CITY OF REDONDO BEACH CITY COUNCIL AGENDA Tuesday, August 2, 2022

415 DIAMOND STREET, REDONDO BEACH

CITY COUNCIL CHAMBER

THE CITY COUNCIL HAS RESUMED PUBLIC MEETINGS IN THE COUNCIL CHAMBER. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN -PERSON, BY ZOOM, eCOMMENT OR EMAIL.

City Council meetings are broadcast live through Spectrum Cable, Channel 8, and Frontier Communications, Channel 41 and/or rebroadcast on Wednesday at 3PM and Saturday at 3PM following the date of the meeting. Live streams and indexed archives of meetings are available via internet. Visit the City's official website at www.Redondo.org/rbtv.

TO WATCH MEETING LIVE ON THE CITY'S WEBSITE:

https://redondo.legistar.com/Calendar.aspx

*Click "In Progress" hyperlink under Video section of meeting

TO WATCH MEETING LIVE ON YOUTUBE:

https://www.youtube.com/c/CityofRedondoBeachIT

TO JOIN THE MEETING VIA ZOOM (FOR PUBLIC INTERESTED IN SPEAKING. OTHERWISE, PLEASE SEE ABOVE TO WATCH/LISTEN TO MEETING):

Register in advance for this meeting:

https://us02web.zoom.us/webinar/register/WN Intin2liTReoOmznvtwgeQ

After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON THE WEBSITE AGENDA PAGE:

https://redondo.granicusideas.com/meetings

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
- 4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record. Comments may be read out loud during the meeting.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION, EMAILS MUST BE RECEIVED BEFORE 3:00PM THE DAY OF THE MEETING (EMAILS WILL NOT BE READ OUT LOUD): Written materials pertaining to matters listed on the posted agenda received after the agenda

has been published will be added as supplemental materials under the relevant agenda item. Public comments may be submitted by email to cityclerk@redondo.org. Emails must be received before 3:00 p.m. on the date of the meeting to ensure Council and staff have the ability to review materials prior to the meeting.

4:30 PM - CLOSED SESSION - ADJOURNED REGULAR MEETING

- A. CALL MEETING TO ORDER
- B. ROLL CALL
- C. SALUTE TO FLAG AND INVOCATION
- D. BLUE FOLDER ITEMS ADDITIONAL BACK UP MATERIALS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

E. PUBLIC COMMUNICATIONS ON CLOSED SESSION ITEMS AND NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on Closed Session Items or any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Mayor and Council. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

F. RECESS TO CLOSED SESSION

F.1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:

Monica Nunez v. City of Redondo Beach

Second Appellate District Case Number: B308741

Los Angeles County Superior Court Case Number: BC695847

- G. RECONVENE TO OPEN SESSION
- H. ROLL CALL
- I. ANNOUNCEMENT OF CLOSED SESSION ACTIONS
- J. ADJOURN TO REGULAR MEETING

6:00 PM - OPEN SESSION - REGULAR MEETING

- A. CALL TO ORDER
- B. ROLL CALL
- C. SALUTE TO THE FLAG AND INVOCATION
- D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS
- E. APPROVE ORDER OF AGENDA

F. AGENCY RECESS

F.1. REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY

CONTACT: JENNIFER PAUL, FINANCE DIRECTOR

F.2. SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

CONTACT: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

G. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

G.1. For Blue Folder Documents Approved at the City Council Meeting

H. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Mayor or any City Council Member may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion. The Mayor will call on anyone wishing to address the City Council on any Consent Calendar item on the agenda, which has not been pulled by Council for discussion. Each speaker will be permitted to speak only once and comments will be limited to a total of three minutes.

H.1. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED REGULAR AND REGULAR MEETING OF AUGUST 2, 2022

CONTACT: ELEANOR MANZANO, CITY CLERK

H.2. APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA

CONTACT: ELEANOR MANZANO, CITY CLERK

H.3. PAYROLL DEMANDS

<u>CHECKS 28343-28382 IN THE AMOUNT OF \$55,792.94, PD. 7/22/22</u> <u>DIRECT DEPOSIT 251439-251998 IN THE AMOUNT OF \$2,196,287.73, PD. 7/22/22</u>

ACCOUNTS PAYABLE DEMANDS

CHECKS 104560-104707 IN THE AMOUNT OF \$1,371,948.81

EFT CALPERS MEDICAL INSURANCE \$382.821.24

<u>DIRECT DEPOSIT 100006257-100006353 IN THE AMOUNT OF \$83,254.46, PD. 8/1/22</u>

CONTACT: JENNIFER PAUL, FINANCE DIRECTOR

H.4. APPROVE CONTRACTS UNDER \$35,000:

1. APPROVE A MEMORANDUM OF UNDERSTANDING WITH THE REDONDO BEACH UNIFIED SCHOOL DISTRICT FOR USE OF ELEMENTARY SCHOOL CAMPUSES FOR THE CITY'S AFTER-SCHOOL PROGRAM IN AN AMOUNT NOT TO EXCEED \$30,000 FOR THE TERM AUGUST 15, 2022 TO JUNE 30, 2025.

- 2. APPROVE AN AGREEMENT WITH LIEBERT CASSIDY WHITMORE FOR ANNUAL MEMBERSHIP IN THE SOUTH BAY PUBLIC AGENCY EMPLOYEMENT RELATIONS AND TRAINING CONSORTIUM IN AN AMOUNT NOT TO EXCEED \$3,820 FOR THE TERM JULY 1, 2022 TO JUNE 30, 2023.
- 3. APPROVE A SOFTWARE LICENSE AND SERVICES AGREEMENT WITH THE CITY OF WHITTIER FOR USE OF GENERAL ELECTION MANAGEMENT ("GEM") BALLOT TRACKING SOFTWARE IN AN AMOUNT NOT TO EXCEED \$20,000 FOR THE TERM AUGUST 2, 2022 TO AUGUST 1, 2023.

CONTACT: JENNIFER PAUL, FINANCE DIRECTOR

H.5. EXCUSE ABSENCES OF COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS.

CONTACT: ELEANOR MANZANO, CITY CLERK

H.6. REGRETFULLY ACCEPT THE RESIGNATION OF COMMISSIONER STEVEN D. JOHNSON FROM THE BUDGET & FINANCE COMMISSION.

CONTACT: ELEANOR MANZANO, CITY CLERK

H.7. RECEIVE AND FILE THE ANNUAL SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

CONTACT: JENNIFER PAUL, FINANCE DIRECTOR

H.8. APPROVE AN AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES, FOR AN AMOUNT NOT TO EXCEED \$184,744.80, FOR THE TERM AUGUST 02, 2022 TO JUNE 30, 2023

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.9. APPROVE A SOLE SOURCE PURCHASE OF POLICE DEPARTMENT DUTY AND PRACTICE AMMUNITION FROM DOOLEY ENTERPRISES, INC IN THE AMOUNT OF \$40,538.78

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.10. APPROVE AN MOU WITH THE REDONDO BEACH UNIFIED SCHOOL DISTRICT TO ALLOW FOR THE SHARING OF THE SCHOOL DISTRICT'S SURVEILLANCE CAMERA FEEDS WITH THE POLICE DEPARTMENT, IN THE EVENT OF AN EMERGENCY, AT NO COST TO THE CITY FOR THE TERM AUGUST 2, 2022 TO JUNE 1, 2024

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.11. ADOPT BY TITLE ONLY ORDINANCE NO. 3233-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING CHAPTER 6 TO TITLE 6 OF THE REDONDO BEACH MUNICIPAL CODE TO REGULATE COMMERCIAL CANNABIS BUSINESSES

ADOPT BY TITLE ONLY ORDINANCE NO. 3234-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE

10, CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES INLAND ZONES OF THE CITY

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

- **H.12.** APPROVE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD, #116, REDONDO BEACH, CA 90278 INCLUDING:
 - 1. AN AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]
 - 2. A SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE, AND
 - 3. ESCROW INSTRUCTIONS

CONTACT: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

H.13. APPROVE THE FIRST AMENDMENT TO THE MAINTENANCE AND SUPPORT AGREEMENT WITH COMPLETE PAPERLESS SOLUTIONS, LLC, FOR LASERFICHE SOFTWARE SUPPORT FOR AN ADDITIONAL AMOUNT NOT TO EXCEED \$34,709 AND TO EXTEND THE TERM ONE-YEAR TO SEPTEMBER 3, 2023

CONTACT: ELEANOR MANZANO, CITY CLERK JOE HOFFMAN, CHIEF OF POLICE

H.14. APPROVE AN AGREEMENT WITH PRO DOCUMENT SOLUTIONS, INC. DBA PROVOTE SOLUTIONS FOR OCTOBER 19, 2022 SPECIAL ELECTION BALLOT PRODUCTION, PRINT AND MAIL SERVICES IN AN AMOUNT NOT TO EXCEED \$87,300.02 FOR THE TERM AUGUST 2, 2022 TO AUGUST 1, 2023

CONTACT: ELEANOR MANZANO, CITY CLERK

H.15. APPROVE MEMORANDUM OF AGREEMENT NO. H-709709 WITH THE COUNTY OF LOS ANGELES FOR THE PREHOSPITAL EMERGENCY MEDICAL CARE ENHANCEMENT PROGRAM FOR AN AMOUNT NOT TO EXCEED \$69,159 AND A TERM THROUGH JUNE 30, 2023.

CONTACT: KEITH KAUFFMAN, INTERIM FIRE CHIEF

H.16. APPROVE AN AGREEMENT WITH KOA CORPORATION FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE RESIDENTIAL STREET REHABILITATION PROJECT, CYCLE 2, PHASE 3, JOB NO. 40190, FOR AN AMOUNT NOT TO EXCEED \$176,200 FOR THE TERM AUGUST 2, 2022 TO AUGUST 1, 2024

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

H.17. APPROVE THE CITY OF REDONDO BEACH'S SANITARY SEWER MANAGEMENT PLAN RE-CERTIFICATION PER CALIFORNIA STATE WATER RESOURCES CONTROL BOARD REQUIREMENTS

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

H.18. ADOPT BY TITLE ONLY RESOLUTION #CC-2208-059, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, PROCLAIMING SATURDAY, AUGUST 27, 2022 AS "RELAY FOR LIFE DAY" IN THE CITY OF REDONDO BEACH IN SPONSORSHIP AND SUPPORT OF THE RELAY FOR LIFE EVENT TO BE HELD AT ALTA VISTA PARK IN THE CITY OF REDONDO BEACH AS PART OF A NETWORK OF MORE THAN 2,500 RELAY EVENTS AROUND THE COUNTRY IN APPRECIATION OF THE COMMUNITY OF SURVIVORS AND CAREGIVERS THAT ENSURE NO ONE WILL FIGHT CANCER ALONE

CONTACT: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

H.19. APPROVE AN AGREEMENT WITH CITY NET FOR HOMELESS OUTREACH SERVICES FOR AN AMOUNT NOT TO EXCEED \$170,000 AND THE TERM JULY 11, 2022 TO APRIL 24, 2023

CONTACT: MICHAEL W. WEBB, CITY ATTORNEY

JOY ABAQUIN FORD, QUALITY OF LIFE PROSECUTOR

- I. EXCLUDED CONSENT CALENDAR ITEMS
- J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Mayor and Council. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

J.1. For eComments and Emails Received from the Public

K. EX PARTE COMMUNICATIONS

This section is intended to allow all elected officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings

L. PUBLIC HEARINGS

L.1. PUBLIC HEARING FOR INTRODUCTION AND FIRST READING OF ORDINANCES AMENDING REDONDO BEACH MUNICIPAL CODE (RBMC) TITLE 10 CHAPTER 2 ZONING AND LAND USE AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE SECTIONS 10-2.2500 AND 10-5.2500 PERTAINING TO THE PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW AND CONSIDERATION OF A CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION FOR THE PROPOSED AMENDMENTS IN ACCORDANCE WITH SECTION 15308 OF THE CEQA GUIDELINES

PROCEDURES:

- 1. Open the public hearing and take testimony;
- 2. Close the public hearing and deliberate;
- 3. Introduce the following two ordinances: and
- 4. Adopt the resolution submitting ordinance to the Coastal Commission;

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3236-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ORDINANCE AMENDING TITLE 10, CHAPTER 2, ZONING AND LAND USE PERTAINING TO THE PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3237-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ORDINANCE AMENDING TITLE 10, CHAPTER 5, COASTAL LAND USE IMPLEMENTING ORDINANCE PERTAINING TO THE PROCEDURES FOR

ADMINISTRATIVE DESIGN REVIEW

ADOPT RESOLUTION NO. 2208-060 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, REQUESTING CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION OF AMENDMENTS TO THE COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE (TITLE 10, CHAPTER 5 OF THE MUNICIPAL CODE) CONSISTENT WITH STATE LAW, WHICH IS INTENDED TO BE CARRIED OUT IN A MANNER FULLY IN CONFORMITY WITH THE COASTAL ACT; AND PROVIDING THAT THE AMENDMENTS TO THE CITY'S LOCAL COASTAL PROGRAM WILL TAKE EFFECT AUTOMATICALLY UPON COASTAL COMMISSION APPROVAL PURSUANT TO PUBLIC RESOURCES CODE SECTION 30514 AND TITLE 14, SECTION 13551 OF THE CALIFORNIA CODE OF REGULATIONS

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

L.2. PUBLIC HEARING FOR INTRODUCTION AND FIRST READING OF AN ORDINANCE ADDING TITLE 3, CHAPTER 16 OF THE REDONDO BEACH MUNICIPAL CODE GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT, APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481 AND CONSIDERATION OF A CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION FOR THE PROPOSED CODE AMENDMENTS IN ACCORDANCE WITH SECTION 15308 OF THE CEQA GUIDELINES

PROCEDURES:

- 1. OPEN THE PUBLIC HEARING AND TAKE TESTIMONY;
- 2. CLOSE THE PUBLIC HEARING; AND
- 3. INTRODUCE ORDINANCE BY TITLE ONLY

INTRODUCE BY TITLE ONLY ORDINANCE NO 3238-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING TITLE 3, CHAPTER 16 TO THE REDONDO BEACH MUNICIPAL CODE GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT AND APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

- M. ITEMS CONTINUED FROM PREVIOUS AGENDAS
- N. ITEMS FOR DISCUSSION PRIOR TO ACTION
- N.1. <u>DISCUSSION AND POSSIBLE ACTION REGARDING INTERSECTION MODIFICATIONS AT SIGNALIZED INTERSECTIONS ALONG ARTESIA BOULEVARD</u>

APPROVE THE RECOMMENDED SIGNALIZED INTERSECTION IMPROVEMENT OPTION AND AUTHORIZE THE DESIGN AND COMPLETION OF CONSRUCTION DOCUMENTS FOR IMPLEMENTATION OF THE PROPOSED MODIFICATIONS ALONG ARTESIA BOULEVARD

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

N.2. DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A FOURTH EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE FOURTH EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

- O. CITY MANAGER ITEMS
- P. MAYOR AND COUNCIL ITEMS
- P.1. DISCUSSION AND CONSIDERATION OF DESIGNATING THE VOTING DELEGATE AND ALTERNATE FOR 2022 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND AUTHORIZE THE CITY CLERK TO FORWARD THE VOTING DELEGATE FORM

CONTACT: ELEANOR MANZANO, CITY CLERK

- Q. MAYOR AND COUNCIL REFERRALS TO STAFF
- R. RECESS TO CLOSED SESSION
- R.1. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:

Monica Nunez v. City of Redondo Beach
Second Appellate District Case Number: B308741
Los Angeles County Superior Court Case Number: BC695847

- S. RECONVENE TO OPEN SESSION
- T. ADJOURNMENT

The next meeting of the City Council of the City of Redondo Beach will be an Adjourned Regular meeting to be held at 4:30 p.m. (Closed Session) and a Regular meeting to be held at 6:00 p.m. (Open Session) on Tuesday, August 9, 2022, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.



Administrative Report

F.1., File # 22-4604 Meeting Date: 8/2/2022

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:

Monica Nunez v. City of Redondo Beach

Second Appellate District Case Number: B308741

Los Angeles County Superior Court Case Number: BC695847



Administrative Report

F.1., File # 22-4446 Meeting Date: 8/2/2022

TITLE

REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY

AGENDA

REGULAR MEETING

REDONDO BEACH COMMUNITY FINANCING AUTHORITY TUESDAY, AUGUST 2, 2022 - 6:00 P.M. REDONDO BEACH CITY COUNCIL CHAMBERS 415 DIAMOND STREET

The Community Financing Authority, a joint powers authority was formed on January 31, 2012, for the purpose of assisting in providing financing, for purposes which are authorized by law and which could finance, lease, own, operate and maintain public capital improvements for any of its members, or to be owned by any of its members.

CALL MEETING TO ORDER

ROLL CALL

- A. APPROVAL OF ORDER OF AGENDA
- B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION

B1. BLUE FOLDER ITEMS

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C. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Authority Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

- C1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Community Financing Authority meeting of August 2, 2022.
- **C2. APPROVAL OF MOTION TO READ BY TITLE ONLY** and waive further reading of all Ordinances and Resolutions listed on the agenda.
- C3. APPROVAL OF MINUTES:
 - a. Regular Meeting of July 5, 2022.
- C4. APPROVAL OF CHECK NUMBER 000498 IN THE AMOUNT OF \$475.73.
- D. EXCLUDED CONSENT CALENDAR ITEMS

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Community Financing Authority. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

- F. EX PARTE COMMUNICATIONS
- G. PUBLIC HEARINGS
- H. OLD BUSINESS
- I. NEW BUSINESS

J. MEMBERS ITEMS AND REFERRALS TO STAFF

K. ADJOURNMENT

The next meeting of the Redondo Beach Community Financing Authority will be a regular meeting to be held at 6:00 p.m. on Tuesday, September 6, 2022, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis. An Agenda Packet is available 24 hours a day at www.redondo.org under the City Clerk and during City Hall hours. Agenda Packets are also available for review in the Office of the City Clerk.

Any writings or documents provided to a majority of the members of the Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 415 Diamond Street during normal business hours



Eleanor Manzano City Clerk

415 Diamond Street, P.O. Box 270 Redondo Beach, California 90277-0270 www.redondo.org tel 310 318-0656 fax 310 374-0220

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body Community Financing Authority

Posting Type Regular Meeting Agenda

Posting Locations 415 Diamond Street, Redondo Beach, CA 90277

✓ Adjacent to Council Chambers

Meeting Date & Time August 2, 2022 6:00 p.m. Open Session

As City Clerk of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

Eleanor Manzano, City Clerk Redondo Beach Community Financing Authority

Date: July 28, 2022

MOTION TO READ BY TITLE ONLY

and waive further reading of all

Ordinances and Resolutions on the Agenda.

Recommendation - Approve





REGULAR MEETING OF THE REDONDO BEACH COMMUNITY FINANCING AUTHORITY

CALL MEETING

Vice Chair Nehrenheim called a Regular Meeting of the Redondo Beach Community Financing Authority (RBCFA) to order at 6:07 p.m.

ROLL CALL

RBCFA Members Present: Loewenstein, Horvath, Obagi, Vice Chair Nehrenheim

RBCFA Members Absent: Emdee, Chair Brand

A. APPROVAL OF ORDER OF AGENDA

Motion by Member Horvath, seconded by Member Obagi, to approve the Order of Agenda as presented. There being no objections, Vice Chair Nehrenheim so ordered.

- B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION None
- **B.1. BLUE FOLDER ITEMS None**
- C. CONSENT CALENDAR
- C1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Community Financing Authority meeting of July 5, 2022.
- C2. APPROVAL OF MOTION TO READ BY TITLE ONLY and waive further reading of all Ordinances and Resolutions listed on the agenda.
- C3. APPROVAL OF MINUTES:
 - a. Regular Meeting of June 7, 2022.
- C4. APPROVAL OF CHECK NUMBER 000497 IN THE AMOUNT OF \$1,431.96.

There were no public comments on this item.

Motion by Member Horvath, seconded by Member Obagi, to approve the Consent Calendar, as presented. There being no objections, Vice Chair Nehrenheim so ordered.

- D. EXCLUDED CONSENT CALENDAR ITEMS None
- E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS None
- F. EX PARTE COMMUNICATIONS None
- G. PUBLIC HEARINGS None

- H. OLD BUSINESS None
- I. NEW BUSINESS None
- J. MEMBERS ITEMS AND REFERRALS TO STAFF None
- K. ADJOURNMENT

There being no further business to come before the Redondo Beach Community Financing Authority, motion by Member Horvath seconded by Member Obagi, to adjourn the meeting at 6:10 p.m. to a Regular meeting to be held at 6:00 p.m. on Tuesday, August 2, 2022, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California. Motion carried unanimously, with no objection.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted,	
Eleanor Manzano. City Clerk	



Administrative Report

Authority Action Date: August 2, 2022

To: CHAIRMAN & MEMBERS OF THE COMMUNITY FINANCING

AUTHORITY

From: JENNIFER PAUL, FINANCE DIRECTOR

Subject: CHECK APPROVAL

RECOMMENDATION

Approve check number 000498 in the amount of \$475.73.

EXECUTIVE SUMMARY

The attached Summary Check Register lists check number 000498 in the amount of \$475.73. Check 000498 is a payment to the City for quarterly sewer fees associated with the Kincaid's Restaurant building.

BACKGROUND

The Redondo Beach Public Financing Authority ("PFA"), a joint powers authority, was formed on June 25, 1996, to provide financing for capital improvement projects. The former Redevelopment Agency of the City Redondo Beach, now known as the Successor Agency ("Agency"), joined with the City to form the PFA. The PFA operated rental property and issued bonds to provide funds for public capital improvements. The PFA has the same governing board as the City, which also performs all accounting and administrative functions for the PFA. With the elimination of the City's Redevelopment Agency, the Public Financing Authority has been renamed the Community Financing Authority ("CFA").

In 1997, the City leased the Pier pad known as 500 Fisherman's Wharf to the PFA. The PFA leased the site and acts as building owner and landlord to its tenant, RUI One Corp. ("RUI" dba Kincaid's). In negotiating the lease, the City was to own the building, but did not have the funding available to build the building. RUI had the ability to build the restaurant building at a lower cost than the City, and the PFA was able to obtain a loan to purchase the building. Thus, RUI built the restaurant building and the PFA utilized loan funds to purchase the building from RUI at completion.

Per the lease agreement, the City is responsible for the cost of monthly service costs for water, sewer, and trash; possessory interest taxes; common area expenses as defined; and the repairs to the structural portions of the Building. On a monthly basis, the City is reimbursed for such expenses by the CFA.

Administrative Report

August 2, 2022

Check Approval Page 2

The payment to the City of Redondo Beach on check number 000498 in the amount of \$475.73 is for the April through June 2022 sewer fee in connection with the ownership of the Kincaid's Restaurant building.

COORDINATION

Disbursement of the check will be coordinated with Financial Services.

FISCAL IMPACT

Check number 000498 in the amount of \$475.73.

Submitted by: Jennifer Paul, Finance Director Approved for forwarding by: *Mike Witzansky, City Manager*

dkaku

Attachment:

• Summary Check Register

COMMUNITY FINANCING AUTHORITY Summary Check Register

DATE	CHECK NO	AMOUNT		PAYEE	DESCRIPTION	١
08/02/22	000498	\$	475.73	City of Redondo Beach	Sewer Fee - A	pril - June 2022
	•	\$	475.73			



Administrative Report

F.2., File # 22-4586 Meeting Date: 8/2/2022

TITLE

SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

AGENDA SPECIAL MEETING REDONDO BEACH HOUSING AUTHORITY TUESDAY, AUGUST 2, 2022 REDONDO BEACH COUNCIL CHAMBERS 415 DIAMOND STREET

CALL MEETING

ROLL CALL

- A. APPROVAL OF ORDER OF AGENDA
- B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION
- C. CONSENT CALENDAR #C1 through #C3

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Authority Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

- **C1. APPROVAL OF AFFIDAVIT OF POSTING** for the Special Housing Authority Meeting of August 2, 2022.
- **C2. APPROVAL OF MOTION TO READ BY TITLE ONLY** and waive further reading of all Ordinances and Resolutions listed on the agenda.
- C3. APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD #116, REDONDO BEACH, CALIFORNIA 90278.
 - 1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]
 - 2. SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE
 - 3. ESCROW INSTRUCTIONS

Contact: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

D. EXCLUDED CONSENT CALENDAR ITEMS

E. PUBLIC PARTICIPATION ON NON-AGENDAITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Commission. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

F. EX PARTE COMMUNICATIONS

This section is intended to allow all officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings.

- G. PUBLIC HEARINGS
- H. OLD BUSINESS
- I. NEW BUSINESS
- J. MEMBERS ITEMS AND REFERRALS TO STAFF
- K. ADJOURNMENT

The next scheduled meeting of the Redondo Beach Housing Authority is a Regular meeting on Tuesday, September 6, 2022 at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

An Agenda Packet is available 24 hours a day at www.redondo.org under the City Clerk and during City Hall hours. Agenda Packets are also available for review in the Office of the City Clerk.

Any writings or documents provided to a majority of the members of the Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 415 Diamond Street during normal business hours.



Recreation, Transit and Community Services Department Housing Authority

1922 Artesia Boulevard Redondo Beach, California 90278 www.redondo.org

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body Housing Authority

Posting Type Special Meeting Agenda

Posting Locations 415 Diamond Street, Redondo Beach, CA 90277

✓ City Hall Kiosk

✓ City Clerk's Counter, Door "C"

Meeting Date & Time August 2, 2022 6:00 p.m. Open Session

As Community Services Director of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

Cameron Harding, Community Services Director

Date: July 28, 2022

MOTION TO READ BY TITLE ONLY

And waive further reading of all

Ordinances and Resolutions listed on the Agenda.

Recommendation - Approve



Administrative Report

Council Action Date: August 2, 2022

To: CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY

From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

Subject: APPROVE THE AFFORDABLE HOUSING DOCUMENTS FOR THE

SALE OF 2750 ARTESIA BOULEVARD, #116, REDONDO BEACH,

CALIFORNIA 90278.

1. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]

2. SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE

3. ESCROW INSTRUCTIONS

EXECUTIVE SUMMARY

On February 17, 2004, the City Council adopted the Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for housing for senior citizens. On June 17, 2004, the Planning Commission subsequently approved a 192 unit senior citizen residential condominium project at 2750 Artesia Boulevard, Redondo Beach, CA, also known as "Breakwater". As required by Senior Housing Ordinance 2927-04, a condition of project approval requires that the developer enter into an Affordable Housing Agreement with the City to provide and restrict by deed twelve (12) units as affordable for moderate income households and eight (8) units for low income households for a period of not less than 55 years from the date of construction in accordance with all applicable state and local laws.

A moderate income family is defined as a household where the combined gross incomes of all persons residing in the unit exceeds the adjusted qualifying income limit for low income but does not exceed a maximum of 120% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

A low income family is defined as a household where the combined gross income of all persons residing in the unit does not exceed a maximum of 80% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

This Affordable Housing agreement is necessary due to the current owner's request to sell the moderate income unit located at 2750 Artesia Blvd., #116, Redondo Beach, CA

HOUSING AUTHORITY SPECIAL MEETING Affordable Housing Agreement -Breakwater #116 Page 2

90278. This agreement will preserve the City's rights in the addendum to the Grant Deed which includes the preservation of the applicable low/moderate income Housing Covenants and Restrictions. These Covenants and Restrictions also grant the City an option to purchase the unit in the case of an uncured default or upon the Owner's intent to transfer the residence.

