster.

CVH/sr

Attachments:

Program Supplement Agreement No. U96
Finance Letter

PROGRAM SUPPLEMENT NO. U96
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR STATE FUNDED PROJECTS NO 00265S

Adv Project ID **Date:** July 2, 2020
 0720000173 **Location:** 07-LA-0-LAN
Project Number: LRSPL-5419(057)
E.A. Number:
Locode: 5419

This Program Supplement, effective ^{6/11/2020}, hereby adopts and incorporates into the Administering Agency-State Agreement No. 00265S for State Funded Projects which was entered into between the ADMINISTERING AGENCY and the STATE with an effective date of 05/28/09 and is subject to all the terms and conditions thereof. This PROGRAM SUPPLEMENT is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. 14-70 approved by the ADMINISTERING AGENCY on 12/9/14 (See copy attached).

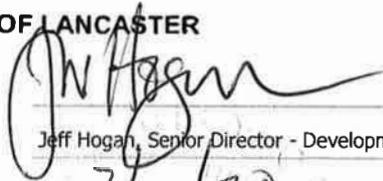
The ADMINISTERING AGENCY further stipulates that as a condition to the payment by the State of any funds derived from sources noted below encumbered to this project, Administering Agency accepts and will comply with the Special Covenants and remarks set forth on the following pages.

PROJECT LOCATION: CITY OF LANCASTER. DEVELOPE A LOCAL ROADWAY SAFETY PLAN.

TYPE OF WORK: DEVELOPE A LOCAL ROADWAY SAFETY PLAN.

Estimated Cost	State Funds		Matching Funds	
	STATE		LOCAL	OTHER
\$80,000.00		\$72,000.00	\$8,000.00	\$0.00


CITY OF LANCASTER

By 
Title Jeff Hogan, Senior Director - Development Services

Date 7/16/20

Attest 
 Andrea Alexander, City Clerk

STATE OF CALIFORNIA
Department of Transportation

By 
for Chief, Office of Project Implementation
 Division of Local Assistance

Date 07/16/2020

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer 

Date 7/21/20 **\$72,000.00**

SPECIAL COVENANTS OR REMARKS

1. All obligations of STATE under the terms of this Agreement are subject to the appropriation of resources by the Legislature and the encumbrance of funds under this Agreement. Funding and reimbursement are available only upon the passage of the State Budget Act containing these STATE funds.
2. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

3. ADMINISTERING AGENCY agrees to comply with the requirements in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (applicable to Federal and State Funded Projects).
4. This PROJECT is funded with State-Only funding from the Local Roadway Safety Plan (LRSP) Program. ADMINISTERING AGENCY agrees to develop an LRSP under this PROJECT.

The ADMINISTERING AGENCY agrees to follow all relevant State laws and requirements including the California Environmental Quality Act (CEQA).

This PSA allows reimbursement of eligible PROJECT expenditures to the ADMINISTERING AGENCY for which the LRSP State funds are allocated. The effective State allocation date establishes the eligibility date for the ADMINISTERING AGENCY to start reimbursable work. Any work performed prior the effective allocation date is not eligible for reimbursement from the LRSP funds.

ADMINISTERING AGENCY agrees that LRSP funds available for reimbursement will be

SPECIAL COVENANTS OR REMARKS

limited to the amount allocated and encumbered by the STATE consistent with the scope of work in the STATE approved application. Funds encumbered may not be used for a modified scope of work after a project is awarded unless approved by the Statewide LRSP Coordinator prior to performing work.


ADMINISTERING AGENCY agrees to the program delivery and reporting requirements. The study and the LRSP must be completed within thirty-six (36) months of the funding allocation. The Final Report of Expenditure, the final invoice and the LRSP report must be submitted to the DLAE within six (6) months of the report completion.

Date: 07/16/2020 EA No:
 D_CO_RT: 07-LA-0-LAN
 Project No: LRSPL-5419(057)
 Adv Project Id: 0720000173
 Agreement End Date:

To: City of Lancaster

FINANCE ITEMS	PRO RATA OR LUMP SUM	TOTAL COST OF WORK	PART. COST	STATE	LOCAL
Agency Preliminary Engineering	Lump Sum	\$80,000.00	\$80,000.00	\$72,000.00	\$8,000.00
Totals:		\$80,000.00	\$80,000.00	\$72,000.00	\$8,000.00

Participation Ratio: 100.00% This Finance Letter was created based on specific financial information provided by the responsible local agency. The following encumbrance history is prepared by Local Assistance Accounting Office and is provided here for local agency's information and action.

Signature: 
 Title: HQ Area Engineer

For questions regarding finance letter, contact:
 Printed Name : Bill Huang
 Telephone No: (916) 653-4348

Remarks: THIS FINANCE LETTER IS GENERATED BASED ON THE CITY'S FINANCE LETTER DATED 12/10/2019.

ACCOUNTING INFORMATION									LRSPL-5419(057)		Cooperative Work Agreement	
ADV. PROJECT ID	APPROP. UNIT	STATE PROG.	FED/STATE	ENCUMBRANCE AMOUNT	APPROP. YEAR	EXPENDITURE AMOUNT	ENCUMBRANCE BALANCE	REVERSION DATE	APPROVED AMOUNT	EXPIRATION DATE		
0720000173	19102	2030010655		\$72,000.00	1819	\$0.00	\$72,000.00	06/30/24				

STAFF REPORT
City of Lancaster

Date: November 10, 2020
To: Mayor Parris and City Council Members
From: Jason Caudle, City Manager

CC 10
11/10/20
JC

Subject: Approve Entering into an Escrow and Deposit Account Control Agreement with River City Bank and Southern California Edison on behalf of Lancaster Choice Energy to Comply with California Public Utilities Commission Financial Security Requirements

Recommendation:

That the City Council approve entering into an Escrow and Deposit Account Control Agreement (Escrow Agreement) with River City Bank (RCB) and Southern California Edison (SCE) on behalf of Lancaster Choice Energy (LCE), and authorize the City Manager, or designee, to execute an Escrow Agreement in a form substantially as attached.

Fiscal Impact:

\$147,000 to be transferred from 490-1120-000 to an escrow account in the name of the City of Lancaster (City). Once the new Financial Security Requirement (FSR) has been satisfied, the City will be refunded the original \$100,000 Bond currently being held by the California Public Utilities Commission (CPUC).

Background:

On May 27, 2014, City Council adopted Ordinance No. 997 Establishing the Lancaster Community Choice Aggregation (CCA) Program, LCE. LCE began serving customers in May 2015. As a CCA, LCE is required to meet certain state mandated obligations, including the posting of a FSR instrument per the CPUC Resolution E-5059 (Resolution).

In 2018, the CPUC issued Decision 18-05-022 (Decision) which established reentry fees and financial security requirements for CCAs. Under the Decision, Investor Owned Utilities (IOUs), including SCE, were required to submit advice letters implementing the FSR requirements. Those advice letters were submitted in August 2018; however, they were suspended by the CPUC until final implementation issues could be resolved. On October 8, the CPUC adopted the Resolution finalizing the implementation of the IOU advice letters and setting the FSR at \$147,000. To date, CCAs have been operating under an interim amount of \$100,000, which was submitted to the CPUC as part of the City's CCA registration process.

The purpose of the FSR instrument is to cover reentry fees borne by the IOU in the event of a mass involuntary return of CCA customers to the IOU, such as the decertification of the CCA or a CCA failure. The IOU may only withhold funds from the financial security instrument for

unpaid administrative or procurement costs associated with the return of CCA customers to the IOU. Any withholding of those funds must first be approved by the CPUC.

In order to meet this requirement, California Choice Energy Authority (CalChoice) on behalf of LCE and its other member agencies, has been working with RCB on a form of Escrow Agreement and will negotiate on LCE's behalf with SCE. Additionally, the Resolution requires that LCE submit an advice letter to the CPUC with the FSR instrument as proof of compliance no later than December 8, 2020. CalChoice is also working with its legal team to draft the advice letter, which must be submitted with a copy of the executed Escrow Agreement. In accordance with the Resolution, once the advice letter is submitted and compliance with the FSR is demonstrated by way of an attached executed Escrow Agreement, the interim financial security amount of \$100,000 currently held by the CPUC will be returned to the City.

Based on the foregoing, it is recommended that the City Council approve the City of Lancaster entering into an Escrow and Deposit Account Control Agreement with River City Bank and Southern California Edison for the purpose of satisfying the Financial Security Requirement as required by the California Public Utilities Commission, and to authorize the City Manager, or designee, to execute an agreement in a form substantially as attached.