BACKGROUND

The City Council adopted Ordinance No. 2927-04 on February 17, 2004 amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance contains an inclusionary housing requirement for ten percent (10%) of the senior housing units to be affordable to low and moderate income households in proportion to the housing needs identified in the Housing Element of the General Plan. Such units must be maintained as affordable units for at least 55 years; the agreement was entered into on January 15, 2008.

Pursuant to State and local requirements, the income restricted unit at 2750 Artesia Blvd., #116 can be sold or rented only to qualified moderate income individuals. Moderate income levels are based on a County-wide formula with income levels determined based on household size and in comparison to county wide median income.

The owner of this affordable housing unit made a request to sell their unit and has identified another qualified moderate income buyer. The Affordability Agreement is a recorded document to ensure maintenance of affordability levels. Provisions of the agreement will require housing staff to perform verification of buyer/tenant qualification and annual compliance reporting. The maximum sales price for this unit is \$190,349 and is calculated to be consistent with affordability criteria under State Law.

The Affordable Housing Agreement for the specific property being sold and the related documents include: 1) The covenants imposing restrictions on the property pursuant to the original agreement and providing notice of the restrictions to future purchasers and/or lenders, and 2) The Performance Deed of Trust for the developer and purchasers of this unit, securing the developer's and purchaser's obligations under the agreement to ensure the continued affordability of this unit throughout the term of this Agreement.

COORDINATION

The City Attorney's office has approved the Affordability Housing Agreement and all necessary and related documents as to form.

FISCAL IMPACT

The Affordable Housing Program activities are processed through the City's Housing Authority office. As part of the adopted FY 2021-22 Budget, the City Council approved a fee for service for the City's Inclusionary Housing Programs. The Housing Authority has received a \$75.00 fee for this transaction.

APPROVED BY:

Mike Witzansky, City Manager

<u>ATTACHMENT</u>

- Affordable Housing Agreement
- Escrow Instructions
- Maximum Sales Price Quote

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach City Attorney's Office 415 Diamond Street Redondo Beach, California 90277 Attention: Michael W. Webb, Esq.

(No Fee per Government Code § 27383)

AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]

Owner: David Taekwon Ahn Residence Address: 2750 Artesia Boulevard, #116, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 2nd day of August, 2022 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and David Taekwon Ahn (the "Owner").

RECITALS

- A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.
- B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of that certain Affordable Housing Agreement Imposing Restrictions on Real Property (the "Affordable Housing Agreement") by and between the City and Anastasi Development Company, LLC, dated January 15, 2008.
- C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

- a. "Deficiencies" Section 5.
- b. "<u>Designee</u>" Section 6.
- c. "Eligible Purchaser" shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.
- d. "Excess Proceeds" Section 9.
- e. "Moderate Income Affordable Purchase Price" shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development ("HCD"), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term "household size appropriate to the unit" shall mean the number of bedrooms in the unit plus one.
- f. "Moderate Income Senior Citizen Household" shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser's actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.
- g. "Owner" shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

- h. "Residence" Section 2.
- i. "Restricted Period" shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.
- j. "Sales Price" shall mean the total compensation payable by a purchaser for the Residence.
- k. "Senior Citizen Household" shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a "qualified permanent resident" or a "permitted health care resident" as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.
- 1. "Transfer" shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a "Excluded Transfer" for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the "Notice of Excluded Transfer" upon any such Excluded Transfer.

DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2750 Artesia Boulevard., #116, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the "Residence"). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

3. OWNER CERTIFICATION

Owner certifies the following:

a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

b. Owner shall occupy the Residence as Owner's principal place of residence.

4. OWNER-OCCUPANCY; LEASING OF RESIDENCE

- a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.
- b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the amount needed to pay the monthly mortgage, taxes, insurance and other housing expenses to be paid by Owner for the Residence upon written consent by the City or designee. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.
- c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:
 - A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or
 - ii. If the Residence is not owner-occupied, documentation evidencing the requirements of Section 4.b., including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.
- d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

- e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.
- f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

6. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent ("Owner's Notice"). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer ("Notice of Excluded Transfer").

Following receipt of the Owner's Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser ("Designee") to purchase the Residence, as provided in Section 8, below.

7. DETERMINATION OF RESALE PRICE

The maximum sales price that the Owner may receive for any type of Transfer of the Residence ("Resale Price") shall be the lowest of the following: (1) the Moderate Income Affordable Purchase Price at the time of resale; or (2) the Increased Base Price (defined below), as adjusted pursuant to Section 7.b., below.

- a. <u>Increased Base Price</u>. The "Increased Base Price" means the purchase price that Owner paid for the Residence, increased by the percentage change in the Area Median Income for Los Angeles County, as published annually by HCD, determined in accordance with HCD published criteria, from the purchase date to the date of notification as indicated in Section 6, above. In the event that such income determination is no longer published, or has not been updated for a period of at least eighteen (18) months, the City or Authority may use or develop such other reasonable method as it may choose to determine the area median income for Los Angeles County.
- Adjusted Increased Base Price. The Increased Base Price shall also be b. adjusted for the "Value of Capital Improvements". The "Value of Capital Improvements" shall mean the value of substantial structural or permanent fixed improvements which cannot be removed without substantial damage to the Residence or substantial or total loss of value of said improvements. No such valuation shall be made except for improvements: (a) made or installed by or under the direction of the Owner; (b) with an initial cost of One Thousand Dollars (\$1,000) or more; and (c) which can be documented by the Owner to the reasonable satisfaction of the City or Authority. The value of such improvements to be taken into account in calculation of the Increased Base Price shall be the appraised market value of the improvements when considered as additions or fixtures to the Residence (i.e., the amount by which said improvements enhance the market value of the Residence at the time of sale or valuation). The adjustment to the Increased Base Price for such improvements shall be limited to the increase in value, and shall be determined by the City or Authority and the Owner, or in the event of a failure to agree, by an independent residential appraiser selected by the Owner from a list of appraisers established by the City or Authority. The cost of the appraisal shall be borne by the Owner.

8. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the "Option") on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

- a. <u>Events Precipitating City's Option to Purchase</u>. The Owner agrees the City's Option may be exercised upon the occurrence of any of the following:
 - i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

- ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or
- iii. Owner's Notice of Intent to Transfer the Residence.
- b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.
- c. <u>Payment for Option</u>. Upon the occurrence of an event listed in subsection a above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.
- d. <u>Escrow</u>. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:
 - i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;
 - ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City

- and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;
- iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A policy or the endorsements shall be paid by the City (or Designee, as the case may be);
- iv. In the event the City exercises its Option pursuant to Section 8.a.3, the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.1 or Section 8.a.2, the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;
- v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);
- vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;
- vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and
- viii. Any other terms or conditions mutually agreed to by the parties.
- e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

9. RESTRICTED TRANSFER BY OWNER

- a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.
- In the event the City does not exercise its Option pursuant to Section 8, b. above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.
- c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions

of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority 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 wavier 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 the City or Authority to or of any act by the Owner 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 City or Authority in the exercise of any right, power, or remedy hereunder.

11. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B ("Notice of Sale"). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale. Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

12. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

13. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

14. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

15. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner itself 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, sublessees or vendees of the Residence. This covenant shall run in perpetuity.

16. FORM OF NONDISCRIMINATION AND NONSEGRATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the

grantee itself or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

- b. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself 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, sublessees or vendees in the land herein leased."
- c. In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself 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, sublessees or vendees of the land."

17. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

18. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority ("Deed of Trust"), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner's purchase of the Residence, but this Agreement shall

be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

19. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants 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 is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

20. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

21. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

22. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

David Taekwon Ahn 2750 Artesia Boulevard, #116 Redondo Beach, California 90278

To the City:

City of Redondo Beach City Attorney's Office 415 Diamond Street Redondo Beach, California 90277 Attention: Michael W. Webb

To the Authority

The Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Director of Community Services Attention: Housing Supervisor

or such other address that the City, the Authority of Owner may subsequently request in writing.

23. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Sales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

"OWNER"

	OWNER	
Date:	By: David Taekwon Ahn	
	[remainder of page left intentionally blank]	
	[signatures continue on the following page]	

Accepted and agreed to by the City this 2nd day of August, 2022.

CITY OF REDONDO BEACH, a chartered municipal corporation

Date:	Ву: _	William C. Brand Mayor	
APPROVED AS TO FORM: Michael W. Webb City Attorney			
By:Michael W. Webb		-	
ATTEST:			
By: Eleanor Manzano City Clerk		-	

[Signatures continue on following page]

Accepted and agreed to by the Authority this 2nd day of August, 2022.

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a public body, corporate and politic

Date:	William C. Brand Chairman	
APPROVED AS TO FORM: Michael W. Webb General Counsel for Authority		
By: Michael W. Webb ATTEST:		
By: Eleanor Manzano Secretary		

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

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
On thisday of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)
A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
On thisday of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 116 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08- 149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO, EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED S EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

EXHIBIT B NOTICE OF SALE

[BEHIND THIS PAGE]

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach City Attorney's Office 415 Diamond Street Redondo Beach, California 90277 Attention: Michael W. Webb, Esq.

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is hereby r	nade that copies of any
NOTICE OF DEFAULT and copies of any NOTICE OF SALE	under the DEED OF
TRUST dated as of August 2, 2022 and recorded as Instrument No.	, in the
Official Records of Los Angeles County on	, 2022 and describing
the following real property, located in Los Angeles County, Califo	rnia as

[See Exhibit "A" attached hereto and incorporated herein]

executed by David Taekwon Ahn, a Single Man as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title Company, as Trustee, be mailed to:

City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered municipal corporation

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a Public Body Corporate and Politic

Date:	By: William C. Brand Mayor and Chairman
APPROVED AS TO FORM: Michael W. Webb City Attorney and General Counsel f	or Authority
By:Michael W. Webb	
ATTEST:	
By: Eleanor Manzano City Clerk and Secretary for A	

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

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
On this day of, 20, before me,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)
A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
On this day of, 20, before me,
On this day of, 20, before me,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Ca-1)

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 116 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08- 149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

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Assessor's Parcel Number: 4082-012-111

Assessor's Parcel Number: 4082-012-111

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Housing Supervisor

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of August 2, 2022 and recorded as Instrument No.______, in the Official Records of Los Angeles County on______, 2022 and describing the following real property, located in Los Angeles County, California as

[See Exhibit "A" attached hereto and incorporated herein]

executed by David Taekwon Ahn, a Single Man as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title Company, as Trustee, be mailed to:

City of Redondo Beach
The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Director of Community Services
Attention: Housing Supervisor

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered municipal corporation

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a public body corporate and politic

Date:	By: William C. Brand Mayor and Chairman
APPROVED AS TO FORM: Michael W. Webb City Attorney and General Counsel for	or Authority
By:Michael W. Webb	
ATTEST:	
By: Eleanor Manzano City Clerk and Secretary for A	

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

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES	
On this day of	, 20, before me,
subscribed to the within instrumen same in his/her/their authorized ca	, 20, before me,, who proved y evidence to be the person(s) whose name(s) is/are and acknowledged to me that he/she/they executed the pacity(ies), and that by his/her/their signature(s) on the tity upon behalf of which the person(s) acted, executed
I certify under PENALTY OF PER foregoing paragraph is true and co	JURY under the laws of the State of California that the rect.
WITNESS my hand and official se	al.
Signature:	(Seal)
	mpleting this certificate only verifies the identity of the ts to which this certificate is attached, and not the of that document.
STATE OF CALIFORNIA	
COUNTY OF LOS ANGELES	
subscribed to the within instrumen same in his/her/their authorized ca instrument the person(s), or the enthe instrument.	, 20_, before me,, who proved y evidence to be the person(s) whose name(s) is/are and acknowledged to me that he/she/they executed the pacity(ies), and that by his/her/their signature(s) on the tity upon behalf of which the person(s) acted, executed LJURY under the laws of the State of California that the rect.
WITNESS my hand and official so	al.
Signature:	(Seal)

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A CONDOMINIUM COMPOSED OF:

PARCEL 1:

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PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 4 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

EXHIBIT C PERFORMANCE DEED OF TRUST

[BEHIND THIS PAGE]

RECORDING REQUESTED BY:

Housing Authority of the City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Angelica Zavala, Housing Supervisor

(No Fee per Government Code § 27383)

PERFORMANCE DEED OF TRUST (Option to Cure and Purchase Agreement)

THIS PERFORMANCE DEED OF TRUST (this "Deed of Trust") dated as of August 2, 2022 is entered into by David Taekwon Ahn, a Single Man ("Trustor") whose address is 2750 Artesia Boulevard, #116, Redondo Beach, California 90278 in favor of Chicago Title Company ("Trustee"), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the "City") whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the "Beneficiary").

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor's fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference.

FOR THE PURPOSE OF SECURING: performance of Trustor's obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the August 2, 2022 Agreement Containing Covenants, Restrictions and Option to Purchase ("Covenant Agreement") executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST, TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

- 1. Maintenance of the Property. Trustor will:
 - a. keep the Property in good condition;
 - b. not permit any mechanic's or materialman's lien to arise against the Property;
 - c. comply with all laws having a material effect on the Property; and
 - d. not commit or permit waste on or to the Property.
- 2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:
 - a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and
 - b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.
- 3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.
- 4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by

virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

- 5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):
 - a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and
 - b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.
- 6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.
- 7. Default. Each of the following shall constitute a "**Default**" under this Deed of Trust:
 - a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or
 - b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase, conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily;
 - c. Trustor defaults under the terms and conditions of the Covenant Agreement.
- 8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth

herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

- 9. Obligation to Inform Beneficiary of Default. Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.
- 10. Remedies Cumulative. Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.
- 11. Trustee. The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

- 12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.
- Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to 13. time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.
- 14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.
- 15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.
- 16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to

the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

- upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);
- b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);
- c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or
- d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: City Manager, Joe Hoefgen Attention: Director of Community Services Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Housing Supervisor

TO TRUSTOR: David Taekwon Ahn 2750 Artesia Boulevard, #116 Redondo Beach, California 90278 TO TRUSTEE:

First American Title 207 Goode Avenue, Suite 410 Glendale, California 91203

Email: ben@benhsutitle.com

- 17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.
- 18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.
- 19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.
- 20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.
- 21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:
 - a. post-judgment motions;
 - b. contempt proceedings;
 - c. garnishment, levy, and debtor and third party examinations;
 - d. discovery; and
 - e. bankruptcy litigation.

22. General Provisions.

- a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.
- b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.
- c. As used herein, the word "Property" shall mean and include the Property and part thereof.
- d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.
- e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.
- f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

TRUSTOR:	
David Taekwon Ahn, a Single Man	
David Taekwon Ahn	÷

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

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES
On this day of, 20, before me,,
Notary Public, personally appeared,, who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 116 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08- 149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO, EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

RECORDING REQUESTED BY: Chicago Title Insurance Company

WHEN RECORDED MAIL TO Taesung Yan and Aiko Shiono C/O Hiro Shiono 7072 Moon Shadow Court Eastvale, California, 92880

(SPACE ABOVE IS RESERVED FOR RECORDER'S USE)

SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE

The undersigned City of Redondo Beach and the Housing Authority of the City of Redondo Beach are collectively the present Beneficiary under the Performance Deed of Trust dated as of December 10, 2010 and recorded on December 13, 2010 as Instrument No. 20101837589, Official Records of Los Angeles County, California, and executed by Taesung Yang and Aiko Shiono as Trustor, and Lawyers Title Company as Original Trustee. Beneficiary hereby appoints and substitutes the City of Redondo Beach, a chartered municipal corporation and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (collectively the "City/Authority") as the new and "Substituted Trustee" under the Performance Deed of Trust.

As duly appointed Substituted Trustee, the undersigned City/Authority does hereby reconvey to the person or persons legally entitled thereto, without warranty all of the estate, title and interest acquired by the Original Trustee and by the City/Authority as the Substituted Trustee under the Performance Deed of Trust as to certain real property described in the Legal Description, Exhibit A, attached and herby fully incorporated.

IN WITNESS WHEREOF, the owner and holder above named and the City of Redondo Beach and the Housing Authority of the City of Redondo Beach as Substituted Trustee has caused this instrument to be executed each in its respective interest.

Dated this 2nd day of August, 2022.

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By:	
•	William Brand
	Chairman
City	of Redondo Beach, a chartered municipal corporation
Ву:	
	William Brand
	Mayor

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

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On this day of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)
A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
STATE OF CALIFORNIA COUNTY OF LOS ANGELES
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EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

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PARCEL 3

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Assessor's Parcel Number: 4082-012-111



Community Services Department Housing Authority 1922 Artesia Boulevard Redondo Beach, California 90278 www.redondo.org tel: 310 318-0635 fax: 310 798-8463

August 2 2022

Cindie Kim Sr. Escrow Officer Hana Escrow Company, Inc. 3580 Wilshire Boulevard, Suite 1170 Los Angeles, California 90010

Re: Escrow No. 23402

Dear Ms. Kim:

These instructions are submitted by the City of Redondo Beach (the "City") and the Housing Authority of the City of Redondo Beach (the "Authority") in connection with the following transaction.

Taesung Yang and Aiko Shiono (the "Seller") and David Taekwon Ahn (the "Buyer") have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated February 28, 2022 relating to the sale of the residential unit located at 2750 Artesia Blvd., #116, Redondo Beach, California 90278. The "Unit" is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the Addendum to Grant Deed – Covenants, Restrictions and Option to Purchase [Moderate Income] dated December 10, 2010, and recorded in the Official Records of Los Angeles County on December 13, 2010, as Instrument No. 10-1837588 (the "Existing Covenants Agreement").

The Existing Covenants Agreement places certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations are secured by that certain Performance Deed of Trust dated December 10, 2010 and recorded in the land records of Los Angeles County on December 13, 2010 as Instrument No. 10-1837589. The Seller is the trustor, the City is the beneficiary and Lawyers Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the "2022 Covenants Agreement") for recordation against the Unit. The 2022 Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the "2022 Performance Deed of Trust").

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the "Recording Documents" shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

I. DOCUMENTS

Enclosed herewith are the following documents that will need to be signed and returned to the City and Authority prior to execution by the City and the Authority.

- One original of the 2022 Covenants Agreement that has been signed by the Buyer.
- One original of the 2022 Performance Deed of Trust that has been signed by the Buyer.

The signed documents are to be returned to the following address:

Angelica Zavala, Housing Supervisor Housing Authority of the City of Redondo Beach 1922 Artesia Boulevard Redondo Beach, California 90278

II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

- 1. The City and the Authority have deposited into escrow one original 2022 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.
- The Buyer has deposited into escrow one original 2022 Performance Deed of Trust, executed in recordable form by the Buyer, the City and the Authority.
- 3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority executed in recordable form by the City and the Authority (the "Request for Notice").
- 4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.
- You are committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

- With respect to any documents that have not been dated (whether or not such
 documents are to be recorded), fill in the date of recordation. With respect to any other
 blanks in the documents, fill in the appropriate information (for example, recording
 information or dates of other documents). If you have any questions regarding how to
 fill in any blanks, contact the undersigned immediately.
- 2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

- 3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:
 - a. The grant deed conveying fee title to the Unit from the Seller to the Buyer.
 - b. The 2022 Covenants Agreement.
 - The 2022 Performance Deed of Trust
 - d. The Request for Notice.
- 4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) and a copy of these escrow instructions signed by you in the space provided at the conclusion of this letter to indicate your acceptance are to be delivered to:

Angelica Zavala, Housing Supervisor
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

- These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.
- 6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City or the Authority are entitled to free recording pursuant to Government Code §§ 6103 and 27383:
 - a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.
 - b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.
 - All costs incurred by you with respect to this escrow shall be the sole obligation
 of the Seller.

August 2, 2022 Page 5

Cindie Kim, Sr. Escrow Officer Escrow No. 002719-CK

Sr. Escrow Officer

Very truly yours,
City of Redondo Beach, a chartered municipal corporation
Housing Authority of the City of Redondo Beach, a public body, corporate and politic
By:
William C. Brand
Mayor and Chairman
The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed
in accordance therewith.
Hana Escrow Company, Inc.
Halla Escrow Company, Inc.
Ву:
Cindie Kim

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 116 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08- 149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE, AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-1498226, OF OFFICIAL RECORDS.

ALSO, EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 4 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

APN: 4082-012-111



January 26, 2022

ADVISORS IN:

Real Estate Affordable Housing Economic Development

BERKELEY

A. Jerry Keyser Debbie M. Kern David Doezema Taesung Yan and Aiko Shiono 2750 Artesia Boulevard #116 Redondo Beach, California 90278

LOS ANGELES

Kathleen H. Head James A. Rabe Gregory D. Soo-Hoo Kevin E. Engstrom Julie L. Romey Tim R. Bretz Re: Maximum Sales Price Request

Dear Mr. Yan and Ms. Shiono:

SAN DIEGO Paul C. Marra

The City of Redondo Beach Housing Authority (Housing Authority) has engaged Keyser Marston Associates, Inc. (KMA) to provide consulting services related to the affordable housing units located in the Breakwater Village project. The following letter is a response to your request for an assessment of the maximum allowable sales price for the Moderate-Income unit you own at 2750 Artesia Boulevard #116, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Agreement Containing Covenants, Restrictions and Option to Purchase, which is dated December 10, 2010 and was recorded on December 13, 2010 by the Los Angeles County Recorder as Instrument No. 20101837588. Under the terms and conditions included in Section 7 of the Agreement Containing Covenants, Restrictions and Option to Purchase, the maximum sales price that you may receive for any type of Transfer of your residence ("Resale Price") shall be the lesser of the following:

- 1. The Moderate Income Affordable Purchase Price at the time of Resale; or
- 2. The Increased Base Price plus the "Value of Capital Improvements" that have been approved by the City of Redondo Beach, if any.

The Unit Resale Determination Worksheet follows this letter. Based on the calculations included in the Worksheet, the Resale Price is based on the Increased Base Price. As of today's date, the maximum Resale Price is \$190,349.

The Resale Price provided to you will be valid for three months from the date of this letter. Should the Resale Price expire, a new Maximum Sales Price Request must be submitted. In that case a completed application (and fee payment, if applicable) should be submitted to the Housing Authority.

Sincerely,

Keyser Marston Associates, Inc.

Kethler Hund

Kathleen Head

UNIT RESALE PRICE DETERMINATION WORKSHEET

Owner's Name	Taesung Yang and Aiko Shiono
Development	Breakwater Village
Unit Number	116
Assessor Parcel Number (APN)	4082012111
Income Level	Moderate
Number of Bedrooms	1

The Maximum Resale Price is equal to the Lesser of:

- 1. The Increased Base Price, and the
- 2. The Moderate Income Affordable Purchase Price.

\$149,900 12/10/10 \$50,400 \$64,000 26.98% \$190,349 \$0
\$50,400 \$64,000 26.98% \$190,349
\$64,000 26.98% \$190,349
26.98% \$190,349
\$190,349
\$0
\$190,349
\$315,600
\$190,349
4/26/22

Prepared by Keyser Marston Associates, Inc.	Kathleen Head
Date the Calculation is Completed	1/26/22

The Maximum Sales Price is based on the formula included in the Addendum to Grant Deed recorded on the property with the County of Los Angeles. The formula takes into consideration the Area Median Income as determined by the State of California and makes allowances for utilities, HOA dues, taxes, PMI, homeowners insurance, etc. Additionally, calculations are subject to change at any time due to changes in the abovementioned information. Please check with the Housing Authority prior to entering into a purchase and sale agreement.

Prepared by: Keyser Marston Associates, Inc.

File name: ASP Calcs 1 26 22



G.1., File # 22-4556 Meeting Date: 8/2/2022

TITLE

For Blue Folder Documents Approved at the City Council Meeting



H.1., File # 22-4558 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED REGULAR AND REGULAR MEETING OF AUGUST 2, 2022

EXECUTIVE SUMMARY

STATE OF CALIFORNIA)	
COUNTY OF LOS ANGELES) SS	3
CITY OF REDONDO BEACH)	

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body City Council

Posting Type Adjourned Regular and Regular Agenda

Posting Locations 415 Diamond Street, Redondo Beach, CA 90277

✓ Adjacent to Council Chambers

Meeting Date & Time AUGUST 2, 2022 4:30 p.m. Closed Session

6:00 p.m. Open Session

As City Clerk of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

Eleanor Manzano, City Clerk

Date: July 28, 2022



H.2., File # 22-4559 Meeting Date: 8/2/2022

TITLE

APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA



H.3., File # 22-4458 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JENNIFER PAUL, FINANCE DIRECTOR

TITLE

PAYROLL DEMANDS

CHECKS 28343-28382 IN THE AMOUNT OF \$55,792.94, PD. 7/22/22 DIRECT DEPOSIT 251439-251998 IN THE AMOUNT OF \$2,196,287.73, PD. 7/22/22

ACCOUNTS PAYABLE DEMANDS
CHECKS 104560-104707 IN THE AMOUNT OF \$1,371,948.81
EFT CALPERS MEDICAL INSURANCE \$382,821.24
DIRECT DEPOSIT 100006257-100006353 IN THE AMOUNT OF \$83,254.46, PD. 8/1/22

EXECUTIVE SUMMARY

Approval of Payroll and Accounts Payable

ATTACHMENTS

08022022_RECOMMENDATION_TO_APPROVE 08022022 VENDOR INVOICE LIST

RECOMMENDATION TO APPROVE PAYROLL AND ACCOUNTS PAYABLE COUNCIL MEETING AUGUST 2, 2022

a. Payroll Demands

- Checks 28343-28382, \$55,792.94, Pd.7/22/22
- Direct Deposit 251439-251998, \$2,196,287.73, Pd.7/22/22

b. Accounts Payable Demands

- Checks 104560-104707, \$1,371,948.81
- EFT CalPERS Medical Insurance \$382,821.24
- Direct Deposit 100006257-100006353, \$83,254.46, Pd. 8/1/22

I hereby approve and authorize for payment the above demands.

Mike Witzansky City Manager



INVOICE P.O.		CK RUN CHECK #	INVOICE NET DUE DATE TYP	E STS	S INVOICE DESCRIPTION
8892 3V SIGNS & GRAPHICS,	, LLC.				
13314	07/13/2022 10275690 080	22022 104560	262.80 07/21/2022 INV	PD	06/2022 CONSTRUCTION SITE
45 ACCO ENGINEERED SYST	TEMS INC				
20280458	07/24/2022 10275782 080	22022 104561	266.00 07/24/2022 INV	PD	POLICE DEPT. AC. JOB WALK
56 ACTION BLUEPRINT					
37239 37240	06/24/2022 10275645 080 06/24/2022 10275644 080 06/20/2022 10275643 080	22022 104562	259.09 07/25/2022 INV	PD	STORM DRAIN MPP BOOK COLO 1700-1750 S PCH SCANS & C 2829 & 2901 w 190th st SC
5820 ADMINSURE	07/45/2022 40275705 000	2222	12 200 02 07 (25 (2002		
15276 12753 ALESHIRE & WYNDER LL	07/15/2022 10275795 080	22022 104563	12,200.00 07/25/2022 INV	PD	GL & WC - AUGUST 2022
68593 69139	07/19/2022 10275680 080 07/19/2022 10275681 080 07/19/2022 10275682 080	22022 104564	208.00 07/25/2022 INV	PD	5/22 HCD Writ Legal Fees 6/22 HCD Writ Legal Fees 6/22 SB-9 Legal Fees
131 ALLSTAR FIRE EQUIPME	ENT INC				
240848	06/29/2022 10275578 080	22022 104565	466.35 07/25/2022 INV	PD	SCBA MAINT/REPAIRS
144 AMERICAN CITY PEST C					
630798 633844 633845 636826 636830 636831 637146 637169 637266 637267 637268 637506 638631 638632 638633 638633	07/22/2022 10275724 080 07/22/2022 10275728 080 07/21/2022 10275685 080 07/21/2022 10275685 080 07/15/2022 10275455 080 07/15/2022 10275455 080 07/15/2022 10275455 080 07/15/2022 10275659 080 07/15/2022 10275669 080 07/15/2022 10275659 080 07/15/2022 10275454 080 07/15/2022 10275453 080 07/15/2022 10275451 080 07/15/2022 10275655 080 07/15/2022 10275655 080 07/15/2022 10275655 080 07/15/2022 10275655 080 07/15/2022 10275657 080 07/15/2022 10275657 080 07/15/2022 10275657 080 07/15/2022 10275658 080 07/15/2022 10275658 080 07/15/2022 10275658 080 07/15/2022 10275658 080 07/15/2022 10275658 080	22022 104566 22022 104566	72.50 07/22/2022 INV 45.50 07/21/2022 INV 62.50 07/21/2022 INV 62.50 07/15/2022 INV 50.50 07/15/2022 INV 50.50 07/15/2022 INV 72.50 07/15/2022 INV 213.00 07/15/2022 INV 45.50 07/15/2022 INV 27.50 07/15/2022 INV 27.50 07/15/2022 INV 56.50 07/15/2022 INV 56.50 07/15/2022 INV 56.50 07/15/2022 INV 56.50 07/15/2022 INV 62.50 07/15/2022 INV 45.50 07/15/2022 INV 62.50 07/15/2022 INV 45.50 07/15/2022 INV 45.50 07/15/2022 INV	PD PD PD PD PD PD PD PD PD PD PD PD PD	FIRE STATION 3 PEST CONTR FIRE STATION 3 BAIT STATI 101 TORR BLVD BAIT STATIO 101 TORR BLVD PEST CONTRO TEEN CENTER BAIT STATIONS PERRY SENIOR CENTER BAIT
176 AMERICAN TEXTILE MAI	INTENANCE COMPANY		1,320.00		



INVOICE P.O.	INV DATE VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE DATE TYPE STS INVOICE DESCRIPTION
20617908 20619906 20621747 20623754 20625558 20627603 20629458 20631542 20641096 20643127 20644974	06/06/2022 10275263 08022022 06/09/2022 10275267 08022022 06/13/2022 10275271 08022022 06/20/2022 10275275 08022022 06/20/2022 10275275 08022022 06/23/2022 10275277 08022022 07/25/2022 10275879 08022022 06/23/2022 10275879 08022022 07/25/2022 10275838 08022022 07/25/2022 10275839 08022022 07/25/2022 10275839 08022022 07/25/2022 10275840 08022022	104567 104567 104567 104567 104567 104567 104567 104567 104567 104567	721.90 07/11/2022 INV PD inmate linen service 480.72 07/11/2022 INV PD inmate linen service 480.12 07/11/2022 INV PD inmate linen service 461.18 07/11/2022 INV PD inmate linen service 455.61 07/11/2022 INV PD inmate linen service 479.51 07/11/2022 INV PD inmate linen service 460.85 07/25/2022 INV PD jAIL LAUNDRY 6/27/2022 461.18 07/11/2022 INV PD inmate linen service 455.61 07/25/2022 INV PD jAIL TOWELS AND BLANKETS 461.18 07/25/2022 INV PD JAIL BLANKETS AND TOWELS 543.33 07/25/2022 INV PD JAIL BLANKETS AND TOWELS 5,609.46
208 APCO INTERNATIONAL	•		
904308	07/19/2022 10275512 08022022	104568	431.00 07/19/2022 INV PD APCO International Agency
11925 ARDURRA GROUP, INC	:.		
126020 4841	07/25/2022 10275828 08022022	104569	55,925.10 07/25/2022 INV PD TransitCenter.ConstrMgmtS
6183 ARTIANO & ASSOCIAT	ES		
50161	07/19/2022 10275679 08022022	104570	913.44 07/25/2022 INV PD 4/22 I. Villarreal Legal
2825 AT&T			
07012022-0214 07012022-1439 07012022-8488 07012022-9555 07072022-3595	07/22/2022 10275761 08022022 07/14/2022 10275441 08022022 07/22/2022 10275762 08022022 07/14/2022 102757440 08022022 07/25/2022 10275788 08022022	104571 104571 104571 104571 104571	51.88 07/22/2022 INV PD MONTHLY PHONE CHARGES 220.44 07/14/2022 INV PD MONTHLY PHONE SERVICE 51.88 07/22/2022 INV PD MONTHLY PHONE CHARGES 3,027.16 07/14/2022 INV PD MONTHLY PHONE SERVICE 126.32 07/25/2022 INV PD MONTHLY PHONE SERVICES 3,477.68
8029 ATHENS SERVICES			
12331870 5405 12495818 5353	07/22/2022 10275739 08022022 07/18/2022 10275501 08022022	104572 104572	12,123.55 07/22/2022 INV PD MAY 2022 54,465.36 07/18/2022 INV PD JUNE 2022 BILLING PLUS HH 66,588.91
12298 BADGE FRAME, INC.			00,308.31
39541	05/21/2022 10275622 08022022	104573	4,996.37 08/02/2022 INV PD BADGES INVOICE 39541 5/24
291 BAKER & TAYLOR			
2036835428 2036848708 2036854723 2036856995 2036866127 2036866482 2036881059 H61936130 H61939280	06/30/2022 10275492 08022022 07/01/2022 10275524 08022022 06/29/2022 10275521 08022022 07/06/2022 10275521 08022022 07/06/2022 10275520 08022022 07/06/2022 10275520 08022022 07/13/2022 10275663 08022022 07/07/2022 10275517 08022022 07/07/2022 10275519 08022022	104574 104574 104574 104574 104574 104574 104574 104574	420.38 07/15/2022 INV PD BOOKS 164.93 07/19/2022 INV PD BOOKS 33.97 07/15/2022 INV PD BOOKS 35.12 07/19/2022 INV PD BOOKS 78.52 07/19/2022 INV PD BOOKS 7.80 07/19/2022 INV PD BOOKS 235.11 07/21/2022 INV PD BOOKS 1,032.92 07/19/2022 INV PD AUDIOVISUAL MATERIAL 447.13 07/19/2022 INV PD AUDIOVISUAL MATERIAL



VENDOR INVOICE LIST

INVOICE P.O.	INV DATE VOUCHER CHECK RUN	CUECK #	INVOICE NET DUE DATE TYPE STS INVOICE DESCRIPTION
H61947290	07/11/2022 10275514 08022022	104574	377.48 07/19/2022 INV PD AUDIOVISUAL MATERIAL
н61948400	07/08/2022 10275515 08022022	104574	40.98 07/19/2022 INV PD AUDIOVISUAL MATERIAL
H61992320 H62012540	07/14/2022 10275662 08022022 07/15/2022 10275661 08022022	104574 104574	186.97 07/21/2022 INV PD AUDIOVISUAL MATERIAL 147.61 07/21/2022 INV PD AUDIOVISUAL MATERIAL
н62014230	07/15/2022 10275660 08022022	104574	146.02 07/21/2022 INV PD AUDIOVISUAL MATERIAL
т24127510	07/07/2022 10275516 08022022	104574	28.73 07/19/2022 INV PD AUDIOVISUAL MATERIAL
6328 BAYSIDE MEDICAL C	ENTER		3,383.67
00141071	06/07/2022 10275280 08022022	104575	1,295.00 07/11/2022 INV PD inmate ok to book
384 BILL'S SOUND SYST	EMS, INC.		
40852	07/15/2022 10275473 08022022	104576	180.00 07/15/2022 INV PD CITY HALL ALARM MONITOR J
40853 40854	07/15/2022 10275464 08022022 07/15/2022 10275468 08022022	104576 104576	180.00 07/15/2022 INV PD DOM PARK ALARM MONITOR JU 180.00 07/15/2022 INV PD FIRESTATION 3 ALARM MONIT
40855	07/15/2022 10275463 08022022	104576	180.00 07/15/2022 INV PD HIS MUSEUM ALARM MONITOR
40856 40857	07/15/2022 10275461 08022022 07/15/2022 10275466 08022022	104576 104576	180.00 07/15/2022 INV PD IT CITY HALL ALARM MONITO 180.00 07/15/2022 INV PD MAIN LIBRARY ALARM MONITO
40858	07/15/2022 10275471 08022022	104576	360.00 07/15/2022 INV PD MAINT YARD ALARM MONITOR
40859 40860	07/15/2022 10275460 08022022 07/15/2022 10275459 08022022	104576 104576	180.00 07/15/2022 INV PD MORRELL HOUSE ALARM MONIT 180.00 07/15/2022 INV PD N BRANCH LIB ALARM MONITO
40862	07/15/2022 10275462 08022022	104576	213.00 07/15/2022 INV PD TEEN CENTER ALARM MONTOR
40863	07/15/2022 10275465 08022022	104576	180.00 07/15/2022 INV PD WAREHOUSE ALARM MONITORIN
40864 40865	07/15/2022 10275469 08022022 07/15/2022 10275467 08022022	104576 104576	180.00 07/15/2022 INV PD PD SUB STATION ALARM MONI 180.00 07/15/2022 INV PD PW YARD ALARM MONITOR JUL
40866	07/18/2022 10275497 08022022	104576	135.00 07/18/2022 INV PD ARTESIA QUARTERLY JULAUGS
40867 40868	07/18/2022 10275498 08022022 07/15/2022 10275470 08022022	104576 104576	135.00 07/18/2022 INV PD SSL QUARTERLY JULAUGSEPT2 180.00 07/15/2022 INV PD PARKS YARD ALARM MONITOR
40000	07/13/2022 10273470 00022022	104370	3,003.00
12758 BIRBEIRE, SIMONE			
JULY2022	07/18/2022 10275499 08022022	104577	6,335.00 07/18/2022 INV PD BRICKS CAMPS JULY2022 1SU
11059 BLACKSTONE PUBLISH			
2051304 2052019	07/05/2022 10275525 08022022 07/11/2022 10275664 08022022	104578 104578	70.00 07/19/2022 INV PD AUDIOVISUAL MATERIAL 1,015.00 07/21/2022 INV PD AUDIOVISUAL MATERIAL
2052019	07/11/2022 10275665 08022022	104578	1,015.00 07/21/2022 INV PD AUDIOVISUAL MAIERIAL 963.38 07/21/2022 INV PD AUDIOVISUAL MATERIAL
	, , ,		2,048.38
3121 BLUE DIAMOND			
2773740	07/15/2022 10275477 08022022	104579	775.60 07/15/2022 INV PD STREETS ASPHALT SUPPLIES
2786696	07/20/2022 10275561 08022022	104579	1,180.69 07/20/2022 INV PD EMULSION BUCKETS/SHEET AS 1.956.29
4763 BRENNTAG PACIFIC	INC		1,330.23
BPI256502 5295	07/22/2022 10275752 08022022	104580	2,828.08 07/22/2022 INV PD PURCHASE CHEMICALS FOR SE
BPI258720 5295	07/22/2022 10275751 08022022	104580	3,013.37 07/22/2022 INV PD PURCHASE CHEMICALS FOR SE

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INVOICE	P.O.	INV DATE \	VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE DATE	TYPE ST	S INVOICE DESCRIPTION
594 CANON FINA	NCTAL CI	DVICES INC		ı	5,841.45		
	INCIAL SI	*	10275762 00022022	104501	1 202 88 07/22/2022	Thu 00	CORTER MATUTEVANCE
28876239			10275763 08022022	104581	1,202.88 07/22/2022	INV PD	COPIER MAINTENANCE
8810 CANON SOLU		•					
163182696 6001105653	5626	07/22/2022 1 07/25/2022 1	10275766 08022022 10275786 08022022	104582 104582	64,728.75 07/22/2022 378.06 07/25/2022	INV PD	CANON DR-M260 SCANNERS 75 COPIER MAINTENANCE
13000 CHARTER CC	MMUNICA	ΓΙΟΝS			65,106.81		
0106477071322		07/20/2022	10275639 08022022	104583	128.76 07/20/2022	INV PD	PW CABLE TV 7/13-8/12/22
705 CITY OF RE	DONDO BI	EACH					
07052022		07/15/2022	10275797 08022022	104584	228,249.48 07/25/2022	INV PD	wc 07/05/22-07/15/22 1112
709 CITY OF TO	RRANCE						
070622		07/19/2022	10275533 08022022	104585	201.69 07/19/2022	INV PD	Water 4-25-22 to 6-27-22
070622a 070622b		07/19/2022 1 07/19/2022 1	10275541 08022022 10275542 08022022	104585 104585	66.47 07/19/2022 415.57 07/19/2022	INV PD INV PD	Water 4-25-22 to 6-27-22 Water 4-25-22 to 6-27-22
725 CLEAN ENER	GY			I	683.73		
CE12509806		07/18/2022 1	10275500 08022022	104586	4,609.92 07/18/2022	INV PD	CNG M&O JUNE '22
11907 COBRA-ADVA	NTAGE A	OMINISTRATORS					
143978		06/30/2022	10275784 08022022	104587	396.50 07/25/2022	INV PD	BENEFITS-PARTICIPANT FEES
9413 COLANTUONO	, HIGHSM	MITH & WHATLEY	, PC				
52613		07/19/2022	10275678 08022022	104588	246.19 07/25/2022	INV PD	6/22 Under Collection of
8889 COMMLINE,	INC.						
0364448-in	5645	05/31/2022	10275626 08022022	104589	5,500.00 07/21/2022	INV PD	EMERGENCY COMMUNICATIONS
784 COMPLETES	PLUS						
01BX0212 01BX2157 01BX2968 01BX5227 01BX8195 01BY1198 01BY1971 01BY7605		07/22/2022 1 07/22/2022 1 07/22/2022 1 07/15/2022 1 07/15/2022 1 07/15/2022 1	10275734 08022022 10275736 08022022 10275733 08022022 10275735 08022022 10275481 08022022 10275489 08022022 10275486 08022022 10275479 08022022	104590 104590 104590 104590 104590 104590 104590	-142.88 07/22/2022 74.68 07/22/2022 42.92 07/22/2022 67.11 07/15/2022 212.34 07/15/2022 142.88 07/15/2022	CRM PD INV PD INV PD INV PD INV PD INV PD	WOO13 BRAKE PADS WOO14 BRAKE PADS



INVOICE	P.O.	INV DATE	VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE	DATE TYPE	STS	INVOICE DESCRIPTION
11364 (CONTRA COSTA COL	INTY OFFICE			511.48			
21-24902 21-24913		01/19/2022	2 10275807 08022022 L 10275806 08022022	104591 104591	618.00 08/0			DRIVER TRAINING EVOC 12/1 DRIVER AWARENESS 11/16/18
13085 (COSTANZA, ANTHON	IY			1,951.00			
COSTANZA202	222	07/18/2022	2 10275496 08022022	104592	164.00 07/1	L8/2022 INV	PD	REFUND COSTANZA20222 1SUM
13096 (CSG CONSULTANTS	INC.						
B221003 B221216	5640 5640		2 10275693 08022022 2 10275692 08022022	104593 104593				05/2022 BUILDING PLAN CHE 06/2022 BUILDING PLAN CHE
10835 (CSTARS NURSERY,	INC.			2,030.00			
44148 44184		07/20/2022 07/20/2022	2 10275604 08022022 2 10275597 08022022	104594 104594				PLANTS KING HARBOR SIGN P PLANTS FOR KING HARBOR SI
893 (CUMMINS CAL PAC	FIC, INC.			7,030.93			
X4-30641		07/15/2022	2 10275673 08022022	104595	117.94 07/1	L5/2022 INV	PD	WO124-18 OIL SENSOR PRESS
3554 (CUMMINS-ALLISON	CORPORATION						
6501793		06/30/2022	2 10275393 08022022	104596	151.70 07/2	25/2022 INV	PD	COIN MACHINE SERVICE
919 [DANIELS TIRE SEF	RVICE						
200447320 200448142			2 10275738 08022022 2 10275740 08022022	104597 104597				W0136-18 MEDIC TIRES STOCK CAR TIRES
952 [DELL COMPUTER CO	RPORATION			970.00			
10597100120	5620	07/14/2022	2 10275442 08022022	104598	29,609.20 07/1	L4/2022 INV	PD	DELL EMC NX3240 RAID 5
971 [DEPARTMENT OF JU	ISTICE						
590934		06/30/2022	2 10275790 08022022	104599	928.00 07/2	25/2022 INV	PD	FINGERPRINT JUNE 2022 29E
12283 DEVIL MOUNTAIN WHOLESALE NURSERY								
INV19083 INV27582			2 10275529 08022022 2 10275528 08022022	104600 104600	383.25 07/1			TREES VARIOUS CRAPE MYRTLE-2 PLANTS
6174	DIAZ, CARRIE				2,195.48			
06012022		07/19/2022	2 10275535 08022022	104601	55.86 07/1	L9/2022 INV	PD	MILEAGE FOR JUNE 2022



VENDOR INVOICE LIST

INVOICE P.O.	INV DATE VOUCHER CH	HECK RUN CHECK #	INVOICE NET DUE DATE TY	YPE STS	S INVOICE DESCRIPTION
1001 DIVERSIFIED RISK IN	NSURANCE BROKERS				
REDOBEA-01	07/11/2022 10275792 08	3022022 104602	363.07 07/25/2022 IN	NV PD	SPECIAL EVENT INSURANCE D
11965 DOGGIE WALK BAGS, I	INC.				
0101476-IN	07/15/2022 10275488 08	3022022 104603	629.63 07/15/2022 IN	NV PD	PARKS DOGGIE BAGS
1012 DOOLEY ENTERPRISES	, INC.				
63436	07/12/2022 10275654 08	3022022 104604	993.46 08/02/2022 IN	NV PD	INVOICE NO 63436 9MM 90GR
5852 DUMKE, ANNE					
07132022	07/13/2022 10275502 08	3022022 104605	240.00 07/25/2022 IN	NV PD	JULY HEARINGS
1055 EASY READER					
RD22-041	07/25/2022 10275817 08	3022022 104606	112.50 07/25/2022 IN	NV PD	LEGAL PUBLICATIONS- PH PR
1099 EMPLOYMENT DEVELOPM	MENT DEPT				
MIS-00002686	05/26/2022 10275759 08	3022022 104607	20.76 06/25/2022 IN	NV PD	EDD BENEFITS VERIFICATION
10248 EPAX SYSTEMS, INC.					
30440 30459	07/20/2022 10275552 08 07/20/2022 10275554 08		1,521.90 07/20/2022 IN 1.001.93 07/20/2022 IN	NV PD	REPLACED 3 HYDRAULIC HOSE MONTHLY RENTAL PIER COMPA
12815 FAST DEER BUS CHAR			2,523.83		
154503	07/19/2022 10275543 08	3022022 104609	1 080 45 07/19/2022 TM	NV PD	Bowers Museum Senior Excu
1176 FEDERAL EXPRESS COR	. ,	101003	1,000113 01/13/2022 11		Bonet's Museum Sention Execu
7-812-61786	07/08/2022 10275783 08	3022022 104610	140.01 08/02/2022 IN	NV PD	OVERNIGHT SERVICES 6/30/2
7-820-57546	07/15/2022 10275651 08				OVERNIGHT SERVICES ACCT 1
8547 FINANCIAL CREDIT N	ETWORK, INC.		132.37		
063022 STMT	06/30/2022 10276009 08	3022022 104611	90.16 07/27/2022 IN	NV PD	FCN COLLECTION FEE
10191 FRONTIER					
06282022-2493 07102022-0410	07/14/2022 10275443 08 07/22/2022 10275767 08	3022022 104612 3022022 104612	88.66 07/14/2022 IN 118.95 07/22/2022 IN	NV PD	MONTHLY TELEPHONE CHARGES CIRCUITS
07132022-0796 07132022-3093	07/22/2022 10275768 08 07/22/2022 10275769 08	3022022 104612	30,614.33 07/22/2022 IN	NV PD	CITY MONTHLY PHONE CHARGE MONTHLY PHONE CHARGES
3202 GALE	11, 12, 1011 101, 0100		30,916.62		

94



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE VOUCHER CHECK RUN	L CHECK #	INVOICE NET DUE DATE TYPE STS INVOICE DESCRIPTION
78029133 78050195		06/23/2022 10275493 08022022 07/08/2022 10275526 08022022	104613 104613	60.76 07/15/2022 INV PD BOOKS 50.92 07/19/2022 INV PD BOOKS
78138090		07/11/2022 10275666 08022022	104613	120.68 07/21/2022 INV PD BOOKS 232.36
1289 GALLS	INCORPORATED			232.30
BC1637521 BC1658419	5572	07/11/2022 10275633 08022022 07/07/2022 10275611 08022022	104614 104614	570.54 07/25/2022 INV PD REPLACEMENT FF NOMEX UNIF 6.11 07/25/2022 INV PD FF/PM UNIFORMS
BC1659001 BC1660150	5572 5572	07/08/2022 10275630 08022022 07/11/2022 10275631 08022022	104614 104614	593.29 07/25/2022 INV PD REPLACEMENT FF NOMEX UNIF 570.54 07/25/2022 INV PD REPLACEMENT FF NOMEX UNIF
BC1660167 BC1660170	5572 5572	07/11/2022 10275628 08022022 07/11/2022 10275632 08022022	104614 104614	593.29 07/25/2022 INV PD REPLACEMENT FF NOMEX UNIF 633.83 07/25/2022 INV PD REPLACEMENT FF NOMEX UNIF
BC1661315 BC1662279	5572	07/12/2022 10275612 08022022 07/13/2022 10275629 08022022	104614 104614	621.01 07/25/2022 INV PD UNIFORM PATCHES 597.35 07/25/2022 INV PD REPLACEMENT FF NOMEX UNIF
9598 GENERA	AL INDUSTRIAL	TOOL AND SUPPLY		4,185.96
1192401-01		07/21/2022 10275683 08022022	104615	737.81 07/21/2022 INV PD EQUIPMENT SUPPLIES
1192522-01		07/22/2022 10275731 08022022	104615	1,734.48 07/22/2022 INV PD CLEANING SUPPLIES
7023 GEOSYN	ITEC			2,472.23
477563	5135	06/30/2022 10275513 08022022	104616	34,581.50 07/25/2022 INV PD EWMP&StormwaterFeasibilit
1372 GRAING	SER			
9341923473		07/19/2022 10275531 08022022	104617	518.91 07/19/2022 INV PD PIER PLUMBING SUPPLIES
6042 GREY H	HOUSE PUBLISH	HING		
973819		06/29/2022 10275494 08022022	104618	178.50 07/15/2022 INV PD BOOKS
10730 GRUEZO), DANIEL			
GRUEZ0042022		06/26/2022 10275802 08022022	104619	75.00 07/25/2022 INV PD TORRANCE BLVD RESURFACING
	R EQUIPMENT C			
z01023		07/19/2022 10275530 08022022	104620	385.57 07/19/2022 INV PD PIER SWEEPER FILTER PART
13097 HAYER	•			
4236	5646	06/15/2022 10275694 08022022	104621	6,077.50 07/21/2022 INV PD 04/2022-06/2022 BUILDING
,	COREN & CONE			
SIN020025		07/25/2022 10275853 08022022	104622	4,583.50 07/25/2022 INV PD CONTRACT SERVICES PROPERT
	NGTON BEACH H			
108482	5644	06/28/2022 10275618 08022022	104623	8,669.58 08/02/2022 INV PD REPAIR 2019 HONDA CRF 100

95



INVOICE P.O	. INV DATE VOUCHER CHECK RUN	L CHECK #	INVOICE NET DUE DATE TYP	PF SI	S INVOICE DESCRIPTION
1548 IMAGING PRODUC		- CHECK II	THE THE POL DATE THE	31	TIMOTEL PLEETI I TON
112444	07/20/2022 10275592 08022022	104624	176.59 07/20/2022 INV	V PD	Blank ID Cards for Bus Pa
8433 INGRAM LIBRARY	SERVICES				
70315041	07/01/2022 10275667 08022022	104625	67.61 07/21/2022 INV	V PD	BOOKS
1619 INTERSTATE BAT	TERIES OF CALIF COAST, INC				
130103982	07/15/2022 10275487 08022022	104626	2,083.81 07/15/2022 INV	V PD	STOCK CAR TIRES
12826 INTERWEST CONS	ULTING GROUP INC				
79886 549	7 07/13/2022 10275684 08022022	104627	332.50 07/21/2022 INV	V PD	06/2022 BUILDNG PLAN CHEC
8361 iWATER, INC.					
9437	07/20/2022 10275564 08022022	104628	1,333.32 07/20/2022 INV	V PD	ADDITIONAL INFRAMAP SOFTW
12705 JLEE ENGINEER	NG INC				
4662 541	2 07/14/2022 10275687 08022022	104629	275.00 07/21/2022 INV	V PD	06/2022 BUILDING PLAN CHE
11296 JOE MAR POLYGE	APH & INVESTIGATION				
2022-03-010 2022-03-015 2022-03-016 2022-04-018 2022-04-025 2022-04-029 2022-05-009 2022-05-010 2022-05-010 2022-06-002 2022-06-003 2022-06-009 2022-06-014 2022-06-023 2022-06-025 2022-06-025 2022-07-019 RBFD 2022-07-023 RBFD	07/08/2022 10275158 08022022 07/08/2022 10275159 08022022 07/08/2022 10275157 08022022 07/08/2022 10275166 08022022 07/08/2022 10275166 08022022 07/08/2022 10275166 08022022 07/08/2022 10275164 08022022 07/08/2022 10275164 08022022 07/08/2022 10275161 08022022 07/08/2022 10275162 08022022 07/08/2022 10275162 08022022 07/08/2022 10275162 08022022 07/08/2022 10275169 08022022 07/08/2022 10275170 08022022 07/08/2022 10275170 08022022 07/08/2022 10275173 08022022 07/08/2022 10275174 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/08/2022 10275175 08022022 07/19/2022 102751798 08022022 07/23/2022 10275798 08022022	104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104630 104631	400.00 07/11/2022 INV 200.00 07/11/2022 INV 400.00 07/11/2022 INV 400.00 07/11/2022 INV 400.00 07/11/2022 INV 200.00 07/11/2022 INV	V PD	APPLICANT: MANTIKAS, NIKO APPLICANT: COWING, DOLORO APPLICANT: ESQUIVEL, BRYO APPLICANT: SADEGHI, SINA APPLICANT: MURGUIA, ADRAI APPLICANT: KOZLOV, PANEL APPLICANT: KOZLOV, PANEL APPLICANTS — MOLINA, ARTHU APPLICANTS — MOLINA, ARTHU APPLICANT: WILLIAMS, AHUM APPLICANT: WEADOCK, PETER APPLICANT- BARAJAS, NORMA APPLICANT- BARAJAS, NORMA APPLICANT- ZELAYA, AIDA APPLICANT- ZELAYA, AIDA APPLICANT- QAZI, KOMAL APPLICANT- CASTANEDA, LUI APPLICANT: THOMAS, MARKEL POLYGRAPH FIREFIGHTER ADR POLYGRAPH FIREFIGHTER MAR
13141 JOHNSON, PATRI 062922	07/19/2022 10275676 08022022	104632	591.94 07/25/2022 IN	V DD	6/22 D. Johnson DD Loss C
1695 JUST REWARDS	07/19/2022 102/30/0 08022022	104033	331.34 01/23/2022 INV	v PD	0/22 F. JUIIIISUII PU LUSS C
2207.011	07/19/2022 10275532 08022022	104634	59.50 07/19/2022 IN	V DD	Cift Cards
2207.011	01/13/2025 10513335 08055055	104034	59.50 U//19/2022 INV	v PD	GIIC Calus



INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET DUE DATE	TYPE S	STS	INVOICE DESCRIPTION
1742 KEYSER MA	ARSTON ASS	SOCIATES INC							
36846	5219	07/02/2022	10275831	08022022	104635	3,527.50 07/25/2022	INV F	PD	AFFORDABLE HOUSING CONSUL
12546 KINGDOM	CAUSES								
2022-060052		07/19/2022	10275816	08022022	104636	10,097.27 07/25/2022	INV F	PD	6/22 RB Outreach & Engage
1718 KOA CORPO	ORATION								
IC01157-12	4455	06/26/2022 05/29/2022			104637 104637	1,763.00 07/25/2022	INV F	PD	Traffic Engineering Desig BERYL STREET IMPROVEMENT
JC26025-1 JC26025-2	5638 5638	06/26/2022	10275510	08022022	104637	1,040.00 07/25/2022			BERYL STREET IMPROVEMENT
5855 KOSMONT (COMPANIES					3,843.00			
2205.11-001		05/31/2022	10275974	08022022	104638	237.90 07/27/2022	INV F	PD	5/1/22-5/31/22
3012-136A 3012-137	4816 4816	02/28/2022 03/31/2022	10275617 10275549	08022022 08022022	104638 104638	195.00 07/25/2022 975.00 07/25/2022	INV F	PD PD	REAL ESTATE CONSULTING SE REAL ESTATE CONSULTING SE
9444 KRONOS T	NCORDORATI	, ,				1,407.90			
8444 KRONOS II	NCURPURATE		10275716	00022022	104630	26 55 06 (20 /2022	Thu. 5	DD	06/20 TELESTATE TVD SERVE
11938129		06/29/2022	102/5/16	08022022	104639	26.55 06/30/2022	INV F	PD	06/30 TELESTAFF IVR SERVI
1807 L.N. CUR		•							
INV610236	5621	06/29/2022	10275714	08022022	104640	4,012.57 06/30/2022	INV F	PD	GAS DETECTION MONITOR (2)
9936 LARRY WAI	LKER ASSOC	CIATES							
00531.03-39	5062	06/30/2022	10275568	08022022	104641	9,401.32 07/25/2022	INV F	PD	NPDES.CO4.Ref PO 2018-399
9135 LAW OFFI	CES OF DAM	MIAN D. CAPOZZ	ZOLA						
20220600-947		07/19/2022	10275677	08022022	104642	18,549.56 07/25/2022	INV F	PD	5/22 G. Bkhchadzhyan Lega
8803 LEXISNEX	IS RISK DA	ATA MANAGEMENT	Г						
L359145-20220430 L359145-20220531		04/30/2022 05/31/2022	10275814	08022022	104643 104643	50.00 08/02/2022	INV F	PD	INVOICE 1359145-20220430 INVOICE 1359145-20220531
L359145-20220630		06/30/2022			104643	84.00 08/02/2022			INVOICE 1359145-20220531 INVOICE 1359145-20220630
1884 LIEBERT (CASSIDY WH	HITMORE				190.00			
JUNE 6, 2022		06/07/2022	10275794	08022022	104644	900.00 07/25/2022	INV F	PD	PREMIUM LIEBERT LIBRARY S
1887 LIFE ASS	IST. INC.					. ,			
1225642	,	07/01/2022	10275579	08022022	104645	3.874.44 07/25/2022	TNV F	PD	MEDICAL AID SUPPLIES
L226770 L226867		07/07/2022 07/07/2022	10275583	08022022	104645 104645	78.71 07/25/2022	INV F	PD	MEDICAL AID SUPPLIES MEDICAL AID SUPPLIES
1227883		07/07/2022			104645				MEDICAL AID SUPPLIES



INVOICE P.O.	INV DATE VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE DATE TYPE STS INVOICE DESCRIPTION
1228527 1229870	07/12/2022 10275588 08022022 07/14/2022 10275637 08022022	104645 104645	570.00 07/25/2022 INV PD MEDICAL AID SUPPLIES 61.32 07/25/2022 INV PD MEDICAL AID SUPPLIES
1229880	07/14/2022 10275640 08022022	104645	2,327.88 07/25/2022 INV PD MEDICAL AID SUPPLIES
1230095	07/01/2022 10275636 08022022	104645	380.00 07/25/2022 INV PD MEDICAL AID SUPPLIES 9.099.66
1951 LOS ANGELES COUNTY	SHERIFF'S DEPT	ļ	3,033.00
223072BL	06/10/2022 10275281 08022022	104646	
223418BL 223654LL	07/25/2022 10275845 08022022 07/19/2022 10275720 08022022	104646 104646	1,114.20 07/25/2022 INV PD INMATE FOOD JUNE 2022 517.32 07/25/2022 INV PD 6/22 RB Homeless Court Pr
1956 LOS ANGELES COUNTY	-DEPT ANTMAL CONTROL		2,879.21
07252022	06/05/2022 10275506 08022022	104647	164.39 07/25/2022 INV PD AFTER HOUR SHELTER
	, ,	104047	104.35 07/25/2022 INV PD AFTER HOUR SHELTER
10274 MACKAY METERS, INC			
1062086 4950 1062087	06/30/2022 10275397 08022022 06/30/2022 10275394 08022022	104648 104648	3,600.00 07/25/2022 INV PD MacKay Parking Meter Equi 134.00 07/25/2022 INV PD UPLANDS SENTINEL
	,,		3,734.00
4387 MARTIN CHEVROLET			
820694 820807	07/15/2022 10275650 08022022 07/15/2022 10275652 08022022	104649 104649	20.82 07/15/2022 INV PD W0002-07 HANDLE 510.99 07/15/2022 INV PD W0651-17 ALTERNATOR
2004 MCGUNE & HARRED	, ,		531.81
2084 MCCUNE & HARBER, L			
110861 110863	07/19/2022 10275729 08022022 07/19/2022 10275727 08022022	104650 104650	1,089.00 07/25/2022 INV PD 5/22 Gray Legal Fees 220.90 07/25/2022 INV PD 5/22 Blechner Legal Fees
		20.050	1,309.90
12334 MINTZ, LEVIN, COHN			
9225820 9225821	07/19/2022 10275722 08022022 07/19/2022 10275725 08022022	104651 104651	17,212.50 07/25/2022 INV PD 5/22 SLAPP Motion-Inverse 33,415.95 07/25/2022 INV PD 5/22 Inverse Condemnation
9225822 9225824	07/19/2022 10275726 08022022 07/19/2022 10275721 08022022	104651 104651	86,303.25 07/25/2022 INV PD 5/22 PRONG 2 Slapp Motion
	07/13/2022 10273721 00022022	104031	149,867.32
2172 MOBILE MINI LLC			
9014476093	07/24/2022 10275780 08022022	104652	152.91 07/24/2022 INV PD STREETS MAINT. STORAGE CO
13029 ODP BUSINESS SOLUT	TIONS, LLC		
247301775001	07/08/2022 10275668 08022022	104653	169.18 07/21/2022 INV PD SUPPLIES
249767701001 252184144001	07/25/2022 10275810 08022022 07/11/2022 10275566 08022022	104653 104653	137.56 07/25/2022 INV PD 6/22 Monthly Office Suppl 63.69 07/25/2022 INV PD OFFICE SUPPLIES
253070709001 253093578001	07/15/2022 10275675 08022022 06/28/2022 10275719 08022022	104653 104653	84.59 07/15/2022 INV PD OFFICE SUPPLIES 135.68 06/30/2022 INV PD FIRE ADMIN OFFICE SUPPLIE
253438930001	07/25/2022 10275719 08022022	104653	90.63 07/25/2022 INV PD OFFICE SUPPLIES



VENDOR INVOICE LIST

TNVOTCE	D O	TNV DATE VOLICUES CUE	CK BUN CHECK #	TANYOTCE NIET DUE DATE TYPE STS	TNIVOTOR DECORPTION
INVOICE 253448168001 254370426001 254373723001 254409085001	P.O.	07/25/2022 10275821 080; 07/22/2022 10275748 080; 07/20/2022 10275574 080; 07/20/2022 10275575 080;	22022 104653 22022 104653 22022 104653	38.99 07/25/2022 INV PD 76.39 07/22/2022 INV PD 29.30 07/20/2022 INV PD 60.98 07/20/2022 INV PD	OFFICE & COFFEE SUPPLIES OFFICE SUPPLIES
254528366001 255260099001		07/20/2022 10275577 0807 07/22/2022 10275756 0807		242.77 07/20/2022 INV PD 48.28 07/22/2022 INV PD	
10183 ON THE W	ING FALCO	NRY		1,178.04	
781063	5368	07/15/2022 10275548 0802	22022 104654	8,307.75 07/25/2022 INV PD	FALCONRY SERVICES - June
9316 ONWARD E	NGINEERIN	G			
6400	3977	06/26/2022 10275823 0802	22022 104655	215.63 07/25/2022 INV PD	Design&ROWSvcs-InglewoodA
7109 PACIFIC (COURIERS,	INC.			
30204		07/25/2022 10275818 0802	22022 104656	67.85 07/25/2022 INV PD	COURIER SERVICE
6124 PACKAGE I	PRODUCTS	& SERVICES, INC.			
3473	5681	07/25/2022 10275842 0802	22022 104657	9,553.56 07/25/2022 INV PD	ANNUAL SUBSCRIPTION-OPRA
2408 PV VILLAG	GE PET HO	SPITAL			
737710		07/11/2022 10275504 0802	22022 104658	10.00 07/25/2022 INV PD	EUTHANASIA
12759 PARKMOBII	LE LLC				
INV29057		06/30/2022 10275398 0802	22022 104659	1,428.75 07/25/2022 INV PD	JUN 2022 TRANSACTION FEES
13008 РАҮВҮРНОГ	NE TECHNO				
INVPBPHQ4012 INVPBPHQ4014		06/30/2022 10275399 0807 06/30/2022 10275401 0807		70.92 07/25/2022 INV PD 179.08 07/25/2022 INV PD	
2453 PERFORMAI	NCE NURSE	RY		250.00	
0000244400		07/20/2022 10275601 0802	22022 104661	4,215.75 07/20/2022 INV PD	
0000244698 0000244768		07/20/2022 10275603 0807 07/20/2022 10275599 0807	22022 104661	409.53 07/20/2022 INV PD 523.96 07/20/2022 INV PD	PLANTS FOR KING HARBOR SI
0000245185		07/20/2022 10275635 0802	22022 104661	3,636.27 07/20/2022 INV PD 8,785.51	PLANTS-HERONDO PROJECT
12236 PERFORMAN	NCE TRUCK				
16468		05/30/2022 10275713 0802	22022 104662	2,071.96 06/30/2022 INV PD	E-62 MAINT
10521 PLACEWORI					
78989	3751	06/30/2022 10275804 0802	22022 104663	6,537.50 08/02/2022 INV PD	06/2022 GENERAL PLAN UPDA
2487 PLUMBER'S	5 DEPOT				

Report generated: 07/27/2022 17:11 User: ngarcia Program ID: apinvlst



INVOICE	P.O.	INV DATE	VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE DA	TE TYPE ST	S INVO	ICE DESCRIPTION
PD-51435	5639	07/26/2022	10275857 08022022	104664	12,000.00 07/26/	2022 INV PD	СОМВ	INATION TRUCK RENTAL-
5485 PORTO	FINO HOTEL &	YACHT CLUB						
07082022		07/08/2022	10275565 08022022	104665	1,102.07 07/25/	2022 INV PD	FUEL	801
12651 PRISM								
23400268 23400410 23400487		07/13/2022 07/13/2022	10275801 08022022 10275858 08022022 10275852 08022022	104666 104668 104667	21,884.00 07/25/ 24,972.00 07/25/	2022 INV PD 2022 INV PD	POLLI CYBE	ER CRIME PROGRAM FY 2 UTION PROGRAM FY 22/2 R LIABILITY PROG FY 2
23400632			10275859 08022022	104669	140,751.00	2022 INV PL	OPIL	ONAL EXCESS LIABILITY
2548 PRUDE	NTIAL OVERALL	SUPPLY						
42745703 42746527			10275596 08022022 10275598 08022022	104670 104670	24.55 07/25/ 37.84 07/25/ 62.39	2022 INV PD 2022 INV PD	07/2	2 FS1 DEL #20419018 S 2 FS2 DEL #40419014 S
11255 RED S	ECURITY GROUP	P, LLC			02.39			
75684		07/20/2022	10275553 08022022	104671	807.75 07/20/	2022 INV PD	MORR	IS SCOUT HOUSE SERVIC
2618 RED W	ING SHOE STOR	RES						
11-1-111111 11-263009			10275559 08022022 10275558 08022022	104672 104672				IN RAMIREZ SAFETY BOO BARAJAS SANCHEZ BOOT
2631 REDON	OO BEACH POLI	ICE OFFICER'S	ASSOC		700.00			
PORACLDF0630202 PORACLDF1231202			10275623 08022022 10275624 08022022	104673 104673				C LDF DUES FOR VIPS 0 L LDF DUES VIPS
9637 REGIO	NAL TAP CENTE	ΞR			2,099.30			
6016955 6016955-2 6016980		06/30/2022	10275595 08022022 10275600 08022022 10275602 08022022	104674 104674 104674	606.00 07/20/ 120.00 07/20/	2022 INV PD	Empl	is Pass and SV Sold t oyee Rideshare amily TAP
2685 RICHA	RDS, WATSON &	& GERSHON			808.00			
238059		06/30/2022	10275830 08022022	104675	9,403.24 07/25/	2022 INV PD	R690	0-1055 EMINENT DOMAIN
8888 RINCO	N CONSULTANTS	S, INC.						
40663 40665	5245 5244		10275695 08022022 10275696 08022022	104676 104676	1,762.50 07/21/	2022 INV PD 2022 INV PD	06/2 06/2	022 AACAP PARKING AME 022 AACAP ZONING AMEN
2783 SAFET	Y-KLEEN CORPO	DRATION			5,403.38			



INVOICE P.O.	INV DATE VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE DATE TYPE	E STS	INVOICE DESCRIPTION	
89157521	07/22/2022 10275732 08022022	104677	559.61 07/22/2022 INV	PD	FLEET SERVICE	
10381 SOUTH BAY FIRE, I	NC.					
181316	07/15/2022 10275670 08022022	104678	187.13 07/15/2022 INV	PD	FIRE EXTINGUISHERS PW JUL	
2990 SOUTH BAY FORD						
391834 392431 509744 5643	07/15/2022 10275483 08022022 07/15/2022 10275484 08022022 06/20/2022 10275619 08022022	104679 104679 104680	550.79 07/15/2022 INV	PD	W0673 AXLE STUD BOLTS W0667-21 BRAKE PADS MAINTENANCE SWAT BEARCAT	
2999 SOUTH BAY SHELL						
SHELLCARWASH0622	07/18/2022 10275505 08022022	104681	512.00 07/18/2022 INV	PD	JUNE 2022 CAR WASHES-CITY	
3005 SOUTH COAST AIR Q	UALITY MANAGEMENT DISTR					
4025074 4025083 4026308 4026341	07/20/2022 10275647 08022022 07/20/2022 10275649 08022022 07/20/2022 10275646 08022022 07/20/2022 10275648 08022022	104682 104682 104682 104682	884.44 07/20/2022 INV 151.85 07/20/2022 INV	PD PD	ID 4735 ANNUAL OP FEES CI ID9032 CITY YARD GENERATO ID 4735 EMISSION FEES FY ID 9032 CITY YARD EMISION	
9486 SPOK, INC			2,337.72			
F7901900P F7901900Q F7901900R F7901900S	03/31/2022 10275999 08022022 04/30/2022 10276002 08022022 05/31/2022 10276008 08022022 06/30/2022 10276005 08022022	104683 104683 104683 104683	60.21 07/27/2022 INV 60.21 07/27/2022 INV 131.40 07/27/2022 INV	PD PD		
3072 STANTEC CONSULTING	G INC.		314.22			
1952909 5534	07/14/2022 10275430 08022022	104684	7,890.78 07/14/2022 INV	PD	Consulting Services	
12237 SUEZ WTS SERVICES	USA, INC.					
901639708 100733638 901639709 100733639	07/05/2022 10275605 08022022 07/05/2022 10275606 08022022	104685 104685	134.20 07/25/2022 INV 252.98 07/25/2022 INV 387.18	PD PD	07/22 FS1 DI EQUIP RENTAL 07/22 FS2 DI EQUIP RENTAL	
9715 T2 SYSTEMS CANADA	INC.		307.10			
7035	07/18/2022 10275547 08022022	104686	494.25 07/25/2022 INV	PD	EXTEND BY PHONE - JUNE 20	
6806 TALX UCM SERVICES	, INC.					
2052664968	07/08/2022 10275791 08022022	104687	875.00 07/25/2022 INV	PD	UNEMPLOYMENT CLAIMS PROCE	
10837 THE FELDHAKE LAW	FIRM					
55699	07/19/2022 10275539 08022022	104688	12,637.95 07/25/2022 INV	PD	6/22 ICRMA Legal Fees	



INVOICE P.O.	INV DATE VOUCHER CHECK RUN	I CHECK #	INVOICE NET DUE DATE TYP	E STS	S INVOICE DESCRIPTION
9019 THOMSON REUTERS -	WEST				
846689824	07/22/2022 10275765 08022022	104689	1,034.41 07/25/2022 INV	PD	7/22 Monthly Library Char
3209 TIME CLOCK SALES &	SERVICE CO INC				
52503	07/25/2022 10275819 08022022	104690	1,134.05 07/25/2022 INV	PD	NEW TIME STAMP TIME CLOCK
71 TIME WARNER CABLE					
0004790070622 0711235070122	07/22/2022 10275770 08022022 07/25/2022 10275787 08022022	104691 104691	5,579.12 07/22/2022 INV 420.00 07/25/2022 INV 5,999.12	PD PD	DARK FIBER DARK FIBER
11361 TIREHUB, LLC					
28178040 28413174 28470021	07/15/2022 10275482 08022022 07/15/2022 10275672 08022022 07/15/2022 10275671 08022022	104692 104692 104692	568.87 07/15/2022 INV 538.74 07/15/2022 INV 506.52 07/15/2022 INV	PD	STOCK CAR TIRES
3225 TORRANCE AUTO PART	s		1,614.13		
22800622	07/22/2022 10275742 08022022	104693	4,222.06 07/22/2022 INV	PD	CITY CAR PARTS FOR JUNE 2
7130 TORRANCE AUTO REPA	IR				
0175065	07/15/2022 10275480 08022022	104694	190.05 07/15/2022 INV	PD	WO403 AC SYSTEM
12969 TRAFFIC LOGIX					
SIN16630 5570	06/27/2022 10275511 08022022	104695	32,832.48 07/25/2022 INV	PD	RADAR FEEDBACK SIGNS
3261 TURF STAR INC					
7222438-00 7222438-01	07/20/2022 10275607 08022022 07/20/2022 10275610 08022022	104696 104696	518.91 07/20/2022 INV 687.48 07/20/2022 INV		
6191 TURNOUT MAINTENANC	E COMPANY		1,206.39		
25748 25809	06/27/2022 10275718 08022022 07/15/2022 10275634 08022022	104697 104697	90.89 06/30/2022 INV 131.40 07/25/2022 INV 222.29	PD PD	TURNOUT MAINT/REPAIR TURNOUT MAINT/REPAIR
5885 U.S. BANK CORPORAT	E PAYMENT SYSTEM				
027006222022 0303062222 030406222022 0404062222 06222022-1945 06222022-3861 062220225085	06/22/2022 10275697 08022022 06/22/2022 10274854 08022022 07/21/2022 10275703 08022022 06/22/2022 10275704 08022022 07/22/2022 10275774 08022022 07/11/2022 10275261 08022022 06/30/2022 10275317 08022022	104698 104698 104698 104698 104698 104698	200.00 06/30/2022 INV 8.405.31 07/21/2022 INV	PD PD PD PD PD	CHRIS CAL CARD



				"					
INVOICE	P.O. INV DA		CHECK RUN		INVOICE NET			STS	INVOICE DESCRIPTION
062220226863		2022 10275318		104698		06/30/2022		PD	LIBRARY - NAKAMURA
062220227520		2022 10275315		104698		06/30/2022		PD	LIBRARY - VILHAUER
0673-06-22-2022		2022 10275422		104698		07/18/2022		PD	CALCARD HAVRILCHAK JUNE 2
077106222022	07/11/	2022 10275358	08022022	104698	26.86	07/11/2022	INV I	PD	CHRISTENSENCALCARD SAILIN
090606222022	07/21/	2022 10275706	08022022	104698	140.76	07/21/2022	INV I	PD	CAL CARD JUNE 2022 - C. G
101706222022	07/21/	2022 10275849	08022022	104698	1,334.26	07/21/2022	INV I	PD	CAL CARD JUNE 2022 - A. S
132606222022	06/30/	2022 10274989	08022022	104698	204.60	07/06/2022	INV I	PD	LAUREN SABLAN CAL CARD 06
1402-06-22-2022	06/22/	2022 10275411	. 08022022	104698	469.12	07/18/2022	INV I	PD	CALCARD STEVENS JUNE 2022
1527-06-22-2022	06/22/	2022 10275427	08022022	104698	4,686.30	07/18/2022	INV I	PD	CALCARD ANTES JUNE 2022
1574-06-22-2022	06/22/	2022 10275423	08022022	104698	1,371.28	07/18/2022	INV I	PD	CALCARD FREEMAN JUNE 2022
158006222022	07/05/	2022 10275438	08022022	104698	4,961.99	07/05/2022	INV I	PD	CAL CARD JUNE 2022 - D. H
1615062222	06/22/	2022 10274859	08022022	104698	150.00	06/30/2022	INV I	PD	06/22 BOSTER CALCARD
1857-062222	07/12/	2022 10275384	08022022	104698	253.31	07/18/2022	INV I	PD	6/22 R. Michel Cal Card
2042-06-22-2022	06/22/	2022 10275420	08022022	104698	682.66	07/18/2022	INV I	PD	CALCARD MANLEY JUNE 2022
207606222022		2022 10275431		104698		07/05/2022		PD	CAL CARD JUNE 2022 - M. K
2180-06222022		2022 10275614		104698		07/20/2022		PD	Cal-card - Bvrd 06-22-202
260206222022		2022 10275709		104698		07/21/2022		PD	CAL CARD JUNE 2022 - R. R
263106222022		2022 10275815		104698		07/21/2022		PD	CAL CARD JUNE 2022 - G. L
2825062122022		2022 10274961		104698		07/05/2022		PD	CAL CARD JUNE 2022 - T. H
2936-06-22-2022		2022 10275417		104698		07/18/2022		PD	CALCARD LONG JUNE 2022
302706222022		2022 10275356		104698		07/11/2022		PD	AGUIRRECALCARD CAMPSUPPLI
309606222022		2022 10275873		104698		06/30/2022		PD	Cal Card for Shannon Snee
324806222022		2022 10275429		104698		07/05/2022		PD	CAL CARD JUNE 2022 - G.ME
3290062222		2022 10274863		104698		06/30/2022		PD	06/22 LUBBA CALCARD
3439-06-22-2022		2022 10275407		104698		07/18/2022		PD	CALCARD DYBERG JUNE 2022
347106222022		2022 10275705		104698		07/21/2022		PD	CAL CARD JUNE 2022 - V. M
3478062222		2022 10274866		104698		06/30/2022		PD	06/22 STOUT CALCARD
3686062222		2022 10274865		104698		06/30/2022		PD	06/22 REGAN CALCARD
368906222022		2022 10274925		104698		07/01/2022		PD	JACK MEYER CAL CARD - 6/2
374706222022		2022 10275975		104698		07/27/2022		PD	CAL CARD JUNE 2022 - M. K
3841-06-22-2022		2022 10275421		104698		07/18/2022		PD	CALCARD KING JUNE 2022
3926-06-22-2022		2022 10275424		104698		07/18/2022		PD	CALCARD FIZULICH JUNE 202
3964052322		2022 10275285		104698		07/11/2022		PD	CALCARD ERICA BROWN
460806222022		2022 10275446		104698		07/05/2022		PD	CAL CARD JUNE 2022 - A. G
469406222022		2022 10275445		104698		07/05/2022		PD	CAL CARD JUNE 2022 - A. G
4737062222		2022 10274867		104698		06/30/2022		PD	06/22 DAILEY CALCARD
4980-062222		2022 10275385		104698		07/18/2022		PD	6/22 T. Loewenstein Cal C
507406222022		2022 10275848		104698		07/21/2022		PD	CAL CARD JUNE 2022 - C. Y
515106222022		2022 10275707		104698		07/21/2022		PD	CAL CARD JUNE 2022 - J. O
523806222022		2022 10275827		104698		07/21/2022		PD	CAL CARD JUNE 2022 - J. M
5479062222		2022 10274858		104698	2,301.70	06/30/2022	TNV I	PD	06/22 YAMAMOTO CALCARD
565206222022		2022 10275434		104698		07/05/2022		PD	CAL CARD JUNE 2022 - E. B
5660-06-22-2022		2022 10275425		104698		07/18/2022		PD	CALCARD MARTIN JUNE 2022
5704062222	06/22/	2022 10273423	08022022	104698		06/30/2022		PD	06/22 KAUFFMAN CALCARD
5708062222		2022 10274855		104698	742 22	06/30/2022	TNIV I	PD	06/22 MAY CALCARD
5730062222		2022 10274860		104698	/42.23 / 577.50	06/30/2022	TNV I	PD	06/22 BROWN CALCARD
576308022022		2022 10274880		104698		07/18/2022		PD	LKOIKE JUNE 2022 CAL CARD
589706222022		2022 10274334		104698		07/21/2022		PD	CAL CARD JUNE 2022 - C. P
609906222022		2022 10273704		104698		07/05/2022		PD	Cal Card for Zach Painter
6213-062222		2022 10274936		104698		07/03/2022 07/18/2022		PD PD	6/22 E. Hause Cal Card
6273062222		2022 10273376		104698		06/30/2022		PD PD	06/22 CONARD CALCARD
				104698				PD PD	
6282-06-22-2022 636606222022		2022 10275414 2022 10275847		104698		07/18/2022		PD PD	CALCARD GONZALEZ JUNE 202 CAL CARD JUNE 2022 - B. W
639006222022		2022 10275850		104698		07/21/2022 07/21/2022		PD PD	CAL CARD JUNE 2022 - B. W
670706222022	07/05/	2022 10275432	08022022	104698	32.84	07/05/2022	TNA	PD	CAL CARD JUNE 2022 - H. S