Attachments:

Escrow and Deposit Account Control Agreement

FORM OF ESCROW AND DEPOSIT ACCOUNT CONTROL AGREEMENT
(Investment in Cash Products – Article 9 of UCC)

Community Choice Aggregator Name: Lancaster Choice Energy

THIS ESCROW AND DEPOSIT ACCOUNT CONTROL AGREEMENT (as the same may be amended or modified from time to time pursuant hereto, this “Agreement”) is entered into and effective as of date of last execution (“Effective Date”), by and among, City of Lancaster, d/b/a Lancaster Choice Energy, a municipal corporation, (“Community Choice Aggregator”), Southern California Edison Company, a California corporation (“SCE”, and together with Community Choice Aggregator, sometimes referred to individually as “Party” or collectively as the “Parties”), and River City Bank, in its capacities as escrow agent and, as applicable, bank (the “Escrow Agent”).

Recitals

- A. Community Choice Aggregator is required to post financial security in accordance with SCE’s Rule 23 tariff (“the Tariff”).
- B. Community Choice Aggregator has elected to post, and SCE has agreed to accept such financial security in the form of a cash deposit in an interest-bearing escrow account, all in accordance with the terms and conditions of this Agreement and the Tariff.
- C. At the request of Community Choice Aggregator, Escrow Agent has established an escrow deposit account, number [provided by the Bank], in the name of Community Choice Aggregator (the “Escrow Account”).
- D. This Agreement is being entered into to provide for the control of the Escrow Account and SCE’s security interest in the funds deposited therein under the requirements of Article 9 of the Uniform Commercial Code and 9301 et seq of the California Uniform Commercial Code.

The Parties and Escrow Agent, intending to be legally bound, agree as follows:

Agreement

- 1. **Appointment.** The Parties hereby appoint Escrow Agent as their escrow agent for the purposes set forth herein, and Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein. It is understood that Escrow Agent has no responsibility with respect to the validity or perfection of the security interest other than to act in accordance with the terms of this Agreement.
- 2. **Fund.**
 - (a) Community Choice Aggregator agrees to deposit with Escrow Agent the sum of \$ 147,000.00 (One Hundred Forty-Seven Thousand Dollars) on the Effective Date. From time to time, Escrow Agent may receive additional deposits from Community Choice Aggregator in connection with the required balances needed pursuant to the Tariff. The initial deposit and any additional deposits shall collectively be referred to as the “Escrow Deposit”. Escrow Agent shall hold the Escrow Deposit in one or more demand deposit accounts and, subject to the terms and conditions hereof, shall invest and reinvest the Escrow Deposit and the proceeds thereof and any and all proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of SCE (such proceeds, together with the Escrow Deposit, the “Fund”) in the Escrow Account as directed in Section 2(d) below. If there is an investment loss or other decrease in the Fund below the amount of the Escrow Deposit, Community Choice Aggregator must, within two business days of receiving notice from SCE, replenish the Fund in an amount required to return the Fund to the amount of the Escrow Deposit.
 - (b) Community Choice Aggregator hereby grants to SCE a present and continuing first-priority security interest in, and, lien on (and right to net against) the Escrow Account and the Fund subject to Section 9(c) below (“Security Interest”). Community Choice Aggregator acknowledges and agrees that it will not have any access to the Escrow Account or the Fund. Additionally, except for the claims and interest of SCE under this Agreement (subject to any claim in favor of Escrow Agent permitted under Section 9(c) below),

Escrow Agent has no notice of any adverse claim to or interest in the Escrow Account or the Fund, and Escrow Agent will not accept assets as to which it has notice of an adverse claim to or interest.

- (c) Escrow Agent hereby acknowledges the Security Interest granted to SCE by Community Choice Aggregator. Escrow Agent hereby waives and releases all liens, encumbrances, claims and rights of setoff it may have against the Escrow Account or the Fund, except that Escrow Agent shall retain a lien on the Fund for the payment of its Annual Administrative Fees (as set forth in Section 6 below) and for the payment of any amounts credited to the Escrow Account for which payment or reimbursement to Escrow Agent has not been made or received. Escrow Agent will not agree with the Community Choice Aggregator and/or any third party to comply with such Community Choice Aggregator's and/or third party's direction or order concerning the Escrow Account or the Fund without the prior written consent of SCE pursuant to Section 10.
- (d) Escrow Agent shall invest and reinvest the Fund in a [Bank Name] Money Market Deposit Account offered by Escrow Agent. Escrow Agent shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under this Agreement.
- (e) All interest earned under this Agreement shall, during the calendar year that such interest was earned, be allocated to Community Choice Aggregator and reported, by Escrow Agent to the IRS and/or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Fund by Community Choice Aggregator, whether or not said income has been distributed during such year. Escrow Agent shall withhold any taxes it deems appropriate in the absence of proper tax documentation or as required by law, and shall remit such taxes to the appropriate authorities. The Parties hereby represent to Escrow Agent that no other tax reporting of any kind is required given the underlying transaction giving rise to this Agreement.
- (f) Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act") requires the Escrow Agent to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, the Parties acknowledge that Section 326 of the USA PATRIOT Act and the Escrow Agent's identity verification procedures require the Escrow Agent to obtain information which may be used to confirm the Parties identity including without limitation name, address and organizational documents ("identifying information"). The Parties agree to provide the Escrow Agent with and consent to the Escrow Agent obtaining from third parties any such identifying information required as a condition of opening an account with or using any service provided by the Escrow Agent.

3. Disposition and Termination.

- (a) Release of the Fund, or a portion thereof, as applicable, shall occur only under the following circumstance: if at any time Escrow Agent receives a written instruction executed by an Authorized Representative (as defined in Section 10 below) from SCE requesting a release of the Fund, or a portion thereof, substantially in the form of Schedule 3 attached hereto ("Draw Notice"), Escrow Agent shall comply with such Draw Notice without consent from Community Choice Aggregator or any other person, and shall pay the Fund or such specified amount(s) to such specified person as directed in such Draw Notice within three (3) Business Days (as defined in Section 3(e) below) after Escrow Agent's receipt of such Draw Notice.
- (b) In no event shall Escrow Agent accept any instruction from Community Choice Aggregator nor shall Escrow Agent permit any distribution or release of any part of the Escrow Account or Fund without the prior instruction executed by an Authorized Representative (as defined in Section 10 below) from SCE. The Parties agree that Escrow Agent shall act upon and according to the direction of SCE and that Community Choice Aggregator shall have no claim for any inappropriate instructions, orders or notice other than against SCE pursuant to the terms of the Tariff.
- (c) Pursuant to Section 3(a), the Parties each acknowledge that Escrow Agent is authorized to use the following funds transfer instructions ("Wire Transfer Instructions") to disburse the Fund, or a portion thereof, to Community Choice Aggregator and/or SCE, in each case as directed by SCE pursuant to a Draw Notice and the terms of Section 3(a) and Section 10, without a verifying call-back as set forth in Section 3(d) below:

Community Choice Aggregator
bank account information:

Bank name: _____
Bank Address: _____
ABA number: _____
Account name: _____
Account number: _____

SCE bank account information:

Bank name: _____
Bank Address: _____
ABA number: _____
Account name: _____
Account number: _____

(d) The Parties and Escrow Agent agree that Community Choice Aggregator and SCE may change their respective Wire Transfer Instructions set forth in Section 3(c) above in accordance with Section 10 below. In the event any Draw Notice provides instructions different than the Wire Transfer Instructions set forth in Section 3(c) above, Escrow Agent is authorized to seek confirmation of such funds transfer instructions by a single telephone call-back to an Authorized Representative of SCE, and Escrow Agent may rely upon the confirmation of anyone purporting to be that Authorized Representative. The persons and telephone numbers designated for call-backs may be changed only in writing and executed by an Authorized Representative of SCE and delivered in accordance with Section 10 below. Except as set forth in Section 3(c) above, no funds will be disbursed until an Authorized Representative of SCE is able to confirm such updated Wire Transfer Instructions by telephone callback. Escrow Agent, any intermediary bank and the beneficiary's bank in any funds transfer may rely upon the identifying number of the beneficiary's bank or any intermediary bank included in a funds transfer instruction provided by a Party or the Parties and confirmed by an Authorized Representative. Further, the beneficiary's bank in the funds transfer instructions may make payment on the basis of the account number provided in such Party's or the Parties' instruction and confirmed by an Authorized Representative even though it identifies a person different from the named beneficiary.

(e) As used in this Agreement, "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which Escrow Agent located at the notice address set forth below is authorized or required by law or executive order to remain closed. The Parties acknowledge that the security procedures set forth in this Section 3 are commercially reasonable. Upon delivery of the entire Fund by Escrow Agent pursuant to the terms of this Agreement, this Agreement shall terminate, subject to the provisions of Section 6 below.

4. **Escrow Agent.** Escrow Agent shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties, including but not limited to any fiduciary duty, shall be implied. Except with respect to this Agreement, Escrow Agent has no knowledge of, nor any obligation to comply with, the terms and conditions of any agreement between the Parties, nor shall Escrow Agent be required to determine if any Party has complied with any agreement. Notwithstanding the terms of any other agreement between the Parties, the terms and conditions of this Agreement shall control the actions of the Escrow Agent. Subject to Section 3(b), the Escrow Agent may rely upon and shall not be liable for acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper Party or Parties, and Escrow Agent shall have no duty of inquiry and no obligation to require substantiating evidence of any kind. Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. Escrow Agent shall have no duty to solicit any payments that may be due it or the Fund, including, without limitation, the Escrow Deposit nor shall Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder.

5. **Resignation; Succession.** Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving sixty (60) days advance notice in writing of such resignation to the Parties. Escrow Agent's sole responsibility after such sixty (60) day notice period expires shall be to hold the Fund (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, appointed by SCE, or in accordance with the directions of a final court order, at which time of delivery, Escrow Agent's obligations hereunder shall cease and terminate. If prior to the effective resignation date, SCE has failed to appoint a successor escrow agent, or to instruct Escrow Agent to deliver the Fund to another person as provided above, at any time on or after the effective resignation date, Escrow Agent either (a) may interplead the Fund with a court located in the State of California and the costs, expenses and reasonable attorney's fees which are incurred in

connection with such proceeding may be charged against and withdrawn from the Fund; or (b) appoint a successor escrow agent of its own choice. Any appointment of a successor escrow agent shall be binding upon the Parties and no appointed successor escrow agent shall be deemed to be an agent of Escrow Agent. Escrow Agent shall deliver the Fund to any appointed successor escrow agent, at which time Escrow Agent's obligations under this Agreement shall cease and terminate. Any entity into which Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be Escrow Agent under this Agreement without further act.

6. **Compensation and Payment of Costs.** Community Choice Aggregator shall be solely responsible to pay Escrow Agent any and all fees charged by the Escrow Agent ("Annual Administration Fees"). **[BANK CAN INCLUDE A SCHEDULE 4 IF NEEDED]** Other than with respect to the initial Annual Administration Fee, which the Community Choice Aggregator shall pay on the Effective Date, Escrow Agent shall invoice Community Choice Aggregator for each Annual Administration Fee at least forty-five (45) days prior to each anniversary of the Effective Date, and Community Choice Aggregator shall pay such invoice within thirty (30) days of its receipt thereof. Failure by Community Choice Aggregator to make payment of any invoice by the invoice due date shall constitute a breach of this Agreement.
7. **Breach of this Agreement by Community Choice Aggregator.** In the event of any breach of this Agreement by Community Choice Aggregator of Section 6 only: (a) to the extent it has notice, thereof, Escrow Agent shall notify SCE within two (2) Business Days after such breach; and (b) Escrow Agent shall hold the Fund for the exclusive benefit of SCE, and SCE may issue a Draw Notice to Escrow Agent pursuant to Section 3(a) above.
8. **Limitation on Liability.** Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that Escrow Agent's gross negligence or willful misconduct was the cause of any direct loss to either Party. Anything in this Agreement to the contrary notwithstanding, in no event shall Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. Escrow Agent shall have no responsibility or liability to Community Choice Aggregator for complying with written instructions or other written directives concerning the Escrow Account originated by SCE and delivered to Escrow Agent in accordance with this Agreement.
9. **Indemnification and Reimbursement.**
 - (a) The Parties agree jointly and severally to indemnify, defend, hold harmless, pay or reimburse Escrow Agent and its affiliates and their respective successors, assigns, directors, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel and experts and their staffs and all expense of document location, duplication and shipment) (collectively "Losses"), arising out of or in connection with (i) Escrow Agent's performance of this Agreement, except to the extent that such Losses are determined by a court of competent jurisdiction through a final order to have been caused by the gross negligence, willful misconduct, or bad faith of such Indemnatee; and (ii) Escrow Agent's following any instructions or directions, whether joint or singular, from the Parties received in accordance with this Agreement.
 - (b) Community Choice Aggregator agrees to indemnify, defend, hold harmless, pay and/or reimburse SCE and its affiliates and their respective successors, assigns, directors, agents and/or employees (collectively, the "SCE Indemnitees") from and against any and Losses arising out of or in connection with (i) SCE's satisfaction of its obligation to any Indemnatee under Section 9(a) of this Agreement, except to the extent that such Losses are determined by a court of competent jurisdiction through a final order to have been caused by the gross negligence, willful misconduct, or bad faith of such SCE Indemnatee, and/or (ii) Escrow Agent validly exercising its rights under Section 9(c) of this Agreement.
 - (c) The Parties hereby grant Escrow Agent a lien on, right of set-off against and security interest in the Fund for the payment of any claim for indemnification, fees, expenses and amounts due to Escrow Agent or an Indemnatee. In furtherance of the foregoing, Escrow Agent is expressly authorized and directed, but shall not be obligated, to charge against and withdraw from the Fund for its own account or for the account of an Indemnatee any amounts due to Escrow Agent or to an Indemnatee under Section 6 or this Section 9.

(d) The obligations set forth in this Section 9 shall terminate in accordance with or as determined by the State of California Statute of Limitations.

10. **Notices.** All communications (including, without limitation, all Draw Notices or changes to the wire transfer instructions set forth in Section 3(c) above) under this Agreement shall be (a) in writing executed by the appropriate Party(ies), or Escrow Agent as applicable, (b) delivered on a Business Day by confirmed facsimile or as a Portable Document Format (“PDF”) attached to an email, and (c) delivered only at the fax number or email address of the intended recipient of such communication, as set forth in this Section 10. With respect to any communication (including, without limitation, any Draw Notice) permitted under this Agreement delivered by a Party or the Parties to Escrow Agent, such communication shall be evidenced by the signatures of the person(s) signing this Agreement or one of their designated persons as set forth in Schedule 1 for the Community Choice Aggregator and Schedule 2 for SCE (each an “Authorized Representative”). No Draw Notice or other written notice to the Escrow Agent shall be deemed delivered and effective unless the Escrow Agent actually shall have received such Draw Notice or other notice on a Business Day by facsimile or as a PDF attached to an email only at the fax number or email address set forth in this Section 10 and as evidenced by a confirmed transmittal to the sending Party’s transmitting fax number or email address and, in the case of a notice to Escrow Agent, Escrow Agent has been able to satisfy any applicable security procedures as may be required hereunder. Escrow Agent shall not be liable to any Party or other person for refraining from acting upon a Draw Notice or any other written notice if such Draw Notice or any other written notice was delivered to any other fax number or email address, including but not limited to a valid email address of any employee of Escrow Agent. All written communications between the Parties or from the Escrow Agent to a Party shall be deemed delivered and effective on the date evidenced by the sending party’s confirmed fax or email transmittal. The notice information for each party is as follows:

If to Community
Choice Aggregator:

[Community Choice Aggregator’s name]
[Community Choice Aggregator’s address]
(City, state [country], zip [postal code])
Attention: [title or person’s name]
Tel No.: [redacted]
Email Address: [redacted]

If to SCE:

Southern California Edison Company
Attention: Manager of Risk Operations and Collateral Management
2244 Walnut Grove Avenue, GO1, Q2A
Rosemead, CA 91770
Tel No.: (626) 302-3383
Email Address: sce.credit.risk@sce.com

If to Escrow Agent:

11. **Compliance with Court Orders.** In the event that any of the Fund shall be attached, garnished, levied upon, or otherwise be subject to any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, Escrow Agent shall provide immediate notice thereof to the Parties and an opportunity for the Parties to intervene or defend against the order or decree, and is hereby expressly authorized, in its sole discretion, to obey and comply with all such orders so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that Escrow Agent obeys or complies with any such order it shall not be liable to any of the Parties hereto or to any other person by reason of such compliance notwithstanding such order be subsequently reversed, modified, annulled, set aside or vacated.

12. **Miscellaneous.**

- (a) The provisions of this Agreement may be waived, altered, amended or supplemented only by a writing signed by Escrow Agent and the Parties.
- (b) Neither this Agreement nor any right or interest under this Agreement may be assigned by any party to this Agreement, except as provided in Section 5, without the prior written consent of the Escrow Agent and the other Parties, which consent shall not be unreasonably withheld.
- (c) This Agreement shall be governed by and construed under the laws of the State of California, without regard to its conflicts of law principles. Each Party and Escrow Agent irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds, and irrevocably consents to service of process by mail or in any other manner permitted by applicable law. Any and all litigation or disputes arising out of or relating to this Agreement shall be litigated in the County of Los Angeles in the State of California. To the extent that in any jurisdiction either Party may now or hereafter be entitled to claim for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, such Party shall not claim, and hereby irrevocably waives, such immunity.
- (d) No party to this Agreement is liable to any other party for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control.
- (e) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument or instruction, as applicable. All signatures of the parties to this Agreement may be transmitted by facsimile or as a PDF attached to an email, and such facsimile or PDF will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party.
- (f) If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.
- (g) The Parties represent, warrant and covenant that each document, notice, instruction or request provided by such Party to Escrow Agent shall comply with applicable laws and regulations.
- (h) Each party to this Agreement represents and warrants to each other party that: (i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; (ii) this Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms; (iii) there is not pending, or to its knowledge, threatened against it or any legal proceeding that could materially adversely affect its ability to perform under this Agreement; (iv) it is acting for its own account, and its decision to enter into this Agreement is based upon its own judgment, not in reliance upon the advice or recommendations of any other party to this Agreement and it is capable of assessing the merits of and understanding, and understands and accepts the terms, conditions and risks of this Agreement; and (v) it has not relied on any promises, representations, statements or information of any kind whatsoever that are not contained in this Agreement in deciding to enter into this Agreement.