VENDOR INVOICE LIST

INVOICE 6714-06-22-2022 6741-06-22-2022 6749-06-22-2022 6818-062222 6826-06-22-2022 707006222022 707006222022 7106-06-22-2022 7166-06-22-2022 7166-06-22-2022 739006222022 753106222022 753106222022 753106222022 75306222022 754-062222 7820062222 7820062222 7820622202 803406222022 803406222022 8246-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 8858-06-22-2022 89960622202 9185-06-22-2022 931-062222 9331-062222 9331-062222 9340622202 9371-062222 9360062222	P.O.	INV DATE VOUCHER CHECK RUI 06/22/2022 10275413 08022022 06/22/2022 10275419 08022022 06/22/2022 10275408 08022022 07/12/2022 10275400 08022022 07/05/2022 10275370 08022022 06/22/2022 10275403 08022022 06/22/2022 10275405 08022022 06/22/2022 10275405 08022022 06/22/2022 10275406 08022022 06/22/2022 10275400 08022022 06/22/2022 10275400 08022022 06/22/2022 10275400 08022022 06/22/2022 10275400 08022022 06/22/2022 10275410 08022022 07/05/2022 10275410 08022022 07/05/2022 10275410 08022022 07/05/2022 10275430 08022022 07/05/2022 10275430 08022022 07/11/2022 10275357 08022022 06/20/2022 10275825 08022022 07/12/2022 10275825 08022022 06/22/2022 10275826 08022022 06/22/2022 10275840 08022022 06/22/2022 10275840 08022022 06/22/2022 10275846 08022022 06/22/2022 10275410 08022022 06/22/2022 10275410 08022022 07/05/2022 10275410 08022022 07/05/2022 10275410 08022022 07/05/2022 10275410 08022022 06/22/2022 10275410 08022022 06/22/2022 10275410 08022022 06/22/2022 10275410 08022022 06/22/2022 10275410 08022022 06/22/2022 10275410 08022022 06/22/2022 10275410 08022022 06/22/2022 10275404 08022022 06/22/2022 10275404 08022022 06/22/2022 10275403 08022022 07/12/2022 10275403 08022022 07/12/2022 10275403 08022022 07/12/2022 10275403 08022022 07/12/2022 10275403 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/12/2022 102754850 08022022 07/25/2022 102754850 08022022 07/25/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022 06/22/2022 102754850 08022022	104698 104698	TNVOICE NET DUE DATE
3281 UC REGENTS	S			183,870.06
3013-215		07/21/2022 10275717 08022022	104699	3,407.77 07/25/2022 INV PD 07/22 RBFD CE/QI SERVICES
3283 ULINE				
150263999		07/22/2022 10275723 08022022	104700	692.83 07/22/2022 INV PD CLEANING SUPPLIES
6443 URBAN GRAF		•		
RED22108 RED22206	5445 5445	08/31/2021 10275620 08022022 06/30/2022 10275621 08022022	104701 104701	4,050.00 08/02/2022 INV PD 08/2021 GRAFFITI REMOVAL 4,050.00 08/02/2022 INV PD 06/2022 GRAFFITI REMOVAL
8088 VERIZON BU	JSINESS S	SERVICES		8,100.00

Report generated: 07/27/2022 17:11 User: ngarcia Program ID: apinvlst



VENDOR INVOICE LIST

INVOICE P.O.	INV DATE VOUCHER CHECK RUN	CHECK #	INVOICE NET DUE DATE	TYPE ST	S INVOICE DESCRIPTION
72287509 9910140613 z8310295	07/22/2022 10275771 08022022 07/25/2022 10275785 08022022 07/22/2022 10275773 08022022	104703 104702 104703	354.24 07/22/2022 259.97 07/25/2022 2,023.11 07/22/2022	INV PD	MONTHLY PHONE SERVICE
3621 VERIZON WIRELESS			2,637.32		
9909676683 9910059534 9911051913 9911051914 9911051915	07/22/2022 10275772 08022022 07/01/2022 10275715 08022022 07/12/2022 10275776 08022022 07/14/2022 10275642 08022022 07/12/2022 10275777 08022022	104704 104704 104704 104704 104704	256.39 08/02/2022 1 231.56 07/14/2022 1	INV PD INV PD INV PD	PD MODEMS MDC VERIZON BILL ACCT 3705264 VERIZON BILL ACCOUNT 8703 CHRIS CELLPHONE MONTHLY C VERIZON BILL ACCOUNT 8703
3408 WAXIE SANITARY SUF	PPLY		7,002.30		
81023288 81023320 81026373 81026469 81051804 81051910	07/15/2022 10275476 08022022 07/15/2022 10275475 08022022 07/15/2022 10275474 08022022 07/15/2022 10275474 08022022 07/15/2022 10275474 08022022 07/22/2022 10275746 08022022 07/22/2022 10275750 08022022	104705 104705 104705 104705 104705 104705	1,231.67 07/15/2022 1,630.56 07/15/2022 1,637.27 07/15/2022 2,184.86 07/22/2022 1,837.90 07/22/2022	INV PD INV PD INV PD INV PD	PIER CLEANING SUPPLIES RBPAC CLEANING SUPPLIES BUILD MAINT CLEANING SUPP ALTA VISTA CLEANING SUPPL RBPAC CLEANING SUPPLIES PIER CLEANING SUPPLIES
9320 ZERO WASTE USA			10,005.55		
494806	07/20/2022 10275557 08022022	104706	2,051.84 07/20/2022	INV PD	PIER DOGGIE BAGS 7/12/22
4049 ZIP REPORTS					
52705220628	07/01/2022 10275757 08022022	104707	38.00 07/22/2022 : 38.00	INV PD	Credit Checks
	428 INVOICES		1,371,948.81		

^{**} END OF REPORT - Generated by Nicholette Garcia **

Report generated: 07/27/2022 17:11 User: ngarcia Program ID: apinvlst

17



H.4., File # 22-4549 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JENNIFER PAUL, FINANCE DIRECTOR

TITLE

APPROVE CONTRACTS UNDER \$35,000:

- 1. APPROVE A MEMORANDUM OF UNDERSTANDING WITH THE REDONDO BEACH UNIFIED SCHOOL DISTRICT FOR USE OF ELEMENTARY SCHOOL CAMPUSES FOR THE CITY'S AFTER-SCHOOL PROGRAM IN AN AMOUNT NOT TO EXCEED \$30,000 FOR THE TERM AUGUST 15, 2022 TO JUNE 30, 2025.
- 2. APPROVE AN AGREEMENT WITH LIEBERT CASSIDY WHITMORE FOR ANNUAL MEMBERSHIP IN THE SOUTH BAY PUBLIC AGENCY EMPLOYEMENT RELATIONS AND TRAINING CONSORTIUM IN AN AMOUNT NOT TO EXCEED \$3,820 FOR THE TERM JULY 1, 2022 TO JUNE 30, 2023.
- 3. APPROVE A SOFTWARE LICENSE AND SERVICES AGREEMENT WITH THE CITY OF WHITTIER FOR USE OF GENERAL ELECTION MANAGEMENT ("GEM") BALLOT TRACKING SOFTWARE IN AN AMOUNT NOT TO EXCEED \$20,000 FOR THE TERM AUGUST 2, 2022 TO AUGUST 1, 2023.

EXECUTIVE SUMMARY

Approve Contracts Under \$35,000

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Contracts, Signatures, Insurance

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF REDONDO BEACH AND THE REDONDO BEACH UNIFIED SCHOOL DISTRICT REGARDING THE AFTER-SCHOOL PROGRAM OPERATED BY THE CITY OF REDONDO BEACH AT REDONDO BEACH UNIFIED SCHOOL SITES

This Memorandum of Understanding (MOU), is made and entered into as of the date of the last signature set forth below by and between the CITY OF REDONDO BEACH ("CITY"), a municipal corporation and the REDONDO BEACH UNIFIED SCHOOL DISTRICT ("RBUSD") (collectively the "PARTIES" or, individually "PARTY").

WITNESSETH

WHEREAS, the After-School Program was developed after the RBUSD sought the assistance of CITY to provide an after-school childcare program to service the residents of Redondo Beach; and

WHEREAS, CITY has operated the After-School Program during the school year for over forty years; and

WHEREAS, RBUSD has permitted the After-School Program to be conducted on RBUSD sites; and

WHEREAS, the After-School Program provides a custodial after-school childcare service for the elementary students attending RBUSD; and

WHEREAS, on September 7, 2021, the CITY and RBUSD entered an MOU regarding the After-School Program which terms were almost identical to the instant MOU; and

WHEREAS, the CITY and RBUSD agree to continue their collaboration in the operation of the After-School Program on RBUSD sites; and

WHEREAS, CITY and RBUSD wish to continue this collaboration pursuant to the terms and conditions outlined in this MOU; and

WHEREAS, the PARTIES agree that each PARTY shall assume full and independent responsibility for ensuring its own compliance with the state and local law despite the collaborative approach of this MOU.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the CITY, and RBUSD and of the promises herein contained, it is hereby agreed as follows:

Section 1 Recitals. The recitals set forth above are fully incorporated herein and are part of this MOU.

Section 2 Purpose. The purpose of this MOU is to allow the CITY to operate a custodial After-School Program on certain RBUSD sites.

Section 3 Cooperation. CITY AND RBUSD shall cooperate with one another to attain the purpose of this MOU.

Section 4 RBUSD After-School Program Sites. CITY will continue to provide and operate the After-School Program at the RBUSD sites where it presently provides and operates the program.

These RBUSD School sites are:

Alta Vista, 815 Knob Hill Avenue Beryl Heights, 920 Beryl Street

Birney, 1600 Green Lane **Jefferson**, 600 Harkness Lane

Lincoln, 2223 Plant Avenue Madison, 2200 MacKay Lane

Tulita, 1520 Prospect Avenue Washington, 1100 Lilienthal Lane

Should either PARTY wish to add or remove the After-School Program at any RBUSD school site, such modification shall be agreed to by the PARTIES and an amendment shall be executed to this MOU.

Section 5 Term. The term of this MOU commences on August 15, 2022 and terminates on June 30, 2025.

Section 6. CITY Agrees:

- a. To provide to RBUSD proof that City staff working at the After-School Program on RBUSD sites have completed mandated reporter training.
- b. To provide a high level of service to children enrolled in the After-School Program.
- c. To remove RBUSD principals from the After-School Program's disciplinary matrix.
- d. To fully comply with the provisions of Education Code 45125.1 (fingerprint requirements).
- e. To the maximum extent provided by law, comply with any federal, state, county or local agency order regarding a declared pandemic.
- f. To be responsible for children enrolled in the After-School Program upon each child's check-in at the After-School Program and until the child is checked out of the After-School Program by a parent or adult individual authorized by the parent.
- g. The After-School Program will be open every school day during the regular school year.
- h. To compensate RBUSD in the amount of \$10,000.00 each school year for maintenance due to normal wear and tear of RBUSD's facilities. In the event of an act of God and/or declared national, state, county or local emergency which results in the cessation or suspension of performance under this MOU, the compensation for maintenance shall be prorated at a rate of \$909.09 per month. Compensation shall be sent to RBUSD by June 1st of each year at the address listed in Exhibit A to the attention of the Office of Administrative Services.
- i. Provide RBUSD site principals and Director of Student Services a list of the After-School Program Site Supervisors and Staff Names by September 1st of each year.

- j. Provide RBUSD site principals and Director of Student Services a list of students enrolled in the After-School Program quarterly
- k. Use best practices to maintain a 35:1 ratio of enrollees per Staff Member.
- I. Restrict Chromebook[™] use unless during supervised homework time.

Section 7. RBUSD Agrees:

- a. To allow CITY to operate the After-School Program on the RBUSD sites listed in Section 4 of this MOU.
- b. To have the principals of each RBUSD site listed in Section 4 to meet with the CITY's After-School Program representative at least two times during the school year to address any issues with the program.
- c. To allow the CITY to continue to occupy the same classrooms and facilities for the duration of the school year on each RBUSD site for the After-School Program.
- d. To provide room partitions to maximize student capacity and participation in accordance with federal, state, county and/or local agency orders with respect to a declared health emergency.
- e. If the classrooms or facilities are not available due to a special event, the principal of the RBUSD site will provide a comparable indoor classrooms or facilities to operate the After-School Program. The principal shall provide at least two-day advance notice of the change to the After-School Program Coordinator.
- f. To allow the After-School Program to use the closest bathroom facilities to the classrooms or facilities that are being occupied for the After-School Program.
- g. To be solely responsible for the repair and maintenance of the playgrounds and playground equipment and all structures, including, but not limited to, all restrooms and classrooms at each RBUSD site.

Section 8. The PARTIES agree that each PARTY shall cooperate with one another by providing information regarding: 1) behavioral issues of children participating in the After-School Program, to the extent permitted by law, 2) on-campus safety issues (i.e. lock down), and 3) emergency contact information for facilities maintenance.

Section 9 Indemnification.

a. To the fullest extent permitted by law, the CITY agrees to defend, indemnity, and hold harmless RBUSD from any and all liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, and losses, expenses, or any injury or damage of any kind whatsoever, whether actual, alleged or threatened, as well as attorney's fees, court costs, and any other costs incurred in relation to, as a consequence of, or arising out of the performance of the CITY's duties and responsibilities of this MOU. It is understood that the acts and omissions solely related to a child enrolled in the After-School Program for which the CITY agrees to indemnify, defend, and hold harmless RBUSD are only those which occur from the time that each such child is checked in at the

- CITY's After-School Program and shall continue only until the child is checked out of the After-School Program by a designated individual.
- b. To the fullest extent permitted by law, RBUSD agrees to defend, indemnity, and hold harmless CITY from any and all liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, and losses, expenses, or any injury or damage of any kind whatsoever, whether actual, alleged or threatened, as well as attorney's fees, court costs, and any other costs incurred in relation to, as a consequence of, or arising out of the performance of RBUSD's duties and responsibilities in this MOU.

Section 10 Insurance.

- a. While it is acknowledged that the CITY is presently self-insured up to \$500,000.00, the CITY agrees to provide general liability insurance, insuring RBUSD against all claims and demands for bodily injury and property damage with respect to all services, duties, and responsibilities arising out of, or in connection with, the terms of this MOU.
- b. RBUSD agrees to provide general liability insurance, insuring CITY against all claims and demands for bodily injury and property damage with respect to all services, duties, and responsibilities arising out of, or in connection with, the terms of this MOU.
- c. The insurance provided by each party shall maintain limits (above each party's self-insured retention) of no less than \$1,000,000.00 per occurrence for bodily injury, personal injury, and property damage and \$3,000,000.00 in the aggregate.

Section 11 Termination. This MOU may be canceled by the CITY, with or without cause, by delivering a Notice of Termination to RBUSD only at the conclusion of the first year of the Program (June 30, 2023). Termination shall be effective thirty days after the date of receipt of such notice by RBUSD. In the event of termination by the CITY, any prepaid amounts to RBUSD shall be prorated and refunded to the CITY. For proration, each day shall be the amount of \$30.30, which is \$909.09 divided by 30 days.

Section 12 General Provisions.

- a. <u>Notices</u>. Any notices or reports relating to this MOU, and any request, demand, statement or other communication required or permitted hereunder shall be in writing and shall be delivered to the Representative of the PARTY at the address set forth in Exhibit A. PARTIES shall promptly notify each other of any change of information. Written notice shall include notice delivered via email or fax. A notice shall be deemed to have been received on (1) the date of delivery, if delivered by hand during regular business hours, or by confirmed facsimile or by email; or (2) on the third (3rd) business day following mailing by registered or certified mail (return receipt requested) to the addresses set forth in Exhibit A.
- b. <u>Administration</u>. For the purpose of this MOU, the PARTIES hereby designate as their respective Party Representatives the persons named in Exhibit B. The designated Party Representatives, or their respective designees, shall administer the terms and conditions of this MOU on behalf of their respective Party. Each of the persons signing below on

- behalf of a Party represents and warrants that they are authorized to sign this MOU on behalf of such Party.
- c. <u>Relationship to PARTIES</u>. The PARTIES are and shall remain at all times as to each other, wholly independent entities. No PARTY to this MOU shall have power to incur any debt, obligations, or liability on behalf of another PARTY unless expressly provided to the contrary by this MOU. No employee, agent, or officer of a PARTY shall be deemed for any purpose whatsoever to be an agent, employee or officer of another PARTY.
- d. <u>Binding Effect</u>. This MOU shall be binding upon and inure to the benefit of each PARTY to this MOU and their respective heirs, administrators, representatives, successors and assigns.
- e. <u>Amendment.</u> The terms and provisions of this MOU may not be amended, modified or waived, except by an instrument in writing signed by all the PARTIES.
- f. <u>Waiver</u>. Waiver by any PARTY to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any PARTY to any breach of the provisions of this MOU shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this MOU.
- g. <u>Assignment Prohibited</u>. No PARTY may assign its respective rights or obligations under this MOU without the prior written consent of the other PARTIES.
- h. <u>Law to Govern; Venue</u>. This MOU shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the PARTIES, venue in the state trial courts shall lie exclusively in the County of Los Angeles.
- No Presumption in Drafting. The PARTIES to this MOU agree that the general rule that an MOU is to be interpreted against the PARTY drafting it, or causing it to be prepared, shall not apply.
- j. <u>Entire Agreement.</u> This MOU constitutes the entire agreement of the PARTIES with respect to the subject matter hereof and supersedes all prior contemporaneous agreements, whether written or oral, with respect hereto.
- k. <u>Severability.</u> If any term, provision, condition or covenant of this MOU is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this MOU shall be not be affected thereby and this MOU shall be read and constructed without the invalid, void, or unenforceable provision(s).
- I. <u>Force Majeure</u>. Neither Party will be liable for any failure or delay in performing an obligation under this MOU that is due to any of the following causes (which causes are hereinafter referred to as "Force Majeure"), to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, labor strikes, natural catastrophes, governmental acts or omissions, changes in laws or regulations, fire, explosion; provided that the Parties stipulate that Force Majeure shall not include the novel coronavirus Covid-19 pandemic, which is ongoing as of the date of the execution of this MOU.

- m. <u>Counterparts</u>. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to all PARTIES to this MOU.
- n. <u>All PARTIES have been represented by counsel in the preparation and negotiation of this MOU</u>. Accordingly, this MOU shall be construed according to its fair language.

IN WITNESS WHEREOF, the PARTIES hereto have caused this MOU to be executed by their duly authorized representative and affixed as of the date of signature of the PARTIES.

[SIGNATURES ON FOLLOWING PAGES]

Date:		Ву: _	
		, _	William C. Brand Mayor
ATTE	ST:		
Ву: _	Eleanor Manzano City Clerk		
APPR	OVED AS TO FORM		
Ву: _	Michael W. Webb City Attorney		

REDONDO BEACH UNIFIED SCHOOL DISTRICT

Date:	By:
	David Witkin Board President
	board Fresiderit
ATTEST:	
ATTEST.	
By:	
Steven Keller, Ed.D. Superintendent of Schools	
Superintendent of Schools	
APPROVED AS TO FORM	
7.1.1.1.0.2.2.7.0.1.0.1	
Ву:	
Joseph D. Larsen	
Counsel for RBUSD	

EXHIBIT A

City of Redondo Beach 415 Diamond Street Redondo Beach CA 90277 Attention: City Manager

Redondo Beach Unified School District 1401 S. Inglewood Avenue Redondo Beach, CA 90278 Attention: Office of Administrative Services

EXHIBIT B

FOR THE CITY:

City of Redondo Beach Community Services Department 1922 Artesia Boulevard Redondo Beach, CA 90278 Attention: Cameron Harding, Community Services Director

FOR RBUSD:

Redondo Beach Unified School District 1401 S. Inglewood Avenue Redondo Beach, CA 90278 Attention: Anthony Taranto, Ed.D., Executive Director of Student Services, Redondo Beach Unified School District

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the City of Redondo Beach, A Municipal Corporation, hereinafter referred to as "Agency," and the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation, hereinafter referred to as "Attorney."

WHEREAS Agency has the need to secure expert training and consulting services to assist Agency in its workforce management and employee relations; and

WHEREAS Agency has determined that no less than nineteen (19) public agencies in the South Bay area have the same need and have agreed to enter into identical agreements with Attorney; and

WHEREAS Attorney is specially experienced and qualified to perform the special services desired by the Agency and is willing to perform such services;

NOW, THEREFORE, Agency and Attorney agree as follows:

Attorney's Services:

During the year beginning July 1, 2022, Attorney will provide the following services to Agency (and the other aforesaid public agencies):

- 1. Five (5) days of group training workshops covering such employment relations subjects as management rights and obligations, negotiation strategies, employment discrimination and affirmative action, employment relations from the perspective of elected officials, performance evaluation (administering evaluations), grievance and discipline administration for supervisors and managers, planning for and responding to concerted job actions, current court, administrative and legislative developments in personnel administration and employment relations, etc., with the specific subjects covered and lengths of individual workshop presentations to be determined by Agency and the other said local agencies.
 - It is expressly understood that the material used during these presentations, including written handouts and projected power points are provided solely for the contracted workshops. This agreement warrants there will be no future use of Liebert Cassidy Whitmore material in other trainings or formats without the expressed written permission of Liebert Cassidy Whitmore. Any such use will constitute a violation of this agreement and copyright provisions.
- 2. Availability of Attorney for Agency to consult by telephone. Consortium calls cover questions that the attorney can answer quickly with little research. They do not include the review of documents, in depth research, written responses (like an opinion letter) or advice on on-going legal matters. The caller will be informed if the question exceeds the scope of consortium calls.
- 3. Providing of a monthly newsletter covering employment relations developments.
- 4. Annual Access to Premium Liebert Library.

Fee:

Attorney will provide these special services to Agency for a fee of Three Thousand Seven Hundred Twenty (\$3,720.00) payable in one payment prior to August 1, 2022. The fee, if paid after August 1, 2022 will be \$3,820.00.

Said fee will cover Attorney's time in providing said training and consultative services and the development and printing of written materials provided to attendees at the training programs.

Independent Contractor:

It is understood and agreed that Attorney is and shall remain an independent contractor under this Agreement.

Term:

The term of this Agreement is twelve (12) months commencing July 1, 2022. The term may be extended for additional periods of time by the written consent of the parties.

Condition Precedent:

It is understood and agreed that the parties' aforesaid rights and obligations are contingent on no less than nineteen (19) local agency employers entering into a substantially identical Agreement with Attorney on or about July 1, 2022.

LIEBERT CASSIDY WHITMORE A Professional Corporation CITY OF REDONDO BEACH A Municipal Corporation	
By: J. Scott Tiedemann / Managing Partner	By: Name: William C. Brand
Date: $\frac{7/13/2022}{}$	Title: Mayor
	Date:
	ATTEST:
	Eleanor Manzano, City Clerk
	APPROVED AS TO FORM:
	Michael W. Webb, City Attorney
	Approved:
10139550 1 FR020-017	Diane Strickfaden, Risk Manager





CERTIFICATE OF LIABILITY INSURANCE

YCORATHERS

DATE (MM/DD/YYYY) 4/1/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT June Samarin					
Narver Asssociates Insurance Agency	PHONE (A/C, No, Ext): (626) 943-2237 FAX (A/C, No):					
423 McGroarty Street San Gabriel, CA 91776	E-MAIL ADDRESS: jsamarin@narver.com					
	INSURER(S) AFFORDING COVERAGE	NAIC #				
	INSURER A: Sentinel Insurance Company, Ltd	11000				
INSURED	INSURER B: Federal Insurance Company	20281				
Liebert Cassidy Whitmore 6033 W. Century Blvd. 5th Flr	INSURER C: Aspen Specialty Insurance Company	10717				
	INSURER D: National Specialty Insurance Company	22608				
Los Angeles, CA 90045	INSURER E:					
	INSURER F:					

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	TYPE OF INSURANCE	ADDL SU	JBR	POLICY EFF	POLICY EXP (MM/DD/YYYY)	LIMIT	s
Α	X COMMERCIAL GENERAL LIABILITY			,,	,, <u> </u>	EACH OCCURRENCE	\$ 2,000,000
	CLAIMS-MADE X OCCUR	Х	72SBAAK0318	12/14/2021	12/14/2022	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
						MED EXP (Any one person)	\$ 10,000
						PERSONAL & ADV INJURY	\$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE	\$ 4,000,000
	POLICY X PRO-					PRODUCTS - COMP/OP AGG	\$ 4,000,000
	OTHER:						\$
Α	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
	ANY AUTO		72SBAAK0318	12/14/2021	12/14/2022	BODILY INJURY (Per person)	\$
	OWNED SCHEDULED AUTOS					BODILY INJURY (Per accident)	\$
	X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY					PROPERTY DAMAGE (Per accident)	\$
							\$
Α	X UMBRELLA LIAB X OCCUR					EACH OCCURRENCE	\$ 4,000,000
	EXCESS LIAB CLAIMS-MADE		72SBAAK0318	12/14/2021	12/14/2022	AGGREGATE	\$ 4,000,000
	DED X RETENTION \$ 10,000						\$
В	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					X PER OTH- STATUTE ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE Y/N	N/A	7175-0595	4/1/2022	4/1/2023	E.L. EACH ACCIDENT	\$ 1,000,000
	(Mandatory in NH)	N/A				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
С	Professional Liab.		LRA9AF821	12/10/2021		Each Claim	5,000,000
D	Cyber Liability		BLU-CB-QG5CGLU0B	12/14/2021	12/14/2022	Aggregate	3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Certificate Holder is named as an Additional Insured as per attached General Liability Form SS 00 08, per written contract or agreement.

CERTIFICATE HOLDER	CANCELLATION

City of Redondo Beach Human Resources Department 415 Diamond St. Redondo Beach, CA 90277

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Maly I Sangto

SOFTWARE LICENSE, HARDWARE OWNERSHIP AND SERVICES AGREEMENT WITH CITY OF REDONDO BEACH

WITNESSETH:

- A. The City of Redondo Beach (Subscriber) seeks to engage the services and partner with the City of Whittier (Whittier), through their City Clerk/Elections Official Office, as related to Subscriber's conduct of its Municipal Elections on October 19, 2022 and March 7, 2023.
- B. Whittier represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated.
- C. Subscriber desire to contract for the specific services described in Scope of Work and desire to set forth their rights, duties and liabilities in connection with the services to be performed.
- D. No official or employee of Whittier has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this agreement.
- E. Through this agreement, the Subscriber owns one-third share of the server for usage and storage of their voter records.
- NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

Project Terms

This Agreement shall commence August 2, 2022 and expire on August 1, 2023. Each election shall have its own Project Term as set forth below and shall be incorporated into the Agreement term.