- (i) Except as expressly provided in Section 9 above, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than Escrow Agent and the Parties any legal or equitable right, remedy, interest or claim under or in respect of the Fund or this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be duly executed by their respective authorized representatives as of the Effective Date.

[COMMUNITY CHOICE AGGREGATOR'S NAME]

By: _____
Name: [Authorized Representative's name]
Title: [Authorized Representative's title]

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____
Name: [Authorized Representative's name]
Title: [Authorized Representative's title]

_____ As Escrow Agent

By: _____
Name: [Authorized Representative's name]
Title: _____

SCHEDULE 1 TO ESCROW AND DEPOSIT ACCOUNT CONTROL AGREEMENT

COMMUNITY CHOICE AGGREGATOR

Telephone Numbers and Authorized Signatures for
Person(s) Designated to Give Applicable Instructions and Confirm Funds Transfer Instructions

For Community Choice Aggregator:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	[CCA's Authorized Representative Name]	[CCA's Authorized Rep Phone No.]	_____
2.	[CCA's Authorized Representative Name]	[CCA's Authorized Rep Phone No.]	_____
3.	[CCA's Authorized Representative Name]	[CCA's Authorized Rep Phone No.]	_____

For your security, please cross off any unused signature lines on this Schedule 1.

All communications (including but not limited to Wire Transfer Instructions and Draw Notices) must be delivered in accordance with Section 10 of this Agreement.

SCHEDULE 2 TO ESCROW AND DEPOSIT ACCOUNT CONTROL AGREEMENT

SCE

Telephone Numbers and Authorized Signatures for
Person(s) Designated to Give Applicable Instructions and Confirm Funds Transfer Instructions

For SCE:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

All communications (including but not limited to Wire Transfer Instructions and Draw Notices) must be delivered in accordance with Section 10 of this Agreement.

SCHEDULE 3 TO ESCROW AND DEPOSIT ACCOUNT CONTROL AGREEMENT

DRAW NOTICE

[to be placed on SCE's Letterhead]

Date: _____

RE: ESCROW AND DEPOSIT ACCOUNT CONTROL AGREEMENT made and entered into as of _____, 201_, ("Effective Date") by and among [Community Choice Aggregator's name] ("Community Choice Aggregator"), Southern California Edison Company ("SCE") and _____ [Bank Name], in its capacities as escrow agent and, as applicable, bank (the "Escrow Agent").

Pursuant to Section 3(a) of the above-referenced Agreement, SCE hereby instructs Escrow Agent to disburse the amount of [\$ _____ /or the total balance of the Fund (including earnings)] to [SCE][the Community Choice Aggregator], in accordance with the payment instructions provided in Section 3 of the Agreement, and as further provided below:

Bank Name:
Bank Address:
ABA Number:
Account Name:
Account Number:

SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")

By: _____
Name: [Authorized Representative's name]
Title: [Authorized Representative's title]
Date: _____

STAFF REPORT
City of Lancaster

CC 11
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Crystal De La Piedra , Administrative Assistant

Subject: Approve and appropriate \$92,600 in required matching funds for multiple grants received by the Lancaster Museum and Public Art Foundation on behalf of the City of Lancaster for the Museum of Art and History

Recommendation:

Approve and appropriate \$92,600 in required 50% matching funds for multiple grants received by the Lancaster Museum and Public Art Foundation (LMPAF) on behalf of the Lancaster Museum of Art and History (MOAH). The grants awarded are from the following foundations/organizations: Art Bridges Foundation, California Arts Council, California Arts Foundation, California Community Foundation, and the Terra Foundation for American Art.

Fiscal Impact:

\$92,600 for the required 50% match; appropriate to account number 101-4653-251.

Background:

When the COVID-19 pandemic began the staff at MOAH worked closely with LMPAF to apply for multiple grants in an effort to continue to provide programs and education to local residents even while the physical building has been closed. Multiple grants were awarded to LMPAF on behalf of the City and now the Department of Parks, Recreation and Arts is seeking funding allocations in order to meet the described matching requirements as listed below.

- Art Bridges Foundation: \$40,000 with a 1:1 matching ratio for the adaptation of the Museum’s programming and general operations during the COVID-19 pandemic to a virtual platform.
- California Community Foundation: \$24,000 with a 1:1 match ratio for MOAH’s arts education initiative (Young Artist Workshop).
- California Art Council: \$20,000 with a 1:1 match ratio to support MOAH’s Artist in Communities initiative.
- Art Bridges Foundation and the Terra Foundation for American Art: \$24,000 with a 1:1 match

ratio for the program, Golden Hour which is the first of three exhibitions initiatives hosted in part with the Los Angeles County Museum of Art.

- Los Angeles County Department of Arts and Culture: \$26,000 with a 1:1 match ratio for program and operational support grant.
- California Arts Foundation and the California Community Foundation: Additional grant funding was received for the “Count Me In Census Project” in the amount of \$51,200 at a 1:1 match ratio.

In order to meet the matching funds requirement, the Parks, Recreation and Arts Department is requesting the allocation of \$92,600 for MOAH.

RG:nj

Attachment:

STAFF REPORT
City of Lancaster

CC 12
11/10/20
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Chenin Dow, Assistant to the City Manager
Larissa De La Cruz, Community Development Senior Manager

Subject: **Application for Local Early Action Planning Grants Program (LEAP)**

Recommendation:

Adopt **Resolution No. 20-60**, authorizing application for and receipt of, local government planning support grant program funds.

Fiscal Impact:

None.

Background:

In the 2019-20 Budget Act, Governor Gavin Newsom allocated \$250 million for all regions, cities, and counties to do their part by prioritizing planning activities that accelerate housing production to meet identified needs of every community. With this allocation, HCD established the Local Early Action Planning Grant Program (LEAP) with \$119 million for cities and counties. LEAP provides one-time grant funding to cities and counties to update their planning documents and implement process improvements that will facilitate the acceleration of housing production and furthermore, these funds will assist in making process improvements that streamline housing approvals and accelerate housing production.

Medium size jurisdictions, such as Lancaster, can apply for and receive up to \$500,000 for housing planning grants. Staff proposes to request the full amount to fund the ongoing effort towards the creation of the Parkway Village Specific Plan and other housing-related initiatives that would plan for and streamline the development process. The State Grant will provide funding for the direct costs associated with these activities, and could reduce the General Fund obligation towards these efforts.

Attachment:

Resolution No. 20-60

RESOLUTION NO. 20-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA AUTHORIZING APPLICATION FOR, AND RECEIPT OF, LOVAL GOVERNMENT PLANNING SUPPORT GRANT PROGRAM FUNDS

WHEREAS, pursuant to Health and Safety Code 50515 et. Seq, the Department of Housing and Community Development (Department) is authorized to issue a Notice of Funding Availability (NOFA) as part of the Local Government Planning Support Grants Program (hereinafter referred to by the Department as the Local Early Action Planning Grants Program or LEAP); and

WHEREAS, the City Council of the City of Lancaster, California desires to submit a LEAP grant application package (“Application”), on the forms provided by the Department, for approval of grant funding for projects that assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment; and

WHEREAS, the Department has issued a NOFA and Application on January 27, 2020 in the amount of \$119,040,000 for assistance to all California Jurisdictions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER (“APPLICANT”) AS FOLLOWS:

Section 1. The City Manager or his designee is hereby authorized and directed to apply for and submit to the Department the Application package;

Section 2. In connection with the LEAP grant, if the Application is approved by the Department, the City Manager or his designee of the City of Lancaster is authorized to submit the Application, enter into, execute, and deliver on behalf of the Applicant, a State of California Agreement (Standard Agreement) for the amount of \$500,000 and any and all other documents required or deemed necessary or appropriate to evidence and secure the LEAP grant, the Applicant’s obligations related thereto, and all amendments thereto; and

Section 3. The Applicant shall be subject to the terms and conditions as specified in the NOFA, and the Standard Agreement provided by the Department after approval. The Application and any and all accompanying documents are incorporated in full as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the Application will be enforceable through the fully executed Standard Agreement. Pursuant to the NOFA and in conjunction with the terms of the Standard Agreement, the Applicant hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.

PASSED, APPROVED and ADOPTED this 10TH of November 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

RECUSED:

ABSENT:

ATTEST:

APPROVED:

ANDREA H. ALEXANDER
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
CITY OF LANCASTER

I, _____, _____ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. 20-60, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

STAFF REPORT
City of Lancaster

CC 13
11/10/20
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Chenin Dow, Assistant to the City Manager

Subject: **Stand Strong Business Recovery Loan Program Extension**

Recommendations:

1. Approve an extension of all Stand Strong Business Recovery loans awarded to businesses deemed “non-essential” by the State of California and/or the Los Angeles County Department of Public Health to allow an additional six months before the first loan payments are due. This action would shift the due date for the first payments from January 1, 2021 to July 1, 2021.
2. Authorize the City Manager or his designee to approve an additional extension of up to six months, to January 1, 2022, based on staff’s evaluation of the needs of the individual business and the financial impact of the public health restrictions in place through July 1, 2021.

Fiscal Impact:

No new costs. Loan repayments would be deferred by six months, with a potential extension of an additional six months, from their initial repayment date.

Background:

Immediately following the State of California and Los Angeles County Department of Public Health “Safer at Home” orders in March 2020, the City Council enacted the Stand Strong Business Recovery Loan Program in order to provide struggling small businesses with a lifeline to help keep them afloat. These loans provided \$5,000 - \$20,000 at interest equal to the City’s Average Portfolio Yield for up to five years; interest is waived if loans are paid in full within one year from the date of receipt. The loans were structured to provide a minimum of six months from the date of award to the date the first payment was due, with the intent of allowing sufficient time for reopening and stabilization of the business.

To date, 35 loans have been awarded, totaling \$638,267. 28 of these loans have been to businesses deemed “non-essential” and thus heavily impacted by the associated closure orders and/or capacity restrictions. The ongoing closures and limitations have placed many – if not all – of these businesses in a precarious position.

Currently, the first quarterly payments for the majority of loans are due January 1, 2021, while some who applied later in the program have first payments due on April 1, 2021. The proposed

action would shift all initial payments for businesses deemed “non-essential” to July 1, 2021, allowing for additional time to recover. As the due date approaches, staff will evaluate the closure orders in place at that time and the needs of the individual businesses affected to determine whether an additional extension until January 1, 2022 is warranted.

Loans paid in full on or before July 1, 2021 would be classified as “one year or less” regardless of the date of loan award, thus incurring no interest under the program’s original terms. Those extending beyond that date would continue to incur interest equal to the City’s Average Portfolio Yield, or the amount of interest the City would earn if the funds had remained in the City’s portfolio. This rate, updated annually in December, is currently 1.64%.

Initial payments for loans awarded to businesses deemed “essential” who have thus been permitted to continue operating throughout the closure orders would continue to be due on their original due dates as outlined in each business’s respective loan agreement. However, essential businesses who present a compelling case for the financial impact of the public health orders on their businesses would be eligible for the same extensions as those deemed non-essential, at the discretion of the City Manager or his designee.

CD

STAFF REPORT
City of Lancaster

PH 1
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services

Subject: Introduction of Ordinance to Establish Requirements for the Collection and Recycling of Recyclable Materials and Collection and Organics Processing

Recommendation:

Introduce **Ordinance No. 1077**, adding Chapter 13.17 of the Lancaster Municipal Code to establish requirements for the collection and recycling of recyclable materials, and collection and organics processing of organic material generated from commercial facilities, multi-family dwellings, and special events.

Fiscal Impact:

None.

Background:

Since the mid-1980s, the State of California has signed into law several bills intended to reduce the amount of solid waste entering the waste stream to preserve public health, safety, and welfare, and reduce the impacts to landfills. Assembly Bill 939 (AB 939) was signed into law in September 1989, which, in part, mandated each city or county to enact programs to divert twenty-five percent (25%) of solid waste by 1995, and fifty percent (50%) by the year 2000.

To further their waste reduction goals, the State of California signed into law Assembly Bill 341 (AB 341) in January 2012. AB 341 increased the State's waste diversion requirements from fifty percent (50%) to seventy-five percent (75%) by 2020. AB 341 requires California commercial businesses and public entities that generate four (4) or more cubic yards of solid waste per week, and multi-family housing complexes with five (5) or more units, to adopt recycling practices that divert usable materials from disposal. Based on CalRecycle data, the commercial sector generates nearly three-fourths of the solid waste in California, much of which was found to be readily recyclable. Additionally, AB 341 requires each jurisdiction to have a commercial solid waste recycling program that consists of education, outreach and monitoring of these generators, and the data is reported to CalRecycle annually.

In October 2014, Assembly Bill 1826 (AB 1826) was signed into law, requiring businesses to recycle their organic waste, and local jurisdictions to implement an organic waste recycling program to divert organic waste generated by businesses, including multi-family dwellings that consist of five (5) or more units. AB 1826 requires that these businesses arrange for recycling services for the following types of organics: food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper. Multi-family dwellings must arrange for recycling services for the same material with the exception of food waste and food-soiled paper. As of December 31, 2020, all businesses and multi-family dwellings generating more than two (2) cubic yards of organic waste per week will be required to arrange for organic recycling services.

In September 2016, Senate Bill 1383 was signed into law to continue the State's support in the adoption of policies that improve organic waste recycling and innovative, cost effective policies. This bill addresses recycling of food waste directly to continue the goal of reducing organic waste methane emissions. The regulations of this bill shall become effective and enforceable on January 1, 2022, and will require City staff to develop an ordinance to meet the state mandates, specifically on food waste recycling.

City staff has worked closely with its franchise waste hauler, Waste Management, in developing public education, conducting site visits, and determining compliance to meet the State's mandates and waste diversion goals. At this time, approximately twenty percent (20%) of the businesses generating four (4) cubic yards or more of organic waste and multi-family dwellings with five (5) or more units are compliant. This ratio will decrease after December 31, 2020, due to the two (2) cubic yard mandate that will be implemented by CalRecycle. City staff intends to continue working with Waste Management in public outreach and education to increase compliance and meet the diversion rates set by CalRecycle. The City will implement this program with a sensible, business-friendly approach with the goal of limiting the impact to the operations of the businesses and multi-family dwellings.

California Public Resources Code section 42649.82(d)(vii)(C) requires local jurisdictions to notify a business if the business is not in compliance with the State recycling mandates. The proposed ordinance is intended to ensure the City's compliance with the State's recycling mandates and to maximize reduction of waste in the City. Administrative civil penalties of up to \$10,000.00 per day can be imposed in the event that no action is taken or the corrective action does not meet the requirements of the mandates.

In summary, the Ordinance before the City Council tonight will require businesses and multi-family dwellings generating more than two (2) cubic yards of organic waste to source separate recyclable materials from solid waste in covered collection containers, and subscribe to a basic level of recycling services that includes the collection of recyclables (such as plastic/paper) and organic waste (such as landscape waste).

JW/df

Attachment:
Ordinance No.

ORDINANCE NO. 1077

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ADDING CHAPTER 13.17 OF THE LANCASTER MUNICIPAL CODE TO ESTABLISH REQUIREMENTS FOR THE COLLECTION AND RECYCLING OF RECYCLABLE MATERIALS AND COLLECTION AND ORGANICS PROCESSING OF ORGANIC MATERIAL GENERATED FROM COMMERCIAL FACILITIES, MULTI-FAMILY DWELLINGS, AND SPECIAL EVENTS

WHEREAS, the City Council of the City of Lancaster wishes to maintain a safe, controlled, and cost-efficient commercial and multi-family residential recycling program, which serves as a convenience to the community and preserves the public health and safety; and

WHEREAS, the City Council finds that reducing the amount of solid waste entering the waste stream is necessary for the public health, safety, and welfare, will reduce impacts to landfills, and is mandated by the State, in conformance with Assembly Bill 341, Assembly Bill 939, and Assembly Bill 1826; and

WHEREAS, Chapter 12.9 of Part 3 of Division 30 of the California Public Resources Code (Section 42649.8 *et seq.*) establishes requirements for the recycling of organic waste; and

WHEREAS, Assembly Bill 1826 (2014) imposed statewide organic recycling requirements that will help the State meet its goal to recycle 75% of its waste by 2020. The law requires that businesses arrange for recycling services for the following types of organics: food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper. Multi-family dwellings must arrange for recycling services for the same material with the exception of food waste and food-soiled paper; and

WHEREAS, Assembly Bill 341 (2012) increased the State's waste diversion goal from 50% to 75%, and required California commercial businesses and public entities that generate 4 or more cubic yards per week of waste, and multi-family housing complexes with 5 or more units, to adopt recycling practices. The 4 or more cubic yards per week of waste threshold will be reduced to 2 or more cubic yards per week of waste as of December 31, 2020 pursuant to regulations implemented in connection with Senate Bill 1383 (2016). Assembly Bill 341 required local jurisdictions to inform businesses about the recycling requirement and to keep track of the level of recycling within the business community. In addition, each jurisdiction is required to report to CalRecycle, the state agency that oversees recycling and solid waste, on recycling progress in the business community; and

WHEREAS, Public Resources Code section 42649.82(d)(vii)(C) states that the organic waste recycling program shall "require the jurisdiction to notify a business if the business is not in compliance with Section 42649.81" of the Public Resources Code; and

WHEREAS, the City Council, by adopting this ordinance, wishes to ensure the City's compliance with the State recycling mandates and to maximize reduction of waste in the City.