Project Term 1:

This term shall commence August 2, 2022 and continue through the conclusion of all election activities required by the City of Redondo Beach Charter, California Elections and Government Code, and applicable State laws and regulations, including but not limited to, election challenge and recall proceedings for the Special Election of October 19, 2022. At the conclusion of all lawful election activities, the server and all data shall be deleted; and

Project Term 2:

This term shall commence November 1, 2022 and continue through the conclusion of all election activities required by the City of Redondo Beach Charter, California Elections and Government Code, and applicable State laws and regulations, including but not limited to, election challenge and subsequent runoff proceedings for the General Municipal Election of March 7, 2023. At the conclusion of all lawful election activities, the server and all data shall be deleted:

Scope of Work

Whittier, through its City Clerk/Election Official's Office, shall provide the following:

A. License the software from the Subscriber for the cost-effective development and implementation of technology related to the issue, receipt, authentication, processing, and canvass of Vote-by-Mail materials and ballots.

<u>Item A – Software License:</u>

Whittier has developed 'General Election Management' ("GEM Software"), a custom voter tracking software for the conduct of a standalone election.

Functions of Software:

- Voter Management
- Compare voter files to filter for new, modified, and removed voters.
- Issue Ballots and track returned ballots.
- Voter Signature validation lookup and tracking.
- In-Person Voting Tracking

Excel Report Functionality:

- Confidential Voters
- Voter ID Report
- Summary of Voter Status by Precinct Report
- Military Overseas Voters Report
- Voted Voters Report
- Multiple Ballot Report
- Signature Verified Report
- Pending Signature Report
- Signature Missing/Challenge Report and Letters

Export Functionality:

- Initial Mailing file for Vote-by-mail issuing
- Mailing file or labels for supplemental mailings
- Voter status for candidates Daily Ballots Issued
- Voter status for candidates Daily Ballots Returned
- E-Poll Book Roster

Subscriber is responsible for the delivery of digital files in a form mutually agreed upon. The digital files include:

- I. One Precinct Consolidation File
- II. Three Election Voter Files
- III. One Signature Image File

The precinct consolidation, voter, and signature files will be stored on the Subscriber's portion of the standalone server with redundancy measures and proper firewall and anti-virus measures in place. Subscriber at all times remains the owner and custodian of their own records and can at any time remove their records. This agreement shall not constitute any selling, leasing, loaning, or third-party possession of voter records. Whittier grants to Subscriber a license to use software 'GEM' with up to ten user accounts. Manuals and training will be provided by the City of Whittier.

Whittier will setup one (1) consolidation file, three (3) voter files, and one (1) signature image file for the Subscriber's use per Project:

Proposed Dates:

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88 Days before Election (E-88): Import Precinct File
64 Days before Election (E-64): Import Signature Files
65 Days before Election (E-65): Initial Voter Mailing File
29 Days before Election (E-29): Supplemental Voter Mailing File
14 Days before Election (E-14): Supplemental Voter Mailing File
```

Whittier and Subscriber shall mutually determine a schedule after execution of this agreement.

License Fee (Compensation):

In exchange for Whittier granting to Subscriber the non-exclusive license to use the GEM Software, Subscriber will pay to Whittier a license fee of \$10,000, 30 days after the certification of the election for each Project Term in an amount not to exceed \$20,000

Additional Services may be granted with a mutually agreed upon amendment.

ADDITIONAL CONDITIONS

- 1.1 **Security Obligations.** Subscriber agrees its Authorized Users shall securely manage their respective password(s) for access to the GEM Software. Subscriber agrees it shall notify Whittier promptly in the event it becomes aware of any unauthorized access or use of the GEM Software, or of any of its or its Authorized Users passwords or accounts.
- 1.2 **Title.** As between Whittier and Subscriber, Whittier retains title to and ownership of the GEM Software, including all copyrights and other Intellectual Property Rights relating thereto. Any suggestions for changes or improvements to Services that Subscriber provides to Whittier, whether solicited by Whittier or not, shall be owned by Whittier and Subscriber hereby irrevocably assigns, and shall assign, to Whittier all right, title, and interest in and to such suggestions. Whittier shall have no obligation to incorporate such suggestion into its products or Services. Subscriber for the period of this agreement maintains ownership to their portion of the server.
- 1.3 Subscriber Data. As between Whittier and Subscriber, Subscriber shall retain all right, title, and interest, including, without limitation, all Intellectual Property Rights, in and to the Subscriber Data. Subscriber shall have the sole responsibility for the accuracy, quality, and legality of the Subscriber Data, including obtaining all rights and consents necessary to share the Subscriber Data with Whittier as set forth in this agreement. Notwithstanding the foregoing, Whittier may not sell or offer for sale any Subscriber Data, whether in Subscriber identifiable, or anonymized and aggregated form. Whittier shall comply with its obligations under all Laws applicable to Whittier's provision of the Service, including all such Laws related to privacy, data security, and data protection.
- 1.4 Use of Third-Party Components. Whittier may use Vendors to provide certain functions of the Services, including without limitation, hosting and data analysis, but notwithstanding any other provision of this agreement to the contrary, Whittier shall ensure that the Vendors provide the Services to the level required of Whittier by this agreement at no additional cost to Subscriber.

Subscriber acknowledges that each Vendor may have its own policies and terms and conditions.

- 1.5 **Excusable Delays**. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party. If a delay beyond the control of Whittier is encountered, a time extension may be mutually agreed upon in writing by Whittier and the Subscriber.
- 1.6 **Notice of Termination**. Whittier reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this agreement, with or without cause, at any time, by providing at least thirty (30) days prior written notice to Subscriber. The termination of this agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Whittier shall immediately stop rendering services under this agreement unless directed otherwise by the Subscriber.
- 1.7 **No Other Warranties**. Use of GEM Software is not intended to be a substitute for professional judgment of users. GEM Software does not provide legal advice. Subscriber shall be responsible for all its own actions or failure to act in connection with the GEM Software. Whittier cannot guarantee that every error in the GEM Software or problem raised by Subscriber will be resolved. The services, the third party components, and the third party data are provided "as is." Whittier assumes no responsibility or risk for Subscriber's use or misuse of, or failure to use, the information provided through the GEM Software. Whittier does not guarantee that every error in the GEM Software or problem raised by Subscriber will be resolved. To the extent that a party may not as a matter of applicable law disclaim any implied warranty, the scope and duration of such warranty will be the minimum permitted under such law.

1.8 **Indemnification**.

Each party shall indemnify, defend, and hold harmless each other, including its elected and appointed, officers, employees, agents, attorneys, and designated volunteers from and against any and all liability, including, but limited to demands, claims, actions, fees, costs, and expenses (including reasonable attorney's and expert witness fees), arising from or connected with the respective acts of each party arising from or related to this agreement. Notwithstanding anything contrary in this agreement, this indemnification obligation shall not apply to acts of gross negligence or willful misconduct.

- 1.9 **Limitation of Damages**. Whittier's maximum liability arising out of or relating to this agreement or the services provided hereunder, regardless of the cause of action (whether in contract, tort, breach of warranty or otherwise), will not exceed the greater of the aggregate amount of the fees paid and payable to Whittier by Subscriber. Whittier shall have no liability arising out of or relating to the third-party components (including, without limitation, any components or services provided by third-party data). In no event shall either party be liable to the other for any indirect, special, punitive damages arising from the furnishing, performance, or use, or failure of services, or third-party components. Notwithstanding the foregoing, this limitation of damages shall not apply for any cause of action arising out of gross negligence or willful misconduct.
- 1.10 **Responsibilities for Planned Updates.** Whittier shall undertake commercially reasonable efforts to patch, repair or update the Software in order to integrate it with the updated Integrated Third Party Software.
- 1.11 **Notices**. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or if mailed,

shall be addressed as set forth below and placed in a sealed envelope, postage prepaid, and deposited in the United States Postal Service. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO SUBSCRIBER: IF TO CITY:

City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277
City of Whittier
13230 Penn Street
Whittier, CA 90602

Tel: (310) 318-0656 Tel: (562) 567-9850

Email: Eleanor.Manzano@redondo.org Email: rgarcia@cityofwhittier.org

Attn: Eleanor Manzano Attn: Rigoberto Garcia

- 1.11 Severability. If any provision of this agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.
- 1.12 Counterparts. This agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by and through their respective authorized officers, as of the date first above written.

A municipal corporation		
RIGOBERTO GARCIA, JR. City Clerk (seal)	Date:	
CITY OF REDONDO BEACH, A chartered municipal corporation		
William C Brand Mayor	Date:	

APPROVED AS TO FORM:	
Michael W. Webb, City Attorney	Date:
ATTEST:	
Eleanor Manzano, City Clerk	Date:

Page 6 of 6



Administrative Report

H.5., File # 22-4595 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

TITLE

EXCUSE ABSENCES OF COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS.

EXECUTIVE SUMMARY

<u>Commissioner</u> <u>Board/Commission</u> <u>Meeting Date</u>

Jamil D. Gittens Public Safety July 18, 2022

Marci L. Klein Public Art July 27, 2022

Diane Cagle Public Art July 27, 2022

Andrew Beauchamp Library August 1, 2022

On July 18, 2022, the City Clerk received notification from Commissioner Gittens requesting an excused absence for July 18, 2022, Public Safety Commission Meeting for personal reasons.

On July 21, 2022, the City Clerk received notification from Commissioner Klein requesting an excused absence for July 27, 2022, Public Art Commission Meeting for personal reasons.

On July 27, 2022, the City Clerk received notification from Commissioner Cagle requesting an excused absence for July 27, 2022, Public Art Commission Meeting for personal reasons.

On July 20, 2022, the City Clerk received notification from Commissioner Beauchamp requesting an excused absence for August 1, 2022, Library Commission Meeting for personal reasons.

BACKGROUND

As of September 3, 2019, the City Council authorized the City Clerk to revise the policy pertaining to requests for excused absences, whereby Board Members and Commissioners are now required to communicate impending absences directly to the City Clerk for processing.

APPROVED BY:

Eleanor Manzano, City Clerk

H.5., File # 22-4595 Meeting Date: 8/2/2022

FISCAL IMPACT

None



Administrative Report

H.6., File # 22-4592 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

TITLE

REGRETFULLY ACCEPT THE RESIGNATION OF COMMISSIONER STEVEN D. JOHNSON FROM THE BUDGET & FINANCE COMMISSION.

EXECUTIVE SUMMARY

On June 9, 2022 Commissioner Johnson verbally announced before the Budget & Finance meeting his immediate resignation due to moving out of state.

BACKGROUND

Commissioner Johnson was appointed to the Budget & Finance Commission first term October 1, 2014 for a term ending September 30, 2018 and was concluding second term October 01, 2018 for a term ending September 30, 2022.



Administrative Report

H.7., File # 22-3742 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JENNIFER PAUL, FINANCE DIRECTOR

TITLE

RECEIVE AND FILE THE ANNUAL SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXECUTIVE SUMMARY

The City's independent auditors, Lance, Soll and Lunghard, LLP, have completed their annual audit of the City's fiscal activities for the fiscal year ended June 30, 2021 (see attached). The resulting reports were presented to the Mayor and City Council on December 21, 2021, with the exception of the Single Audit. Now that the U.S. Office of Management and Budget (0MB) has finalized its regulations regarding COVID-19 awards, the Single Audit Report has been completed. No deficiencies were identified in the audit considered to be material weaknesses.

BACKGROUND

The Single Audit Report is required for all federal and state funded programs. These programs are audited in conformity with the provisions of the Single Audit Act of 1984 and the 0MB Circular A-133, Audits of States and Local Governments. There were no compliance or questioned costs related to this audit.

COORDINATION

The report has been coordinated with the City's independent auditors and all City departments.

FISCAL IMPACT

The total cost for this activity is included in the Financial Services Department's portion of the FY 2021-22 Adopted Budget and is part of the department's annual work program.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Single Audit Report



CITY OF REDONDO BEACH, CALFORNIA

JUNE 30, 2021 SINGLE AUDIT REPORT

Focused on YOU



CITY OF REDONDO BEACH, CALIFORNIA SINGLE AUDIT REPORT JUNE 30, 2021

SINGLE AUDIT REPORT

JUNE 30, 2021

TABLE OF CONTENTS

	Page <u>Number</u>
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3
Schedule of Expenditures of Federal Awards for the Fiscal Year Ended June 30, 2021	6
Notes to the Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs for the Fiscal Year Ended June 30, 2021	8
Summary Schedule of Prior Year Findings and Questioned Costs for the Fiscal Year Ended June 30, 2020	10



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and Members of the City Council City of Redondo Beach, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of the City of Redondo Beach, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 17, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.





To the Honorable Mayor and Members of the City Council City of Redondo Beach, California

Lance, Soll & Lunghard, LLP

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brea, California

December 17, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council City of Redondo Beach, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Redondo Beach (the City), California's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's government programs.



Lance, Soll & Lunghard, LLP 203 N. Brea Blvd., Suite 203 Brea, CA 92821 Phone: 714.672.0022



Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design
 and perform audit procedures responsive to those risks. Such procedures include examining, on
 a test basis, evidence regarding the City's compliance with the compliance requirements referred
 to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order
 to design audit procedures that are appropriate in the circumstances and to test and report on
 internal control over compliance in accordance with Uniform Guidance, but not for the purpose of
 expressing an opinion on the effectiveness of the City's internal control over compliance.
 Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

4



To the Honorable Mayor and Members of the City Council City of Redondo Beach, California

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 17, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brea, California

Lance, Soll & Lunghard, LLP

May 16, 2022 (except for our report on the Schedule of Expenditures of Federal Awards, for which the date is December 17, 2021)

5

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's DUNS Number	Grant Number	Expenditures	Subrecipients
U.S. Department of Housing and Urban Development	Number	Number	Number	Experiultures	Subrecipients
Direct Program:					
CDBG - Entitlement Grants Cluster					
Community Development Block Grant (CDBG) Community Development Block Grant (CDBG)	14.218 14.218	N/A N/A	B-19-MC-06-0528	\$ 43,379	\$ -
Community Development Block Grant (CDBG) Community Development Block Grant (CDBG)	14.218	N/A N/A	B-20-MC-06-0528 B-20-MW-06-0528	162,260 129,155	40,617
Total CDBG - Entitlement Grants Cluster				334,794	40,617
Housing Voucher Cluster					
Section 8 - Housing Choice Voucher Program	14.871	N/A	CA 103	6,607,942	-
Total Housing Voucher Cluster				6,607,942	-
Total U.S. Department of Housing and Urban Development				6,942,736	40,617
U.S. Department of Transportation					
Direct Program:					
Federal Transit Cluster* Transportation Improvement Program - Transit Terminal	20.500	N/A	CA-03-0775-01	792,708	_
Transportation Improvement Program - Transit Terminal	20.500	N/A	CA-04-0245-00	512,140	-
Transportation Improvement Program - Transit Terminal	20.507	N/A	CA-2017-083-00	1,191,940	-
Transportation Improvement Program - Bus Equipment Transportation Improvement Program - Urbanized Area Fomula Grant	20.507	N/A N/A	CA-2016-035-02	153,658	-
	20.507	N/A	CA-2020-180-00	734,892	
Total Federal Transit Cluster Passed through the State of California Office of Traffic Safety:				3,385,338	
Highway Safety Cluster					
OTS Pedestrian and Bicycle Safety Program	20.600	98-505-3908	PS21029	3,455	-
OTS Selective Traffic Enforcement Program 10/19-9/20	20.600/20.608	98-505-3908	PT20112	9,661	-
OTS Selective Traffic Enforcement Program 10/20-9/21	20.600/20.608	98-505-3908	PT21175	34,955	
Total H.S. Department of Transportation				48,071	
Total U.S. Department of Transportation				3,433,409	
U.S. Department of Justice					
Direct Programs: Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	N/A	2019-DJ-BX-0328	395	_
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	N/A	2020-DJ-BX-0307	10,881	
Total 16.738				11,276	
Equitable Sharing Program	16.922	N/A	CA0195600	47,539	-
Body Worn Camera Program	16.835	N/A	2019-BC-BX0077	97,923	-
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	N/A	2020-VD-BX-0772	895	
Total U.S. Department of Justice				157,633	
U.S. Department of Treasury					
Direct Program: Equitable Sharing Program	21.016	N/A	CA0195600	43,297	_
	21.010	14/71	0/10/0000	10,201	
Passed through the State of California COVID-19 - Coronavirus Relief Fund*	21.019	88-307-4270		827,184	50,000
Passed through the County of Los Angeles					
COVID-19 - Coronavirus Relief Fund*	21.019	05-223-8763	HOA 102418333.1	416,073	
Total 21.019				1,243,257	
Total U.S. Department of Treasury				1,286,554	
U.S. Department of Homeland Security					
Passed through the County of Los Angeles	07.007	05 000 0700	ENAM 2042 20 20251	405.000	
State Homeland Security Program*	97.067	05-223-8763	EMW-2018-SS-00054	195,098	
Total U.S. Department of Homeland Security				195,098	
Total Federal Expenditures				\$ 12,015,430	\$ 90,617

^{*} Major Program

Note a: Refer to Note 1 to the schedule of expenditures of federal awards for a description of significant accounting policies used in preparing this schedule.

6

Note b: There was no federal awards expended in the form of noncash assistance and insurance in effect during the year.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards

a. Scope of Presentation

The accompanying schedule presents only the expenditures incurred by the City of Redondo, California, that are reimbursable under federal programs of federal financial assistance. For the purposes of this schedule, federal awards include both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the City from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

b. Basis of Accounting

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the City becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program.

c. Indirect Cost Rate

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

7

140

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements			
Type of auditors' report issued: Unmodified Op	pinion		
Internal control over financial reporting:			
Significant deficiencies identified?		yes	_x _none reported
Material weaknesses identified?		yes	<u>x</u> no
Noncompliance material to financial statements noted?		yes	<u>x</u> no
Federal Awards			
Internal control over major programs:			
Significant deficiencies identified?		yes	_xnone reported
Material weaknesses identified?		yes	<u>x</u> no
Type of auditors' report issued on compliance f	or major progra	ms: Unmodified	l Opinion
Any audit findings disclosed that are required to reported in accordance with 2 CFR 200.51		yes	<u>x</u> no
Identification of major programs:			
Assistance Listing Number(s)	Name of Fede	eral Program or	<u>Cluster</u>
97.067 20.500/20.507 21.019	State Homela Federal Trans Coronavirus F	_	gram
Dollar threshold used to distinguish between type A and type B program	\$750,000		
Auditee qualified as low-risk auditee?		<u>x</u> yes	no

8

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.



Financial Services	415 Diamond Street, P.O. Box 270 Redondo Beach, California 90277-0270 www.redondo.org	tel 310 372-1171 fax 310 937-6666	

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

No matters were reported.



Administrative Report

H.8., File # 22-4431 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

APPROVE AN AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES, FOR AN AMOUNT NOT TO EXCEED \$184,744.80, FOR THE TERM AUGUST 02, 2022 TO JUNE 30, 2023

EXECUTIVE SUMMARY

The Agreement with All City Management Services (ACMS) will provide for supplemental crossing guard services within the City of Redondo Beach. Crossing guards provide a valuable service by ensuring safety for the pedestrian community and students who walk to and from the various schools in Redondo Beach. A previous annual agreement with ACMS expired in June 2022.

BACKGROUND

On August 03, 2021, the Redondo Beach City Council approved a one-year pilot program to utilize ACMS for supplemental crossing guard services at a cost of \$57,823. That Agreement allowed for three crossing guards to be hired as a supplemental workforce to the City's crossing guard program at an hourly rate of \$26.77. The pilot program proved to be beneficial to the City and on April 5, 2022 the City Council approved an amendment to the Agreement with ACMS to increase the number of crossing guards for the existing term of the agreement from three to six. The added locations increased the agreement's not to exceed amount by \$25,000 for a new total of \$82,823.

Crossing guards provide a valuable service to the community by increasing visibility and overall safety of pedestrians and students who walk to and from various schools in Redondo Beach. Crossing guards assist in guiding community members and students across streets which can become highly trafficked by motorists and bicyclists. The Crossing Guard Program is managed by the Special Operations Bureau of the Police Department. Crossing guards are deployed to locations in the City which have been identified as high pedestrian crossing areas. Twenty-two locations have been identified as needing crossing guard services. All of these locations are in close proximity to Redondo Beach schools which support a large student population walking to and from school each day.

The Police Department faces on-going challenges finding qualified applicants for the position of crossing guard. Fourteen crossing guards are currently eligible to staff the twenty-two locations. Generally, this is due to the abbreviated schedule for crossing guard duties. Crossing Guards are utilized on a part-time basis, before and after school hours. Additionally, our Department and other Police Departments in the region face challenges in retaining crossing guard personnel. Vacant

H.8., File # 22-4431 Meeting Date: 8/2/2022

crossing guard locations are backfilled by other employees, such as Police Officers, Municipal Service Officers and Community Services Officers. Backfilling with alternative Police Department employees creates inefficiencies. It is much more effective to utilize supplemental crossing guard services.

The Redondo Beach City Council approved an increase to the Police Department's Fiscal Year 2022 - 23 operating budget for supplemental Crossing Guard services. Decision package #58 was approved for \$155,000 which allows for an increase in supplemental Crossing Guards from six to eight. City Council added an additional \$19,375 for a ninth supplemental crossing guard to staff the specific additional intersection of Inglewood Ave. and 182nd St., increasing the crossing guard locations to twenty-three and a total one-time budgeted amount of \$174,375.

ACMS has increased the hourly cost for a supplemental crossing guard by \$1.74 per hour, and is also experiencing difficulty in fully staffing their company with crossing guard personnel. Due to their staffing shortage, they believe there may be occasions when they will not be able to provide the staffing for all nine supplemental crossing guards. During those occasions the City will only be charged for the actual crossing guards provided, thus, the potential for reducing the quoted annual cost. ACMS has quoted a cost, not to exceed, \$184,744.80 to staff nine supplemental crossing guards for the term of this Agreement.

COORDINATION

The Police Department coordinated the preparation of the agreement with the City Attorney's Office.

FISCAL IMPACT

The Police Department budget includes one-time funding of \$174,375 for supplemental Crossing Guard staffing. It is unlikely that the full not to exceed amount in the agreement of \$184,744.80 will be utilized. If later in the year, it's projected to do so, additional funds will be requested as part of the mid-year budget review to cover the roughly \$10,000 budget shortfall.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agreement with All Cities Management Services
- Certificate of Insurance- All Cities Management Services

AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ALL CITIES MANAGEMENT INC.

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and All Cities Management Inc., a California C corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

- Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
- 2. <u>Term and Time of Completion</u>. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- 3. <u>Compensation</u>. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

GENERAL PROVISIONS

- 1. <u>Independent Contractor</u>. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
- 2. <u>Brokers</u>. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. <u>City Property</u>. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials,

shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

- 4. <u>Inspection</u>. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.
- 5. <u>Services</u>. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.
- 6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
- 7. <u>Changes and Extra Work</u>. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.

- 8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
- 9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
- 10. <u>Business License</u>. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
- 11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
- 12. <u>Termination in the Event of Default</u>. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate

this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.

- 13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
- 14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. <u>Nonwaiver of Rights</u>. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. <u>Waiver of Right of Subrogation</u>. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

- 15. <u>Insurance</u>. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
- 16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
- 17. <u>Compliance with Laws</u>. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
- 18. <u>Limitations upon Subcontracting and Assignment</u>. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. <u>Subcontractors</u>. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

- 20. <u>Integration</u>. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.
- 21. <u>Amendment</u>. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
- 22. <u>Conflicting Provisions</u>. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
- 23. <u>Non-Exclusivity</u>. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
- 24. <u>Exhibits</u>. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
- 25. <u>Time of Essence</u>. Time is of the essence of this Agreement.
- 26. <u>Confidentiality</u>. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
- 27. <u>Third Parties</u>. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
- 28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
- 29. <u>Attorneys' Fees</u>. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

- 30. <u>Claims</u>. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
- 31. <u>Interpretation</u>. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
- Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
- 33. <u>Severance</u>. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
- 34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.
- 35. <u>Waiver</u>. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 2th day of August, 2022.

CITY OF REDONDO BEACH	All Cities Management Inc. A California Corporation
William C. Brand, Mayor	Name: Jessefas Tarkhy Title: Segefas
ATTEST:	APPROVED:
Eleanor Manzano, City Clerk	Diane Strickfaden, Risk Manager
APPROVED AS TO FORM:	
Michael W. Webb, City Attorney	

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

Contractor shall provide the following services:

Contractor shall provide Crossing Guard Services (the "Services") at each of the 9 designated locations requested by the City on all days in which schools are in session in the area under City's jurisdiction. The Contractor also agrees to maintain communication with the designated schools to maintain proper scheduling.

Crossing Guards shall be properly trained according to all applicable laws and regulations applicable to the performance of duties as a Crossing Guard, including but not limited to performance related to general pedestrian safety in school crossing areas.

Contractor shall provide supervisory personnel to see that Crossing Guard activities are taking place at the required places and times, and in accordance with the terms of this Agreement.

Contractor shall maintain adequate reserve personnel to be able to furnish alternate Crossing Guards in the event that any person fails to report for work at the assigned time and location and agrees to provide immediate replacement.

Contractor shall provide all Crossing Guards with apparel by which they are readily visible and easily recognized as Crossing Guards. Such apparel shall be uniform for all persons performing the duties of Crossing Guards and shall be worn at all times while performing said duties. This apparel must be appropriate for weather conditions.

Contractor shall provide all Crossing Guards with handheld Stop signs and any other safety equipment which may be necessary.

EXHIBIT "B" SCHEDULE FOR COMPLETION

<u>Term</u>. This Agreement shall commence on August 2, 2022 and shall continue until June 30, 2023, unless otherwise terminated as herein provided.

EXHIBIT "C" COMPENSATION

AMOUNT. A total not to exceed amount of \$187,744.80 for Crossing Guards at nine (9) separate locations, for approximately 180 days, four (4) hours per day, payable at a rate of \$28.51 per hour.

METHOD OF PAYMENT. Consultant shall provide invoices to City for approval and payment. Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Consultant may be required to provide back-up material upon request.

SCHEDULE FOR PAYMENT

Project invoicing will be completed monthly based on the percentage completion of the project. If the scope of the analysis creates budget problems for the City, or if additional analysis is desired, parties are willing to review the work plan and adjust it and the cost so that it is mutually satisfactory.

NOTICE. Written notices to City and Consultant shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Consultant

Baron Farwell
All Cities Management Inc.
10440 Pioneer Blvd., Suite 5
Santa Fe Springs, CA 90670

City

City of Redondo Beach Redondo Beach Police Department 401 Diamond Street Redondo Beach, CA 90277

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee

satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

Client#: 475947 ALLCITYMAN

ACORD...

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 12/30/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

and continuate account control any rights to the continuate holder in hear	or such shastesment(s).				
PRODUCER	CONTACT Nicholas S Newell				
Marsh & McLennan Agency LLC	PHONE (A/C, No, Ext): 949 425 7312 FAX (A/C, No):				
Marsh & McLennan Ins. Agency LLC	E-MAIL ADDRESS: nick.newell@marshmma.com				
350 S Grand Ave, Ste 3410	INSURER(S) AFFORDING COVERAGE	NAIC #			
Los Angeles, CA 90071	INSURER A: Landmark American Insurance Company	33138			
INSURED	INSURER B : Mercer Insurance Company	14478			
All City Management Services, Inc.	INSURER C: Berkshire Hathaway Homestate Ins Co				
10440 Pioneer Blvd., Suite 5	INSURER D : Lexington Insurance Company	19437			
Santa Fe Springs, CA 90670	INSURER E:				
	INSURER F:				

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR		TYPE OF INSURANCE		SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	S
Α	X	COMMERCIAL GENERAL LIABILITY			LHA141591	08/01/2021	08/01/2022	EACH OCCURRENCE	\$1,000,000
		CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$50,000
								MED EXP (Any one person)	\$5,000
								PERSONAL & ADV INJURY	\$1,000,000
	GEN	I'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$2,000,000
	X	POLICY POLICY LOC						PRODUCTS - COMP/OP AGG	\$2,000,000
		OTHER:							\$
	AUT	OMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
		ANY AUTO						BODILY INJURY (Per person)	\$
		OWNED SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$
		HIRED AUTOS ONLY NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
									\$
В	X	UMBRELLA LIAB X OCCUR			2000000182	08/01/2021	08/01/2022	EACH OCCURRENCE	\$3,000,000
		EXCESS LIAB CLAIMS-MADE						AGGREGATE	\$3,000,000
		DED RETENTION \$							\$
С		RKERS COMPENSATION DEMPLOYERS' LIABILITY			ALWC344179	01/01/2022	01/01/2023	X PER OTH- STATUTE ER	
С	ANY	PROPRIETOR/PARTNER/EXECUTIVE ICER/MEMBER EXCLUDED?	N/A		ALWC345830	01/01/2022	01/01/2023	E.L. EACH ACCIDENT	\$1,000,000
	(Mar	ndatory in NH)	II, A					E.L. DISEASE - EA EMPLOYEE	\$1,000,000
		s, describe under CRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	\$1,000,000
D	1st	Excess Layer			080877908	08/01/2021	08/01/2022	\$1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Redondo Beach is included as additional insured as respects to General Liability per attached endorsement.

CERTIFICATE HOLDER	CANCELLATION
City of Redondo Beach 415 Diamond St. Redondo Beach, CA 90277	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
·	AUTHORIZED REPRESENTATIVE
	prek audi

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POLICY#: LHA141591 POLICY PERIOD: 08/01/2021 TO: 08/01/2022

COMMERCIAL GENERAL LIABILITY CG 20 10 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations			
Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.				
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.				

- A. Section II Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - 1. Your acts or omissions; or
 - **2.** The acts or omissions of those acting on your behalf:

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

- **B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:
 - This insurance does not apply to "bodily injury" or "property damage" occurring after:
 - All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - 2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



Administrative Report

H.9., File # 22-4523 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JOSEPH HOFFMAN, CHIEF OF POLICE

TITLE

APPROVE A SOLE SOURCE PURCHASE OF POLICE DEPARTMENT DUTY AND PRACTICE AMMUNITION FROM DOOLEY ENTERPRISES, INC IN THE AMOUNT OF \$40,538.78

EXECUTIVE SUMMARY

Approval of this purchase will allow the Police Department to obtain duty and practice ammunition for firearms utilized by the Police Department.

BACKGROUND

The Police Department requires its sworn officers to show proficiency in the use of firearms on a monthly basis for handguns and periodically for shotguns and rifles. Attached to this report is a price quotation from Dooley Enterprises, Inc. with the current ammunition prices. The Police Department uses Winchester ammunition due to its reliability, effectiveness, and composition. Dooley Enterprises, Inc. is the sole authorized distributor for Winchester ammunition in the Southern California area for a purchase of this type and amount of ammunition. Attached to this report is a letter submitted by Winchester Ammunition defining Dooley Enterprises, Inc. as the sole distributor for Winchester ammunition purchases of this size in Southern California. Winchester requires geographic sales areas for its distributors and will not allow other distributors to bid inside the Southern California area.

COORDINATION

The Police Department coordinated this purchase with the Financial Services Department.

FISCAL IMPACT

Funding for the \$40,538.78 purchase of ammunition is available in the Police Department's regular operating budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Dooley Enterprise Quote
- Sole Source Letter

QUOTE #: 019641

Price Quote

QUOTE DATE: **07/05/2022**

TERMS: Net 30

Cust. ID #: 000446

Type: FET OUT - Agency

1198 N. Grove St., Suite A Anaheim, CA 92806

www.dooleyenterprises.com

E-mail: ammo@dooleyenterprises.com

714.630.6436 Fax: 714.630.3910

dooley enterprises, inc.

WINCHESTER .

Ship To:

REDONDO BEACH - POLICE DEPT.

MIKE MARTINEZ / SGT CHUCK PRESTIA

401 DIAMOND STREET

REDONDO BEACH CA 90277

PHONE: (310) 379-2477 FAX: (310) 372-0167

Here are the requested prices:

PRICE PER THOUSAND

QUANTITY	SYMBOL	DESCRIPTION	PRICE	EXTENSION
7.000	Q4318	9mm 124gr. Full Metal Jacket	\$254.00	\$1,778.00
4.000	RA9T	9mm 147gr. Ranger T-Series JHP	\$338.00	\$1,352.00
25.000	USA9F	9mm 90gr. Frangible	\$461.00	\$11,525.00
5.000	Q4170	45 Auto 230gr. Full Metal Jacket	\$336.00	\$1,680.00
16.000	WM193K	5.56MM M193 55 FMJ WIN LC 20RD	\$441.00	\$7,056.00
12.000	RA223SFY	223 55 gr Sinterfire Frangible SF™	\$763.00	\$9,156.00
12.000	W45LF	45 ACP 160gr. Lead Free FMJ Zinc Core ***	\$423.00	\$5,076.00
		Backorder 8-12 Months ****	\$0.00	\$0.00

NOTES: SUBTOTAL: \$37,623.00

Stephen,

See above for your quote, and let me know if you have any questions. At this time (which can change quickly) a partial of the ammo quoted for Will Call can be picked up after order finalization with the remainder to be placed on backorder.

Barbara

TAX RATE: 7.750% TAX*: \$2,915.78
SHIPPING: \$0.00

TOTAL: \$40,538.78

Quote is for official department use only

	ase confirm the shipping details above, and sign & complete bel	confirm the shipping	luoted, please	proceed with order as	To
--	---	----------------------	----------------	-----------------------	----

PO# (if appl.)	Authorized By
Date	Name & Title



January 4, 2022

To Whom It May Concern:

Dooley Enterprises (Anaheim, CA) is the authorized, sole source, law enforcement distributor for Winchester Ammunition in the state of California.

Sincerely,

George Brennan National LE Sales Manager

Winchester LE



Administrative Report

H.10., File # 22-4550 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

APPROVE AN MOU WITH THE REDONDO BEACH UNIFIED SCHOOL DISTRICT TO ALLOW FOR THE SHARING OF THE SCHOOL DISTRICT'S SURVEILLANCE CAMERA FEEDS WITH THE POLICE DEPARTMENT, IN THE EVENT OF AN EMERGENCY, AT NO COST TO THE CITY FOR THE TERM AUGUST 2, 2022 TO JUNE 1, 2024

EXECUTIVE SUMMARY

Fusus, LLC is the provider of a video and data collaboration platform designed to expedite intelligence gathering and efficiency of response to public safety incidents. Fusus integrates security camera feeds from various authorized locations throughout the community into a single (and portable) platform, which can be monitored simultaneously in real time, as incidents occur. Any authorized shared videos can be monitored in the Police Department's Communication Center. Fusus has a specific platform built for video sharing with schools with a focused consideration on privacy and school control of video feeds. The Redondo Beach Unified School District (RBUSD) has agreed to pay the equipment cost to allow for video sharing and there is no additional cost to the City of Redondo Beach to integrate the Fusus software with the District.

BACKGROUND

The Redondo Beach City Council approved an agreement with Fusus, LLC for data collaboration software and a portable video security system. The agreement expires November 15, 2022, however, can be extended a total of two additional years. The total approved amount, including the two additional years is not to exceed \$131,500.

In light of recent school violence in our Nation, Fusus, LLC has expanded their platform to address some of the unique privacy concerns associated with sharing video feeds from school campuses. The expanded design includes a feature which will allow RBUSD officials to pre-designate the video camera feeds that may be viewed by the Police Department, in the event of an emergency. Utilizing the Fusus, LLC system, school staff designee(s) will be able to access the Fusus, LLC phone application to notify Police of an emergency and simultaneously activate the pre-designated video feeds at the respective location(s). Video feeds will be monitored by personnel in the Police Department's Communications Center. Having real time intelligence of an emergent incident at a RBUSD campus will allow for a more organized and efficient police response. The video feeds will not be accessible unless school staff report an emergency, via the Fusus, LLC application and grant access.

H.10., File # 22-4550 Meeting Date: 8/2/2022

The Redondo Beach Unified School District will purchase the required hardware to allow for video sharing with the Redondo Beach Police Department. In turn, the Redondo Beach Police Department will share the previously purchased Fusus, LLC software with RBUSD. This collaboration will improve school safety as well as provide greater situational awareness to first responders in the event of an emergency at any of the schools within the District.

COORDINATION

The Police Department coordinated this report with RBUSD personnel and the City Attorney's Office.

FISCAL IMPACT

There is no additional fiscal impact to the City.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

MOU- RBUSD Surveillance Video Sharing

MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE REDONDO BEACH UNIFIED SCHOOL DISTRICT AND THE CITY OF REDONDO BEACH REGARDING THE SHARING OF SURVEILLANCE CAMERA VIDEO

This Memorandum of Understanding ("MOU") is entered into this 2nd day of August, 2022, by and between the Redondo Beach Unified School District (the "District"), and the City of Redondo Beach (the "City"). The District and City may be individually referred to as a "Party" or collectively as "Parties."

RECITALS

WHEREAS, the District operates various school sites and has installed video surveillance cameras ("Security Cameras") to provide a safe educational environment for students and District employees; and

WHEREAS, the City's Police department is responsible for providing for the safety of the City's residents, including the District students and employees at District school sites; and

WHEREAS, the District desires to share its live surveillance video feeds with the City's Police department to assist the police in responding to an emergency; and

WHEREAS, the City's FususONE video integration system ("FUSUS System") enables the District to share its live video surveillance feeds with the City's Police department in emergencies to improve school safety and police response.

GENERAL PROVISIONS

NOW, THEREFORE, the Parties agree as follows:

- 1. <u>Purpose</u>. The purpose of this MOU is to set forth guidelines for the District and the City as to the role and responsibilities of each in the use of Security Cameras and surveillance in District schools.
- 2. <u>Emergency</u>. For purposes of this MOU, an emergency means a situation that poses an imminent threat to the life, safety, health, or property. This includes, but is not limited to active shooter(s), bomb threats, or any other immediate threat to life, limb, or safety.
- 3. District's Responsibilities. District shall:
 - a. Purchase and install a number of FususCORE devices ("Core Devices") to share District's video surveillance feeds via the City's FUSUS system.
 - b. Connect District surveillance cameras to the City's FUSUS System using the Core Devices; provided, however, that the City shall not access or monitor the District's Security Cameras and surveillance unless and until (i) there has been a reported emergency through the City's FUSUS System, and (ii) the District has provided written authorization to the City's Police department to view the video.

- c. Predetermine which live video surveillance cameras may be viewed by the Police department in the event of an emergency via the FUSUS System.
- d. Pay for the Core Devices which integrate the District's surveillance cameras into the City's System.

4. City's Responsibilities. City shall:

- a. Pay for the costs associated with the District's FUSUS System, which are not the responsibility of the District as described in Section 2 of this MOU.
- b. Direct the City's Police department to monitor the video surveillance via the FUSUS System only when (i) the City's police department has received written authorization from District designated personnel and (ii) during the event of an emergency.
- c. Ensure only City law enforcement personnel will be permitted to monitor the District's surveillance cameras through the FUSUS System in response to an emergency.
- d. Not share access to District video surveillance with the public or anyone outside of law enforcement without prior written consent from the District.

In the event the District grants the City access to its surveillance video, the City police department may record and retain the recording for evidentiary purposes and monitor the surveillance video feeds through its FUSUS System for as long as reasonably necessary to respond safely to the emergency.

- 5. <u>Supervision and Control</u>. District shall provide City at least one point of contact with a good understanding of District inventory and locations of surveillance cameras as may be required for video sharing. Typical configuration should take less than an hour and may require installation of additional hardware at District location(s). District shall provide information requested by the City for the system to operate, including but not limited to, information regarding a camera's make, model, IP address and /or associated DR/NVR login information.
- 6. <u>Term of MOU</u>. This MOU shall be effective on August 1, 2022, and shall expire June 1, 2024, unless otherwise terminated as provided herein.
- 7. <u>Termination</u>. Either Party may terminate this MOU at any time upon providing ten (10) days prior written notice to the other Party.
- 8. <u>Indemnification</u>. District shall indemnify, defend, and hold harmless City, its officials, officers, employees, agents from and against any claims, losses, liabilities, or damages, demands and actions, including payment of reasonable attorney's fees, arising out of any active or passive negligence or willful act of the District, its officers, employees, and agents, or anyone directly or indirectly acting on behalf of the District in performing under this MOU, regardless of whether caused in part by a Party indemnified hereunder.

City shall indemnify, defend and hold harmless District, its officers, agents, employees and representatives from and against any and all claims, losses, liabilities or damages, demands and actions, including performance of this MOU, caused in whole or in part by any active or passive negligence or willful act of City, its officials, officers,

employees, and agents, or anyone directly or indirectly acting on behalf of City, regardless of whether caused in part by a Party indemnified hereunder.

It is the intention of the District and City that, where fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officials, officers, directors, agents, employees, volunteers, subcontractors, and governing board.

9. <u>Notice</u>. Any notice required or permitted to be given under this MOU shall be deemed to have been given, served, and received if given in writing and either personally delivered or deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, or sent by overnight delivery service, addressed as follows:

District

Redondo Beach Unified School District 1401 Inglewood Avenue Redondo Beach, CA 90278

Attention: Derek Kinsey, Chief Technology Officer

City

Redondo Beach Police Department 401 Diamond St Redondo Beach, CA 90277 Attention: Chief Hoffman

- 10. <u>Relationship to Parties</u>. The Parties are and shall remain at all times as to each other, wholly independent entities. No Party to this MOU shall have power to incur any debt, obligations, or liability on behalf of another Party unless expressly provided to the contrary by this MOU. No employee, agent, or officer of a Party shall be deemed for any purpose whatsoever to be an agent, employee or officer of another Party.
- 11. <u>Binding Effect</u>. This MOU shall be binding upon and inure to the benefit of each Party to this MOU and their respective heirs, administrators, representatives, successors and assigns.
- 12. <u>Amendment.</u> The terms and provisions of this MOU may not be amended, modified or waived, except by an instrument in writing signed by all the Parties.
- 13. <u>Waiver</u>. Waiver by any Party to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party to any breach of the provisions of this MOU shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this MOU.
- 14. <u>Assignment Prohibited</u>. No Party may assign its respective rights or obligations under this MOU without the prior written consent of the other Parties.

- 15. <u>Law to Govern; Venue</u>. This MOU shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in the state trial courts shall lie exclusively in the County of Los Angeles.
- 16. <u>No Presumption in Drafting</u>. The Parties to this MOU agree that the general rule that an MOU is to be interpreted against the Party drafting it, or causing it to be prepared, shall not apply.
- 17. <u>Entire Agreement.</u> This MOU constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior contemporaneous agreements, whether written or oral, with respect hereto.
- 18. <u>Severability.</u> If any term, provision, condition or covenant of this MOU is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this MOU shall not be affected thereby and this MOU shall be read and constructed without the invalid, void, or unenforceable provision(s).
- 19. Force Majeure. Neither Party will be liable for any failure or delay in performing an obligation under this MOU that is due to any of the following causes (which causes are hereinafter referred to as "Force Majeure"), to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, labor strikes, natural catastrophes, governmental acts or omissions, changes in laws or regulations, fire, explosion; provided that the Parties stipulate that Force Majeure shall not include the novel coronavirus Covid-19 pandemic, which is ongoing as of the date of the execution of this MOU.
- 20. <u>Counterparts</u>. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to all Parties to this MOU.
- 21. <u>Authority of Executing Officer or Party</u>. By signing below, the signer represents that it has the legal right, power, and authority to enter into and execute this MOU and to bind the Party on whose behalf the signer executes this MOU.