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

Section 1. The foregoing recitals and findings are incorporated herein and constitute a substantive part of this Ordinance.

Section 2. Chapter 13.17 is hereby added to the Lancaster Municipal Code to read as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

Section 3. Section 13.16.130 of the Lancaster Municipal Code is hereby repealed in its entirety.

Section 4. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is held for any reason to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Lancaster hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

Section 5. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect 30 days after adoption.

I, Andrea Alexander, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the ___ day of _____, 2020, and placed upon its second reading and adopted at a regular meeting of the City Council on the _____ day of _____, 2020 by the vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, _____, _____ City of
Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance
No. _____, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____
day of _____, _____.

(seal)

EXHIBIT “A”
ORDINANCE NO. _____

CHAPTER 13.17

REQUIREMENTS FOR THE COLLECTION AND RECYCLING OF RECYCLABLE MATERIALS AND COLLECTION AND ORGANICS PROCESSING OF ORGANIC MATERIAL GENERATED FROM COMMERCIAL FACILITIES, MULTI-FAMILY DWELLINGS, AND SPECIAL EVENTS

Sections:

13.17.010	Purpose and Intent.
13.17.020	Definitions.
13.17.030	Source Separation Requirements
13.17.040	Space and Zoning
13.17.050	Self-Hauling and Third-Party Activity
13.17.060	Reporting
13.17.070	Special Events
13.17.080	Enforcement

13.17.010 Purpose and Intent.

The city is required to adhere to state-mandated policies and thus is establishing citywide requirements applicable to the 1989 California Integrated Waste Management Act – Assembly Bill 939 (AB 939), as amended by Assembly Bill 341 (AB 341), signed into law October 2011, Recycling of Commercial Solid Waste, and Assembly Bill 1826 (AB 1826), signed into law September 2014, Recycling of Organic Waste, and any future bills amending the 1981 California Integrated Waste Management Act. AB 341 and AB 1826 impact commercial businesses and Multi-family dwellings with five or more units. These assembly bills state that their purposes are to increase the diversion of recyclable material and organic waste from landfill disposal, reduce greenhouse gas emissions, conserve water, energy and other natural resources, and protect the environment. This chapter is to ensure citywide compliance of state-mandated policies.

13.17.020 Definitions.

The following words and phrases, wherever used in this chapter, shall be construed as set forth below, unless it is apparent from the context they have a different meaning:

“AB 939” or “Assembly Bill 939” means Division 30, Waste Management, in the California Public Resources Code (Sections 4000 – 49620), as it may be amended from time to time, a state law requiring, among other things, all California cities, counties, and approved regional solid waste management agencies responsible for enacting plans and implementing programs to divert 25 percent of their solid waste by 1995 and 50 percent by year 2000.

“AB 341” or “Assembly Bill 341” means Chapter 12.8 of Part 3 of Division 30 of the California Public Resource Code (Sections 42649 - 42649.7), as it may be amended from time to

time, a state law requiring certain generators to divert recyclable materials from their solid waste stream.

“AB 1826” or “Assembly Bill 1826” means Chapter 12.9 of Part 3 of Division 30 of the California Public Resource Code (Sections 42649.8-42649.86), as it may be amended from time to time, a state law requiring certain generators to recycle their organic waste.

"Business" means any commercial entity, public entity, or Multi-family residential dwelling of five or more units that generates two or more cubic yards of commercial solid waste per week.

“City” means the City of Lancaster.

“City Manager” means the city manager of the City, including his or her designees, appointed pursuant Lancaster Municipal Code section 2.08.010.

“Compost” is defined in state law as the product resulting from the controlled biological decomposition of organic wastes that are source separated from the municipal waste stream.

“Franchise Hauler” means a Hauler holding a franchise, contract, license or permit issued by the City which authorizes the exclusive or non-exclusive right to provide solid waste handling services within all or part of the jurisdictional boundaries of the City.

“Generator” means the Responsible Party of a Business(es), which generates Recyclable or Compostable Materials as a result of its Business. Generator may also include tenants, property managers for facilities with leased space, employees and/or contractors of the Responsible Party of the Business. Generator also means the Responsible Party for a Special Event.

“Gross Contamination” refers to instances where a identifiable amount of non-recyclable materials is found in recycling or organic waste collection containers at the site of collection.

“Organic Waste” is defined as green waste and other material that can be broken down into, or otherwise become part of, usable Compost in a safe and timely manner. Compostable Material may also include waste such as food scraps, soiled paper, plant trimmings, and other yard and wood wastes that are not hazardous.

“Recycle or Recycling” means the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise become Solid Waste and returning them for use or reuse in the form of raw materials for new, used or reconstituted products which meet the quality standard necessary to be used in the market place as defined in Public Resources Code 40180. Recycling does not include burning, incinerating, or thermally destroying solid waste.

“Recyclable Materials” means materials that have been separated from the solid waste stream prior to disposal and returning them for use or reuse in the form of raw materials for new, used or reconstituted products which meet the quality standard necessary to be used in the market place and that are not landfilled. Recyclable Materials include any materials identified by the City or Franchise Hauler for which a market exists, including, but not limited to: plastic bottles and jars, paper, unsoiled cardboard, glass, newspaper, metal containers, and cans.

“Responsible Party” means the owner of a Business or a person who is responsible for control of a Business. Responsible Party shall also have the same meaning as set forth in Lancaster Municipal Code section 9.40.030.

“Solid Waste” means all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, discarded home and industrial appliances, dewatered, treated or chemically fixed sewage sludge which is not a hazardous waste, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semi-solid wastes. Solid Waste does not include hazardous waste or low-level radioactive waste defined in Health and Safety Code sections 25117 and 25141.

“Source Separated” or “Source Separation” means the process of removing recyclable materials and organic waste from solid waste at the place of discard generation, prior to collection, into separate containers that are separately designated for recyclables or organic waste for the purposes of recycling.

“Special Event” for purposes of this chapter shall have the same meaning as set forth in Lancaster Municipal Code section 9.40.030.

13.17.030 Source Separation Requirements

A. Each generator shall be responsible for ensuring and demonstrating its compliance with the requirements of this ordinance.

B. Each generator subject to AB 341 or AB 1826 or both must source separate recyclable materials and organic waste from solid waste and subscribe to a basic level of recycling services that includes the collection of recyclables and organic waste.

C. Each generator shall provide documentation, upon request, of recycling activities, such as invoices, statements or receipts from the City’s Franchise Hauler, a third-party service provider and/or a recycling center as applicable.

D. Each generator shall use containers to collect and store recyclable materials and organic waste, and shall designate areas of appropriate size to collect and/or store recyclable materials and organic waste with prominently posted signs, work areas, or common areas where recyclable materials and organic waste are collected and/or stored that specify materials to be source separated in addition to collection procedures for such materials.

E. All recyclable materials and organic waste shall be placed for collection in covered collection containers conforming to the following requirements:

1. The generator is responsible to keep the containers used for storage and on the premises in a clean and sanitary condition.

2. No non-conforming materials shall be commingled with recyclable materials or organic waste in the collection container.

3. Lids on collection containers shall remain closed at all times while stored or placed for collection.

F. A violation of the source separation requirements set forth in this section 13.17.020 shall constitute a public nuisance under Chapter 8.28 of the Lancaster Municipal Code and, subject to the noticing requirements of section 13.17.080, shall be punishable pursuant Chapter 1.12 and 1.16 of the Lancaster Municipal Code.

13.17.040 Space and Zoning

A. Each generator is responsible for providing adequate storage space for automatic lift containers, bins or roll off bins for recyclable materials and organic waste on site.

B. Each generator must demonstrate an effort to comply with providing adequate storage space for collection including expanding the existing space or sharing with an adjoining business or property.

13.17.050 Self-Hauling and Third-Party Activity

A. Nothing in this ordinance shall preclude any generator from self-hauling recyclable materials generated by that business to a recycling facility or the sale or donation of recyclables to a third-party.

B. A generator may transport recyclable materials at its business or property to a recycling facility only if the generator completes such transport by using a vehicle owned by the generator. The generator may not contract or hire a third party to collect or transport recyclable materials where such transport results in a net service charge to the generator.

C. The City may restrict or prohibit self-hauling, sale or donation of recyclable materials by a generator if the City Manager determines, after providing notice and an opportunity for a hearing, that the generator's self-hauling activities violate the provisions of this ordinance or any other applicable law.

D. Before collecting or transporting solid waste, including recyclable solid wastes or green waste, each self-hauler, ancillary hauler as defined in subsection (E) of this section, shall obtain a self-haul permit from the City. The self-haul permit must be renewed on an annual basis and all applicants must pay a permitting fee to offset the expense to the City for processing, handling, and performing the required work associated with the permit. Each self-haul permit holder shall submit reports to the City, in a format and at a frequency determined by the City Manager. Required report information may include, but is not limited to, the type, quantity, volume, weight, and disposal facility destination of the solid waste collected in the City. Each report is also required to include gate tickets, receipts or similar documentation substantiating the information contained in the report. Failure to submit required reports to the City or to self-haul with the required frequency shall be a basis for revocation of a self-haul or ancillary haul permit.

E. "Self-Haul" as used in this section means the hauling of solid waste, recyclables and organic waste to diversion facilities by the generator of said waste using the generator's own vehicles and manpower, such as in the redemption of CRV containers or donations to a food bank.

“Ancillary Haul” as used in this section means the hauling of recyclables and organic waste to diversion facilities by a third-party service provider to divert recyclables and organic waste. To comply with the terms of the City's franchise agreement and this chapter, such providers must either provide the hauling service at no charge to the generator or include the hauling of material as an ancillary benefit of another service performed at the generator premises. Examples of this include a recycler that pays the generator for the material, a donation from the generator premises to a food bank that collects the material at no charge, or a landscaper that removes green waste as a part of its service at the generator premises.

13.17.060 Reporting

Franchise haulers shall provide reports on the required dates designated by contract and include the identification of:

- A. The total number of businesses the Franchise hauler has in the City's boundaries, the name and address of each facility serviced, and the name of the responsible party for solid waste and recyclable materials management at each business.
- B. The frequency of recyclable materials collection service provided to each business.
- C. The amount of recyclable materials and organic waste, , collected per week by volume in cubic yards as measured by the number and size of applicable containers and frequency of service during the period of the report.
- D. The location of recycling facilities to which the recyclable materials were taken during the period of the report.
- E. The identity of non-compliant generators and brief explanation of non-compliant activity.

13.17.070 Special Events

Special events shall be responsible for ensuring and demonstrating compliance with the requirements of this chapter. In addition to other requirements in this chapter and the Municipal Code, each special event shall:

- A. Segregate recyclable materials and, for special events that include food service, organic materials from garbage by placing each type of material in a separate designated receptacle or container, and ensure that employees, contractors, volunteers, customers, visitors, and other persons on site segregate recyclable materials and, for food service, organic waste.
- B. Ensure the special event has access to an adequate number and type of containers needed for collecting and storing recyclable materials and, when applicable, organic waste generated at and by the special event.
- C. Provide or ensure the provision of adequate receptacles throughout the special event location to make the segregation of recyclable materials and organic materials convenient for employees, volunteers, contractors, vendors, exhibitors, presenters, visitors, attendees, customers, and other persons on site.

D. Provide or ensure the provision of an equal or greater number of receptacles for recyclable materials and, when applicable, organic waste to receptacles for garbage. Individual receptacles for recyclable materials, organic waste, and garbage shall be placed as close together as possible throughout the special event location in order to provide equally convenient access to receptacles for recyclable materials and organic waste as to receptacles for garbage.

E. Ensure that all receptacles used for segregating and storing recyclable materials, organic waste, and garbage are affixed with signs or labels that display the appropriate information to enable users to accurately segregate solid waste and to clearly differentiate which receptacles are used for recyclable materials, organic waste, and garbage, to minimize the contamination of material placed in receptacles.

F. Have at least one separate receptacle each for recyclable materials, organic waste, and garbage for use by employees, contractors, custodians, customers, visitors, and other persons on site.

G. Distribute information about the requirements of this chapter and appropriate informational materials to all vendors, exhibitors, and other commercial generators during event planning and setup.

H. Ensure that the contents of the receptacles for recyclable materials and organic waste are not delivered to garbage containers unless they include unacceptable levels of gross contamination.

13.17.080 Enforcement

A. The city manager is authorized to administer and enforce the provisions in this chapter. The city manager or anyone designated by the city manager to be an enforcement officer may exercise such enforcement powers to the extent permitted by law.

B. Generators found to be out of compliance with any part of this chapter will be penalized through the incremental notification and enforcement procedure as follows:

1. The franchise hauler shall notify the city manager and/or his or her designee each time it finds incorrect materials in a collection container.

2. After receiving notice from the franchise hauler of a generator in violation of this chapter, the city manager and/or his or her designee will provide written notice to the generator that the generator is in violation of this chapter.

3. If the franchise hauler notifies the city manager and/or his or her designee that incorrect materials were found in a collection container a second time within twelve months of the City providing notice pursuant to subsection 2 above, the city manager and/or his or her designee shall provide a second written notice to the generator that the generator is in violation of this chapter and that failure to cure its non-compliance may result in enforcement action.

4. If the franchise hauler notifies the city manager and/or his or her designee that incorrect material were found in a collection container for a third time within twelve months

of the City providing notice pursuant to subsection 2 above, as well as all subsequent violations occurring within twelve months of the City providing notice pursuant to subsection 2 above, shall be subject to enforcement action(s) pursuant to Chapter 1.12 and 1.16 of the Lancaster Municipal Code.

4. The city manager may seek injunctive relief or civil penalties in the Superior Court in addition to the above remedies and penalties.

5. Otherwise, the city manager or designee may take any other action authorized by any other provision of law.

13.17.080 Regulations

The city manager is authorized to promulgate such regulations as may be necessary or convenient to implement this chapter.

STAFF REPORT
City of Lancaster

NB 1
11/10/2020
JC

Date: November 10, 2020

To: Mayor Parris and City Council Members

From: Andrea Alexander, City Clerk

Subject: Introduction of Urgency Ordinance No. 1078 Adding Chapter 5.57 of the Lancaster Municipal Code to establish a temporary limit on the charges imposed by food delivery services on covered establishments during the COVID-19 emergency

Recommendation:

Introduce Ordinance No. 1078, to establish a temporary limit on the charges imposed by food delivery services on covered establishments during the COVID-19 emergency.

Fiscal Impact:

There will be no direct fiscal impact associated with administering this ordinance.

Background:

The number of COVID-19 cases in Los Angeles County has increased in recent months. The national and local public health emergency resulting from the COVID-19 pandemic remains in effect, and the virus continues to pose a threat to the health and safety of residents in the City of Lancaster. As residents continue to engage in social distancing, many are ordering food for delivery from local restaurants. Staff have received numerous reports of delivery services up-charging customers due to COVID-19 and the increased demand for food delivery. Staff recommends that City Council adopt **Ordinance No. 1078**, to place reasonable limits on the fees and charges imposed by third-party food delivery services on Lancaster residents. This ordinance requires a four-fifths vote of the City Council and will take effect immediately upon adoption.

Attachment:

Ordinance No. 1078

ORDINANCE NO. 1078

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ADDING CHAPTER 5.57 OF THE LANCASTER MUNICIPAL CODE TO ESTABLISH A TEMPORARY LIMIT ON THE CHARGES IMPOSED BY FOOD DELIVERY SERVICES ON COVERED ESTABLISHMENTS DURING THE COVID-19 EMERGENCY

WHEREAS, pursuant to Article XI, Section 7 of the California Constitution, the City of LANCASTER ("City") may make and enforce all regulations and ordinances using its police powers; and

WHEREAS, international, national, state and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus now known as COVID-19; and

WHEREAS, on January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization ("WHO") declared the COVID-19 outbreak a public health emergency of international concern; and

WHEREAS, on January 30, 2020, the United States Health and Human Services Secretary declared a public health emergency related to the COVID-19 outbreak; and

WHEREAS, on March 4, 2020, the Governor of California declared a state of emergency related to the COVID-19 outbreak; and

WHEREAS, on March 4, 2020, the Los Angeles County Board of Supervisors and the Los Angeles County Department of Health declared a local and public health emergency related to the COVID-19 outbreak; and

WHEREAS, on March 11, 2020, the WHO characterized COVID-19 as a pandemic; and

WHEREAS, on March 13, 2020, the President of the United States declared the COVID-19 outbreak a national emergency; and

WHEREAS, on March 16, 2020, the County of Los Angeles Health Officer issued an order, which was amended on March 19 and 21, 2020 and is now known as the "Safer at Home" order, restricting public gatherings and requiring all persons to remain in their homes or at their place of residence except when traveling to or from essential businesses or engaging in essential activities; ; including restrictions on restaurant dining; and

WHEREAS, on March 17, 2020, the City Manager, in his role as Director of Emergency Services, declared the existence of a local emergency within the City, and the City Council of the City adopted Resolution No. 20-08, confirming and ratifying the local emergency declaration. On May 26, July 14, and September 8, the City further adopted Resolution Nos. 20-17, 20-37, and 20-46, respectively, which confirmed the continued existence of a local emergency; and

WHEREAS, on July 1, 2020, the Governor of California ordered the shutdown of all indoor restaurant dining in Los Angeles County; and

WHEREAS, on July 1, 2020, the County of Los Angeles's Public Health Officer also issued an order requiring the closure of indoor on-site dining; and

WHEREAS, restricting restaurants to pick-up or delivery offerings, and limited outdoor dining with decreased capacity, has placed a sudden and severe financial strain on many restaurants; and

WHEREAS, capping the per-order fees for delivery of restaurant meals at 15 percent will accomplish the legitimate public purposes of easing the financial burden on struggling restaurants during this emergency while not unduly burdening third-party platforms; and

WHEREAS, it is the intent of the City Council of the City of Lancaster in enacting this emergency ordinance to preserve the public peace, health, and safety, as well as aid local businesses. Social distancing and other COVID-19 related Emergency Health Orders are expected to remain in force for the foreseeable future, threatening loss of employment to more residents and loss of income. As state anti-gouging laws do not provide any protections in the market for food delivery services, this ordinance is necessary to enable the City to ensure continuity of essential food services for its residents and to protect against predatory price gouging activity during the period of emergency; and

WHEREAS, section 36937(b) of the California Government Code authorizes the adoption of an emergency ordinance to protect the public peace, health or safety, where there is a declaration of the facts constituting the urgency which shall be effective immediately upon adoption by four-fifths (4/5th) vote of the City Council.

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

Section 1. The foregoing recitals and findings are incorporated herein and constitute a substantive part of this Ordinance.

Section 2. Chapter 5.57 is hereby added to the Lancaster Municipal Code to read as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

Section 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is held for any reason to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Lancaster hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

Section 4. This Ordinance is hereby declared an urgency measure pursuant to section 36937(b) of the California Government Code and shall be effective immediately upon adoption by a four-fifths (4/5th) vote of the City Council.

Section 5. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect immediately upon adoption.

I, Andrea Alexander, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the ___ day of _____, 2020, and placed upon its second reading and adopted at a regular meeting of the City Council on the _____ day of _____, 2020 by the vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

ANDREA ALEXANDER
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, _____, _____ City of Lancaster,
California, do hereby certify that this is a true and correct copy of the original Ordinance No.1078 ,
for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day
of _____, _____.

(seal)

EXHIBIT “A”
ORDINANCE NO. _____

CHAPTER 5.57

CAPPING FEES FOR THIRD-PARTY FOOD DELIVERY SERVICES

Sections:

5.57.010	Purpose and Intent.
5.57.020	Definitions.
5.57.030	Prohibitions.
5.57.040	Disclosures.
5.57.050	Enforcement.
5.57.060	Sunset/Expiration.
5.57.070	Severability.

5.57.010 Purpose and Intent.

It is the intent of the City Council of the City of Lancaster, in enacting this chapter, to provide for the public peace, health, and safety, as well as aid local businesses. Social distancing and other COVID-19 related Emergency Health Orders are expected to remain in force for the foreseeable future, threatening loss of employment to more residents and loss of income. As state anti-gouging laws do not provide any protections in the market for food delivery services, this ordinance is necessary to enable the City to ensure continuity of essential food services for its residents and to protect against predatory price gouging activity during the period of emergency. Capping the per-order fees for delivery of restaurant meals at 15 percent will accomplish the legitimate public purposes of easing the financial burden on struggling restaurants during this emergency while not unduly burdening third-party platforms.

5.57.020 Definitions.

The following words and phrases, wherever used in this chapter, shall be construed as set forth below unless it is apparent from the context they have a different meaning:

- A. “City” means the City of Lancaster.
- B. “Delivery Fee” means a fee charged by a Third-Party Food Delivery Service for providing a Retail Food Establishment with a service that delivers food and beverages from such establishment to customers. The term does not include any other fee or cost that may be charged by a Third-Party Food Delivery Service to a Retail Food Establishment, such as fees for listing or advertising the Retail Food Establishment on the Third-Party Food Delivery Service’s platform or fees related to processing the online order, including, but not limited to, service fees, fees for facilitating Online Orders for pick-up, and/or credit card processing fees.
- C. “Further Fees” means additional fees, commissions, or costs beyond the Delivery Fee charged by the Third-Party Food Delivery Service to a Retail Food Establishment.

- D. "Online Order" means an order placed by a customer through or with the assistance of a platform provided by a Third-Party Food Delivery Service, including telephone orders and internet orders, for delivery or pick-up within the City.
- E. "Purchase Price" means the price, as listed on the menu, for the items contained in an Online Order, minus any applicable coupon or promotional discount provided to the customer by the Retail Food Establishment through the Third-Party Food Delivery Service. This definition does not include taxes, gratuities, and any other fees or costs that may make up the total amount charged to the customer for an Online Order.
- F. "Retail Food Establishment" means a restaurant, delicatessen, bakery, coffee shop, or other eat-in or carry-out service of processed or prepared raw and/or ready-to-eat food and/or beverages.
- G. "Third-Party Food Delivery Service" means any website, mobile application, or other internet or telephone service that offers or arranges for the sale of food and/or beverages prepared by, and the delivery or pick-up of food and beverages from, no fewer than five (5) Retail Food Establishments located in the City that are each owned and operated by different persons.

5.57.030 Prohibitions.

1. It shall be unlawful for a Third-party Food Delivery Service to charge a Retail Food Establishment a Delivery Fee that exceeds fifteen (15) percent of the Purchase Price of each Online Order.
2. It shall be unlawful for a Third-party Food Delivery Service to charge a Retail Food Establishment any combination of Further Fees for the Retail Food Establishment's use of the Third-party Food Delivery Service that is greater than 5 percent of the Purchase Price of each Online Order. Further Fees do not include Delivery Fee
3. It shall be unlawful for a Third-party Food Delivery Service to charge a Retail Food Establishment other than Delivery Fees and Further Fees as described in Subsections 1 and 2 above.
4. It shall be unlawful for a Third-party Food Delivery Service to charge a customer any Purchase Price for a food or beverage item that is higher than the price set by the Retail Food Establishment for its food and beverage items on the Third-Party Food Delivery Service or, if no price is set by the Retail Food Establishment on the Third-Party Food Delivery Service, the price listed on the Retail Food Establishment's own menu.
5. It shall be unlawful for a Third-party Food Delivery service to reduce the compensation rates paid to the delivery service driver or retain any portion of amounts designated as a tip or gratuity by a customer to the delivery service driver. Any tip or gratuity shall be paid by the Third-party Delivery Service, in its entirety, to the person delivering the food or beverages.

5.57.040 Disclosures

The Third-party Food Delivery Service shall disclose to the customer an accurate, clearly identified, and itemized cost breakdown of each transaction, including but not limited to the following:

1. the Purchase Price of the food and beverages at the cost listed on the Retail Food Establishment's menu;
2. The Delivery Fee charged to the Retail Food Establishment;
3. Each fee, commission, or cost, other than a Delivery Fee, charged to the Retail Food Establishment;
4. Each fee, commission, or cost, other than the Delivery Fee or the Purchase Price of the food, charged to the customer by the Third-Party Food Delivery Service;
5. Any tip or gratuity that will be paid to the person delivering the food or beverages.

5.57.050 Enforcement.

- A. A violation of this article shall subject the violator to the following:
 1. An Administrative Citation under Section 1.16 of this Code; or
 2. An action in the Superior Court of the State of California to recover all actual damages resulting from a violation of this article.
 - a. Reasonable attorneys' fees and costs awarded by a court to a plaintiff that prevails in an action against a Third-Party Food Delivery Service. If plaintiff fails to prevail against a Third-Party Food Delivery Service, a court may award reasonable attorneys' fees and costs to the Third-Party Food Delivery Service upon a determination by the court that the plaintiff's action was frivolous.
 - b. A civil action alleging a violation of any provision of this article shall commence only after the following requirements have been met:
 - i. Written notice is provided by the Retail Food Establishment to the Third-Party Food Delivery Service of the provisions of the article alleged to have been violated and the facts to support the alleged violation; and
 - ii. The Third-Party Food Delivery Service is provided 15 days from the date of the written notice to cure any alleged violation.
- B. Notwithstanding any provision of this Code, or any other ordinance to the contrary, no criminal penalties shall attach for violation of this article.

5.57.060 Sunset/Expiration.

This article shall expire and be of no further force and effect once the declared local state of emergency is no longer in effect in Los Angeles County.

5.57.070 Severability.

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