- 22. All Parties have been represented by counsel in the preparation and negotiation of this MOU. Accordingly, this MOU shall be construed according to its fair language.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by their duly authorized representative and affixed as of the date of signature of the Parties.

[SIGNATURES ON FOLLOWING PAGES]

CITY OF REDONDO BEACH

Date:		By: _	
		, –	William C. Brand
			Mayor
ATTES	ST:		
Ву:			
υу	Eleanor Manzano		
	City Clerk		
4.000	0.450 4.0 7.0 5.0 0.4		
APPR	OVED AS TO FORM		
By:			
	Michael W. Webb		
	City Attorney		

REDONDO BEACH UNIFIED SCHOOL DISTRICT

Date:	By: _	
	, –	David Witkin
		Board President
		Bodra i rooidoin
ATTEST:		
ATTEST.		
_		
By:		
Steven Keller, Ed.D.		
Superintendent of Schools		
APPROVED AS TO FORM		
By:		
Counsel for District		
Course to District		



Administrative Report

H.11., File # 22-4561 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

ADOPT BY TITLE ONLY ORDINANCE NO. 3233-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING CHAPTER 6 TO TITLE 6 OF THE REDONDO BEACH MUNICIPAL CODE TO REGULATE COMMERCIAL CANNABIS BUSINESSES

ADOPT BY TITLE ONLY ORDINANCE NO. 3234-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES INLAND ZONES OF THE CITY

EXECUTIVE SUMMARY

In order to analyze and identify the cannabis regulations appropriate for Redondo Beach, a Cannabis Steering Committee was appointed by the previous City Manager comprised of representatives from the law enforcement community, RBUSD, BCHD, and other outside interest groups familiar with common best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options. The Steering Committee met multiple times over several years, and on October 5, 2021 presented their recommendations to the City Council. Following their recommendations, Council directed staff to begin preparing a draft ordinance designed to regulate commercial cannabis activity in the City.

Per City Council direction, the Planning Commission reviewed the draft cannabis ordinance at a public hearing held on March 3, 2022. The Planning Commission provided several recommendations at the hearing including that the City engage a consultant with experience advising the municipal regulation of the cannabis industry to assist in the review of the City's draft ordinance.

On May 10, 2022 the City Council considered the Planning Commission recommendations and provided direction to staff on the final preparation of ordinances. The Council, as part of that direction, also asked staff to prepare an agreement with HdL Companies ("HdL") to review the City's draft cannabis regulatory ordinances and other cannabis-related procedural tasks. The contract with HDL was approved at the June 21, 2022 City Council meeting.

HdL reviewed the City's draft cannabis regulatory ordinances and provided staff with recommendations and comments. The ordinances were amended to include the Planning Commission recommendations directed by City Council at the May 10, 2022 meeting and the HDL recommendations supported by City staff.

Meeting Date: 8/2/2022

The City Council conducted a public hearing on July 19, 2022 to introduce the ordinances and adopt a resolution to forward the coastal regulations to the California Coastal Commission for certification. After conducting the hearing, the City Council approved the ordinances for introduction and first reading with a minor revision to language in Ordinance 3323-22 to address the potential of a future tax measure being adopted.

This agenda item provides for the adoption of Ordinances 3323-22 and 3324-22 which will amend Title 6 and Title 10 Chapter 2 of the Redondo Beach Municipal Code (RBMC) to implement commercial cannabis regulations and allow cannabis businesses in certain inland zones of the City. Due to extended noticing requirements for changes to land use regulations in the coastal zone, amendments to the regulations in Title 10 Chapter 5 of the RBMC regarding commercial cannabis activities, will be considered for adoption at the September 6, 2022 City Council meeting.

BACKGROUND

California's history of cannabis law spans nearly 25 years of propositions and regulatory actions. More recently, the Medical Marijuana Regulation and Safety Act (MMRSA) that took effect January 1, 2016 regulated the use of marijuana for medical purposes. The City of Redondo Beach adopted Ordinance 3152 which promulgated local regulations in accordance with MMRSA, effective May 5, 2016.

On November 8, 2016, Proposition 64 was adopted by CA voters, titled the Adult Use of Marijuana Act (AUMA). The AUMA regulates the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age, thus expanding the permissions provided by MMRSA. The AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of marijuana inside a private residence or inside an accessory structure to a private residence, within the limits allowed by the State for personal cultivation.

Although Proposition 64 represented the interest of whether to allow the Adult Use of Marijuana Act, it did not specify how an individual municipality would regulate the commercial aspects of marijuana sales. The State's commercial provisions of AUMA were to take effect on January 1, 2018, requiring a city to disallow commercial marijuana activities in order to ensure that local regulations are promulgated and local control maintained. If a local governing body did not enact such a commercial ban by January 1, 2018, a valid State license would be the only requirement to open and operate a commercial marijuana business in any commercial zone in that city. Therefore, out of caution, and until local regulations and interests could be analyzed, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis businesses until the City could more thoroughly investigate the appropriate regulations to put in place.

One of the prior objectives included in the City Council's adopted Strategic Plan included the previous City Manager's appointment of a Cannabis Steering Committee (CSC) comprised of law enforcement, RBUSD, BCHD, and outside interest groups to review best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options, and to prepare a report for Planning Commission and City Council consideration. Members of the Redondo Beach Police Department, Fire Department, Community Development

H.11., File # 22-4561 Meeting Date: 8/2/2022

Department, and the City Treasurer's Office met jointly in support of the work of the CSC.

City Council considered the Steering Committee recommendations at their October 5, 2021 meeting and directed staff to prepare ordinances in line with those recommendations. At the January 18, 2022 meeting, Council finalized the siting parameters and land use buffers to be evaluated and included in the ordinance.

Staff prepared the ordinances and presented those at a public hearing of the Planning Commission on March 3, 2022. The Planning Commission made several recommendations, including "engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety."

At the May 10, 2022 meeting, City Council provided direction on the Planning Commission recommendations and their incorporation into the ordinances, as well as direction to engage HdL Companies ("HdL") for a scope of work to include the following:

- Review the City's Draft Cannabis Regulatory Ordinance
- Develop Draft Cannabis Tax Ordinance
- Application Process Development
- Cost Recovery Fee Analysis
- Attendance, Support or Presentations at Meetings or Workshops
- Technical Assistance and Subject Matter Expertise

At the June 21, 2022 meeting, City Council approved the contract with HdL, and the firm subsequently began reviewing the City's draft cannabis regulatory ordinances. At the July 19, 2022 public hearing, City Council introduce the ordinances to implement the cannabis regulations, including those Planning Commission recommendations approved by Council at the May 10, 2022 meeting, as well as certain language changes suggested by HDL.

In compliance with the California Environmental Quality Act of 1970 as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments captured by the ordinances qualify for CEQA exemption under Section 15060(c)(2); the activity will not result in direct or reasonably foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.

In addition to the consideration of the ordinances, a resolution to forward the coastal regulations to the California Coastal Commission for certification was adopted at the July 19, 2022 meeting. This agenda item is for City Council consideration of adoption of the ordinances not in the coastal zone. The ordinance in the coastal zone will be returned for consideration of adoption on September 6th.

COORDINATION

The preparation of the ordinances and resolution was done in coordination with the City Manager's Office and the City Attorney's Office. The draft ordinances were prepared by the City Attorney's Office and the Community Development Department.

FISCAL IMPACT

The fiscal impact to the City for regulating cannabis sales and delivery in Redondo Beach is unknown

H.11., File # 22-4561 Meeting Date: 8/2/2022

at this point. There are many variables to consider including 1) the number and types of licenses to be approved, 2) the volume of business and sales from future local cannabis operations, 3) the specific franchise fee or tax rate charged for cannabis sales in Redondo Beach, 4) the amount of staff time allocated to regulatory and enforcement activities, and 5) the potential for legal challenge to the City's licensing activities.

Notwithstanding the above variables, staff's initial estimate is that each licensed site in Redondo Beach could provide \$500,000 to \$1,000,000 in additional annual General Fund revenue, provided the City moves forward with the adoption of a regulatory ordinance and the proposed tax and/or developer agreement fees.

The preparation of the ordinances, staff report, and community input survey are within the workplan and annual budgets of the Community Development Department, City Manager's Office, and the City Attorney's Office.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ordinance No. 3233-22
- Ordinance No. 3234-22
- City Council Staff Report July 19, 2022
- Proof of Publication Public Hearing Notice July 19, 2022
- HdL Review Matrix
- City Council Staff Report May 10, 2022
- City Council Presentation May 10, 2022
- Planning Commission Resolution 2022-03-PCR-02 adopted March 3, 2022
- Planning Commission Minutes March 3, 2022
- Planning Commission Staff Report March 3, 2022
- Planning Commission Presentation March 3, 2022

ORDINANCE NO. 3233-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING CHAPTER 6 TO TITLE 6 OF THE REDONDO BEACH MUNICIPAL CODE TO REGULATE COMMERCIAL CANNABIS BUSINESSES

WHEREAS, the City of Redondo Beach has historically and continues to currently ban all commercial cannabis activities except for deliveries and personal cultivation in order to protect the public health and safety of City residents; and

WHEREAS, in November of 2016, a majority of the voters of the City of Redondo Beach voted in favor of Proposition 64, known as the "Control, Regulate and Tax Adult Use of Marijuana Act"; and

WHEREAS, arising out of the passage of Proposition 64 and the promulgation of regulations and licensing structures by the state, the City Council had indicated it could revisit its ban as state licensing of such businesses and created a Cannabis Taskforce to review potential regulations; and

WHEREAS as a result of a recent citizen sponsored initiative measure that, if passed, would repeal the City's existing ban on commercial cannabis activities and establish new regulations that, among other things, would restrict the City's ability to regulate such uses and allow certain existing unpermitted and illegal cannabis businesses to continue operating while eliminating the City's ability to deny these uses or impose any operational conditions, the City must move more quickly than initially planned to bring forward a more protective ballot measure; and

WHEREAS, passing a City Council sponsored commercial cannabis ordinance would maintain the City's ability to develop important policy positions, business and land use regulations, and health and safety permits to preserve the quality of life that Redondo's residents, visitors and business community desire and expect; and

WHEREAS a critical companion to this ordinance is a City Council sponsored measure to adopt a Cannabis Business Tax, without the passage of which the City would be financially unable to address the secondary effects of commercial cannabis businesses; and

WHEREAS, this Ordinance is necessary to provide the City of Redondo Beach Police Department clearly established legal authority to protect the public and deter potential criminal cannabis activity; and

WHEREAS, on April 20, 2017 the Planning Commission held a noticed public hearing and took public testimony regarding regulatory options surrounding commercial and personal use of cannabis in the City of Redondo Beach (or "City") pursuant to the passage of the AUMA; and

WHEREAS, on May 18, 2017, the Planning Commission continued the public hearing and after further public input and discussion the Commission directed City staff to return with resolutions recommending the adoption of:

- (1) an ordinance restricting outdoor personal cultivation to secured locations or lockable out buildings only;
- (2) an ordinance disallowing all commercial cannabis activities in the City of Redondo Beach to allow staff to study and create appropriate guidelines for the operation of commercial cannabis facilities in the City:
- (3) an amendment to the City's existing medical cannabis regulations to allow the delivery of medical cannabis to qualified patients in the City; and

WHEREAS, in order to create comprehensive and cohesive local system of commercial cannabis regulations, the City enacted a temporary ban while City staff and the Cannabis Taskforce studied all aspects of permitted commercial cannabis activities; and

WHEREAS, on October 5, 2021 the Cannabis Steering Committee presented their findings to the City Council; and

WHEREAS, on March 3, 2022 the Planning Commission considered the draft commercial cannabis regulations and zoning amendments and made recommendations to the Council for consideration; and

WHEREAS, on May 10, 2022, the City Council reviewed draft amendments and directed staff to make changes in addition to engaging an outside consultant to review the ordinances; and

WHEREAS, staff made some of those changes and is leaving it to the City Council's discretion to make any of the other suggested amendments or their own changes to this and the other two (2) proposed ordinances; and

WHEREAS, this ordinance reflects the direction received from the Council and the consultant.

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

SECTION 1. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

SECTION 2. FINDINGS

1. In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption under Section 15060(c)(2) because the activity will not result in direct or reasonable foreseeable physical change in the

environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.

- 2. The amendments to the Zoning Ordinance are consistent with the General Plan.
- 3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
- 4. These amendments do not require a vote of the people under Article XXVII of the City Charter.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 3. AMENDMENT TO CODE. Chapter 6 shall be added to Title 6 of the Redondo Beach Municipal Code and shall read as follows:

"Chapter 6 COMMERCIAL CANNABIS ACTIVITY

Section 6-2.00 Commercial Cannabis Retailer Permit Regulations.

Section 6-2-01 Definitions. The technical terms and phrases used in this Chapter are defined in Redondo Beach Municipal Code Section **10-2.1626**.

Section 6-2.02 Commercial cannabis permit required to engage in commercial cannabis activity. No person may operate a commercial cannabis business or engage in commercial cannabis activity within the City of Redondo Beach including cultivation, processing, manufacturing, testing, sale, delivery, distribution, or transportation of cannabis or a cannabis product unless the person (1) has a valid commercial cannabis retailer permit from the City of Redondo Beach; (2) has any and all valid state or local permits; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activity, including holding the necessary state licenses to engage in commercial cannabis activity.

6-2.03 Application Procedure.

- (a) The city may, in its sole discretion, approve and direct the issuance of a notice inviting applications, a request for applications, or similar solicitation inviting persons interested in operating commercial cannabis activities in the city to apply for a Development Agreement.
- (b) Whether to issue a solicitation for applications, and whether to approve or deny any such application shall be subject to the sole and absolute discretion of the City Council. The manner of accepting applications, the manner of application review, shall be determined by the City Manager or designee. The criteria utilized in evaluating or scoring any application for a Development Agreement shall be that specified in this ordinance, elsewhere in the Redondo Beach Municipal Code, or in the solicitation for applications issued by the City

Council. Subject to the discretion of the City Council, the solicitation may include provisions pertaining to: the information required to be submitted by applicants, including but not limited to the application information specified in the regulations for a license from the Department, the city's application review, vetting, and approval processes; the review and scoring criteria that will be utilized by the city in distinguishing among applicants; applicant background checks and verification requirements; conditions of approval; security features and requirements; operating guidelines, standards, limitations, and requirements; site improvement obligations; maintenance requirements; book, accounting, and record keeping requirements; and/or a draft Development Agreement.

- (c) A Development Agreement approved by the City Council is required before any person operates a retail site in the city. Said Development Agreement shall set forth the terms and conditions under which the commercial cannabis activities may be undertaken, in addition to the terms and conditions otherwise set forth in this ordinance. Subject to the agreement of any state Permittee and approval of the City Council, such additional terms and conditions of the Development Agreement may include, but are not limited to, public outreach and education requirements, community service requirements, the payment of mutually agreeable fees and charges, development and operating plans (including site plan, floor plan, and elevations), security measures, operating standards and procedures, site location and design standards, and such other terms and conditions as may be agreed upon by a Permittee and the City Council, as well as those that the City Council deems necessary to protect and promote the public health, safety, and welfare of the community.
- (d) In addition to a Development Agreement, no person shall operate a retail site until a conditional use permit has been approved by the planning commission or City Council. The application process for the conditional use permit shall be the same as is generally applicable to conditional use permits in the city, provided that a Development Agreement between the Permittee and the city shall be a condition precedent to approving a conditional use permit.
- (e) Nothing in this ordinance is intended or shall be construed as requiring the City Council to approve any Development Agreement(s) or to otherwise allow commercial cannabis activities in the city. No application for a Development Agreement will be accepted except during the times specified by the City Council in a solicitation for applications. The City Council's solicitation for, review of, and approval of any application for a Development Agreement is discretionary, and nothing in this ordinance is intended or shall be interpreted as rendering commercial cannabis activities a "by-right" land use in the city.

6-2.04 Fees and Charges.

(a) Each applicant or Permittee shall timely and fully pay all fees set forth in this ordinance. Failure of an applicant to pay the requisite fees is grounds for denial, and the failure of a Permittee to pay the requisite fees shall constitute a breach of the Development Agreement, and is grounds for revocation of the conditional use permit. Except as otherwise provided herein, the amount of each fee shall be established by resolution of the City Council.

- (1) Application fee to cover the city's costs incurred in the initial acceptance and review of an application for a Development Agreement, due and payable in full at the time an application is submitted.
- (2) Processing fee(s) to cover the costs incurred in the review, investigation, scoring, and/or selection of an applicant for the award of a Development Agreement shall be due and payable in full at the time an application is submitted. The city may charge a separate processing fee for each round of the application review and selection process. Such Agreement shall be granted in accordance with evaluation criteria specified by the City Council in a notice inviting applications, a request for proposal ("RFP"), or similar solicitation.
- (b) In addition to the fees specified in subsection (a), applicants and Permittees shall timely pay all other applicable fees, including, but not limited to, fees associated with processing applications for conditional use permits, Development Agreements, building permits, and plan checks, as well as the city's cost of preparing a Development Agreement.
- (c) In addition to the fees set forth in this ordinance, a Development Agreement may provide for a Permittee to pay the city a fair share contribution towards the city's costs incurred. Such costs may include, without limitation, enforcing the provisions of this ordinance, inspecting for and remediating any direct or secondary negative impacts of the commercial cannabis activities, and mitigating impacts to the city's existing public facilities caused by the commercial cannabis facility. If applicable, the remediation payments described in this ordinance shall be memorialized in a Development Agreement, and paid by a Permittee to the city in strict accordance with the terms thereof.

6-2.05 Development Agreement and Operating Standards.

- (a) Permittees, and the premises upon which commercial cannabis activities are operated, shall strictly comply with this ordinance, the Development Agreement, the conditional use permit, the Act, and anything else required by the Department or the State licensing authority. To the extent of a conflict among any of the foregoing, the more restrictive provision shall control unless a different intent is clear from context.
- (b) A fee of no more than 5% of gross receipts may be required in the Development Agreement. Such a fee shall be negotiated with Permittees and incorporated into the subsequent Development Agreement This fee is to sunset upon the establishment of a local commercial cannabis tax.
- (c) All premises where commercial cannabis activities are operated shall comply with the following minimum development and operating standards:
- (1) Commercial cannabis activities shall occur in a fully enclosed and permanent building, as described in this ordinance.

- (2) Persons under the age of twenty-one (21) shall be prohibited from the premises at all times, other than as lawful customers permitted under State law in the case of Medicinal cannabis retailers. If such retail establishment sells Medicinal cannabis, persons under the age of twenty-one (21) and over the age of eighteen (18) shall be permitted to enter the establishment only after verification that they possess a valid Medical Marijuana ID card.
- (3) A premises shall notify patrons of the following through the posting of a sign outside the premises posted in a conspicuous location near the entrance of the building:
- (i) That loitering on and around the premises is prohibited by California Penal Code § 647(e).
- (ii) That patrons must immediately leave the site upon concluding the reason for their visit, and may not consume cannabis or cannabis products on the premises.
 - (iii) That patrons may be subject to prosecution under federal law.
- (iv) That the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate machinery.
- (4) Permittees shall provide the name and phone number of an onsite staff person who shall be responsible for notification of any operational problems or emergencies associated with the premises or the operation thereof to the Police Department and City Manager.
- (5) All commercial cannabis businesses shall be operated within the specific part of the premises specified in the Development Agreement and/or conditional use permit. No commercial cannabis activities shall take place in an area exceeding the square footage authorized in the controlling Development Agreement, conditional use permit, or the licensee's license; whichever is most restrictive.
- (6) All exterior windows, doors, loading and unloading docks or bays, and any points of ingress or egress to the premises where the commercial cannabis business will be operated, shall be secured from unauthorized entry by commercial grade, nonresidential locks, and in a manner specifically approved by the Police Department. The exterior of each of the foregoing areas shall be illuminated during twilight hours.
- (7) The ingress and egress points of any storage areas for cannabis or cannabis products shall be locked and secured at all times, and shall be under the control of and accessible only to Permittee's authorized personnel as disclosed to the City.
- (8) Each Permittee shall implement a track-and-trace system, compliant with the Act, to record the chain of supply of cannabis or cannabis products from "seed-to-sale."

- (9) The exterior appearance of the premises, including but not limited to the design, color, landscaping, screening, architectural treatments, signage, and other such aesthetic features of the premises shall comply with the standards applicable to the underlying zoning district, as may be modified or supplemented through the Development Agreement and/or conditional use permit. Except as modified herein, or in a Development Agreement or conditional use permit, the premises shall comply with the development standards applicable to the underlying zoning district.
 - (10) A valid Development Agreement.
- (11) All exterior signage on the premises shall comply with city standards, the Development Agreement and/or conditional use permit. Should these provisions conflict, the terms of the Development Agreement shall control.
- (12) The exterior of the premises shall comply with the city's generally applicable lighting standards including, without limitation, fixture type, wattage, illumination levels, shielding; and associated approvals and permits.
- (13) All waste generated by or resulting from commercial cannabis activities shall be disposed of as required by law, and Pending disposal such waste shall be stored in a locked and secure area that is under the control of and accessible only to Permittee's authorized personnel.
- (14) On-site sales of alcohol or tobacco products, and consumption of food, alcohol, tobacco, cannabis, or cannabis products on the premises is strictly prohibited except that employees may eat in an area separate from the sales floor on their breaks.
- (15) The premises shall provide an odor absorbing ventilation and exhaust system so that odor generated inside the structure where commercial cannabis activities are taking place cannot be detected outside the structure, anywhere on adjacent property, public rights-of-way, or within any other unit or structure on the premises where commercial cannabis activities are not taking place.
- (16) Be provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage facilities for the intended purpose.
- (17) Whether or not Applicants have obtained a property for the purposes of their commercial cannabis business prior to their selection, shall have no bearing on their selection.
- (18) The Permit Administrator shall have the power and authority to promulgate rules, regulations, and requirements consistent with the provisions of this chapter and other law in connection with the issuance of a registration certificate. The Permit Administrator may designate an employee of his or her department to make decisions and investigate and act pursuant to this chapter.

6-2.06 No transfer or change in ownership of location.

- (a) Permittees may not sell, transfer, pledge, assign, grant an option, or otherwise dispose of, in whole or in part, their rights under or interest in a Development Agreement. It is strictly prohibited for any Owner to sell, transfer, pledge, assign, grant an option, or otherwise dispose of, in whole or in part, their ownership interest in the licensed cannabis business for a minimum period of three (3) years from the start of operation. No Permittee may allow for a separate entity to manage or operate their business or act as their agent in their place. Permittee may only transfer ownership after the initial period of time and with prior discretionary approval of the City Council. Before approving any such request, City may require the purchaser, assignee, or transferee to provide the same information and materials that are required of an initial applicant, including the payment of associated fees.
- (b) Before exercising any rights under a Development Agreement, Permittees shall demonstrate proof of lawful possession of the premises where commercial cannabis activities are proposed to take place. Such evidence shall consist of properly executed deeds of trust, leases, licenses, or similar documents evidencing the Permittee's right to possession and use of the premises. Subject to the criteria specified by the City Council in its solicitation for applications, a Development Agreement shall be awarded contingent upon an applicant's subsequent identification of a premises that is acceptable to the City; or, subject to an applicant's provision of an option, letter of intent, or similar instrument executed by the current owner of the proposed premises in favor of a Permittee or applicant, authorizing commercial cannabis activities to be operated therein.
- (c) Commercial cannabis activities may only take place within the area, building, structure, and portion of the premises that is specifically described in Development Agreement and/or conditional use permit. A Permittee shall not relocate, move, or otherwise alter the location of its operations from the specific area so identified without obtaining prior approval from the City; regardless of any possessory interest or right to possession to such additional areas. No Permittee shall add additional or contiguous units or areas, thereby altering the initially approved premises, without prior approval of the City Council.
- (d) Permittee shall not sublet, transfer, or otherwise assign any portion of any approved premises for any purpose, unless the City Council grants prior approval of such amendment.
- (e) Permittee shall not make any physical change, alternation, or modification to the approved premises that, in the opinion or discretion of the building official, materially or substantively alters the location or usage of the premises from the plans approved in the Development Agreement and/or conditional use permit, without the advanced approval of the City Council. For purposes of this subsection, the phrase "materially or substantively alters" shall mean any physical change, alternation, or modification to the area of the premises identified in the Development Agreement or conditional use permit for the operation of commercial cannabis activities that either: (1) increases the capacity or scope of commercial cannabis activities by five percent (5%) or more; or (2) requires a building permit.
 - (f) Permittees shall not have a common owner.

6-2.07 Minimum Security Requirements.

(a) Permittees shall comply with the security standards and requirements set forth in this ordinance, the Development Agreement, the conditional use permit, and the Act. If any of the foregoing are inconsistent, the most restrictive provision shall control unless a different intent is clear from context.

(b) Security Standards are as follows:

- (1) Owner shall establish a security system that prevents individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business and establishing limited access areas accessible only to authorized commercial cannabis business personnel.
 - (2) Panic buttons shall be installed in all commercial cannabis

businesses.

(3) Sensors shall be installed to detect entry and exit from all secure

areas.

- (4) Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- (5) All Security Personnel shall be vetted through and approved by the Police Department.
- (c) All Premises where commercial cannabis activities are operated and their personnel shall comply with the following minimum security standards:
 - (1) Security Cameras.
- a. Security cameras shall be installed and maintained on the premises in a good working condition, and shall be capable of producing digitally recorded documentation in a format approved by the Police Department.
- b. All security cameras on the premises shall be in use twenty-four (24) hours per day, seven (7) days per week. Permittees are responsible for ensuring that all surveillance equipment is properly functioning and maintained so that the playback quality is suitable for viewing and the surveillance equipment is capturing the identity of all individuals and activities in the monitored areas.
- c. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage.
- d. The areas of the premises to be covered by the security cameras include, but are not limited to: (1) all storage areas for cannabis or cannabis products; (2) all areas where commercial cannabis activities are operated; (3) each location where weighing, packaging, transport, preparation, or tagging activities occur; (4) the interior and exterior of all points of ingress or egress to storage areas; (5) all doors and windows; (6) loading and unloading bays, the interior and exterior of all points of ingress or egress to the structure on the premises where commercial cannabis activities are operated, and (7) all points of ingress or egress to the premises.

- e. Surveillance recording equipment must be housed in a designated, locked, and secured room or other enclosure with access limited to authorized employees or local law enforcement agencies for appropriate purposes.
- f. All entrances and exits to the facility shall be recorded from both indoor and outdoor vantage points.
- g. At least one camera shall be dedicated to recording the access points to the secured surveillance recording area.
- h. Permittees shall keep a current list of all authorized employees and personnel who have access to the surveillance system and/or room on the premises.
- i. Permittees shall keep a surveillance equipment maintenance activity log to record all service activity, including the identity of the individual performing the service, the service date and time, and the reason for service. Such records shall be maintained on the premises and shall be made available to the city upon request.
- j. The system shall be capable of recording all pre-determined surveillance areas in any lighting conditions.
- k. Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, cameras capable of meeting the requirements described in this ordinance, video monitors, digital archiving devices, a color printer, and the capability to produce still color photograph from any camera image, live or recorded. The date and time shall be embedded on all surveillance recordings without significantly obscuring the picture. The time on the surveillance video is to be measured in accordance with the official United States time established by the National Institute of Standards and Technology and the U.S. Naval Observatory.
- I. Video surveillance systems must be equipped with a failure notification system that provides prompt notification of any prolonged surveillance interruption and/or the complete failure of the surveillance system to the Permittee and Police Department.
- m. All surveillance recordings must be kept for a minimum of ninety (90) days and be in a format that can be easily accessed for viewing. Video recordings must be archived in a format that ensures authentication of the recording as a legitimately captured video, and ensures no alteration of the recorded image has taken place.
- n. After the ninety-day (90) surveillance video retention period has lapsed, surveillance video recordings must be erased or destroyed prior to being discarded or disposed of for any other purposes. Surveillance video recordings may not be destroyed if the permitee(s) knows, or should have known of a pending criminal, civil, or administrative investigation, or any other proceedings for which the recording may contain relevant information.
- o. Upon request, Permittees shall make available to the Police Department or local law enforcement agency, for law enforcement purposes, all information related to security alarm systems, recordings, monitoring, and/or system activity.
- p. Permittees may utilize off-site monitoring and video recording storage, or an independent third-party service, to satisfy the requirements of this ordinance, provided the standards exercised at the remote location meet or exceed all standards for onsite monitoring set forth herein.
- q. The cannabis business shall be responsible for ensuring that the security surveillance camera footage is compatible with the city's software and hardware and remotely accessible by the Chief of Police. Alarm systems shall send real time alerts directly to the Police Department.

- (2) Alarm System.
- a. The premises shall be equipped with a reliable, commercial alarm system that is operated and monitored by a security company or alarm business twenty-four (24) hours a day, seven (7) days a week, operating in full compliance with this ordinance.
- b. Permittees shall maintain on the premises up to date and current records and existing contracts with third party alarm system or security services providers that: (1) describe the location and operation of each security alarm system, (2) a schematic of security zones, (3) the name of the alarm company, and, if different from the name of the alarm company, (4) the name of any vendor monitoring the premises.
- c. At a minimum, the alarm system shall monitor all exterior points of access into the structure on the premises where commercial cannabis activities are operated, including but not limited to windows and doors.
- (3) Security Guard. At all times a premises is open to the public, at least one security guard shall be present who is licensed, possesses a valid department of consumer affairs "security guard card".
- (4) Records. All records applicable to the surveillance system, alarm system, and track-and-trace system shall be maintained on the premises, and available for inspection upon request by the Police Department or other local law enforcement personnel for law enforcement purposes or to ensure compliance with this ordinance, the Act, or the Regulations.
- **6-2.08 County Health Permit.** The City shall work with The County of Los Angeles to adopt the county's Cannabis Compliance and Enforcement Program and require the city's cannabis Permittees to obtain the county's health permit prior to operation.

6-2.09 Criminal Penalties.

- (a) Any violation of any provision of this ordinance shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.
- (b) Separate offenses for each day. Any person who violates any provision of this ordinance shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.
- (c) Use or activity prohibited by State law. Nothing in this ordinance shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law

6-2.10 Violations.

(a) The city may initiate abatement proceedings as authorized by this ordinance or state law to correct or cure any violation of this ordinance. The city shall be entitled to recover its courts costs and reasonable attorneys' fees in the event of a court order or judgment of abatement is entered in favor of the city.

- (b) Any person violating any of the provisions of this ordinance shall be guilty of a misdemeanor.
- (c) The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.
- (d) Violations declared a public nuisance. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.
- **6-2.11 Audits.** No later than February 15 of every calendar year, each Permittee shall file with the city one copy of an audit of its operations for the previous calendar year, completed and certified by an independent certified public accountant in accordance with generally accepted auditing and accounting principles. The audit shall include, but not be limited to, a discussion, analysis, and verification of each of the records required to be maintained pursuant to this ordinance.

6-2.12 Records.

- (a) Permittees shall maintain records at the premises accurately and truthfully documenting the following:
- (1) Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the full names, address, and telephone number) of anyone owning, holding an interest in or managing the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the city manager or his/her designee upon a reasonable request.
- (2) All receipts of the premises, including but not limited to all payments, purchases, contributions, reimbursements, and reasonable compensation, whether in cash or in kind, concerning commercial cannabis activities, whether among licensees or otherwise.
- (3) Commercial cannabis businesses must record all commercial cannabis activity in the track and trace system as required by state law.
- (4) Proof of compliance with the Act and regulations, including but not limited to the license issued by the Department authorizing a Permittee to operate commercial cannabis activities on the premises.
- (5) Any other required documentation described in the Development Agreement required to be maintained on the premises.
- (6) The foregoing records shall be maintained by Permittees for a period of seven (7) years and shall be made available by the Permittee to the Police Department, other local law enforcement, or the city manager upon request. If such records are not produced as requested, the city may seek a search warrant, subpoena, or court order to compel access thereto. The records shall be stored at the premises in a manner capable of being reproduced promptly and accurately. Any loss, damage or destruction of the records shall be reported to the Police Department within twenty-four hours.

(b) Upon institution of a city-wide cannabis tax or fee, it shall be the duty of every owner and operator of a commercial cannabis business to keep all records as may be necessary to determine the amount of tax or fees due hereunder and shall preserve the same for a period of four years. The Finance Director shall have the right to inspect such records at all reasonable times. The Finance Director shall determine the mode and method of recordkeeping required to assist the tax or fee collector to perform the duties required of him under this section. At the time of permit renewal, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the Finance Director. The Finance Director shall be authorized to engage a third-party to perform such audit(s).

6-2.13 Compliance with laws.

Nothing in this chapter shall be construed as authorizing any actions that violate state or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable state and local laws, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis permit. Nothing in this chapter shall be construed as authorizing any actions that violate state law regarding the operation of a commercial cannabis business. Except as otherwise provided herein, this ordinance incorporates the requirements of the Act. In the event of any conflict between the provisions of this ordinance and the provisions of the foregoing, the more restrictive provision shall control.

- **6-2.14 Interpretation.** The provisions of this ordinance shall be read to be consistent with all the provisions of state and local law, and their implementing regulations, as well as the other provisions of this ordinance.
- **6-2.15 Severability.** Should any provision of this ordinance, or its application to any persons or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

6-2.16 Limitation of Liability

- (a) To the fullest extent permitted by law, the city shall not assume any liability whatsoever, with respect to receiving, reviewing, processing, denying, or approving any application to operate commercial cannabis activities under this ordinance.
- (b) As a condition of submitting an application for a Development Agreement, and as a further condition of approval, each applicant or Permittee, as applicable, shall: (1) agree to indemnify the city and its elected and appointed officers, employees, and representatives, from and against any claims, damages, injuries, or liabilities of any kind relating to or arising from an application, the city's denial or approval of an application, or the

operation of commercial cannabis activities; (2) waive any and all claims, damages, injuries, or liabilities of any kind against the city and its elected and appointed officers, employees, and representatives; (3) agree to defend, at its sole cost and expense, any action against the city and/or its elected and appointed officers, employees, and representatives, relating to or arising from an application, denial or approval of an application, or the operation of a commercial cannabis activity; and (4) agree to reimburse the city for any court costs and attorneys' fees (with legal counsel of the city's choice) incurred in any legal challenge relating to an application, the denial or approval of any application, or the operation of a commercial cannabis activity.

6-2.17 Suspension, revocation or modification of permits.

- (a) Commercial cannabis permits may be suspended, revoked or modified for any violation of any state or local law and/or any rule, regulation, and/or standard adopted pursuant to this chapter or in this Code, whether committed by the Permittee or any employee or agent of the Permittee.
- (b) A decision of the city to suspend, revoke or modify a commercial cannabis permit is appealable to a hearing officer and any appeal must be filed with the city manager at least ten (10) working days prior to the commencement date of the permit revocation or modification.
- (1) The City Clerk shall not accept an appeal, and no hearing shall be held, unless the appellant has paid a filing fee, in an amount set by resolution of the City Council, to defray the cost of such appeal. Any appeal without the timely payment of fees shall be considered to be untimely.
- (2) The scope of the appeal hearing pursuant to this section shall be limited to those issues raised by the appellant in the written appeal, as submitted pursuant to subsection (a) of this section.
- (3) Upon receipt of a timely filed appeal, the City Clerk shall set the matter for hearing before the City Manager. The hearing shall be held not fewer than fifteen (15) calendar days and not more than thirty (30) calendar days from the date of the appeal request. The hearing may be continued from time to time upon the mutual consent of the parties.
- (4) The appellant shall be provided with notice of the time and place of the appeal hearing, as well as a copy of all relevant materials at least fifteen (15) calendar days prior to the hearing.
- (5) An appeal shall stay all proceedings in furtherance of the appealed action. following appeal, the decision of the hearing officer may be appealed to the city council. A decision of the city council shall be the final decision of the city.
- (c) Any premises, or portion of a premises, for which the cannabis public health permit has been suspended or revoked shall close, cease doing business, and remain closed until the cannabis Health Permit has been reinstated or reissued by the City Health Officer.
- (d) Additionally, when there is an imminent threat to public health, safety or welfare, the city manager or his/her designee, may take immediate action to temporarily suspend a commercial cannabis permit issued by the city, pending a hearing before the city

manager or his/her designee within ten (10) working days of suspension. The decision of the City Manager may be appealed to the City Council, whose decision shall be final."

SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 6. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 2nd day of August, 2022.

	William C. Brand, Mayor
APPROVED AS TO FORM:	ATTEST:
Michael W. Webb, City Attorney	Eleanor Manzano, City Clerk

ATTEST:		
STATE OF CALIFORNIA COUNTY OF LOS ANGELES CITY OF REDONDO BEACH)))	SS
Ordinance No. 3233-22 was intro 19th day of July, 2022, and appro Beach, California, at a regular n	oduced and oved and oved and oved and oved and over and o	of Redondo Beach, California, do hereby certify that at a regular meeting of the City Council held on the diadopted by the City Council of the City of Redondo of said City Council held on the 2nd day of August, ed by the Mayor and attested by the City Clerk, and ollowing vote:
AYES:		
NOES:		
ABSENT:		
ABSTAIN:		
Eleanor Manzano, CMC City Clerk		

ORDINANCE NO. 3234-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES INLAND ZONES OF THE CITY

WHEREAS, on November 8, 2016, Proposition 64, the Control, Regulate, and Tax Adult Use of Cannabis Act ("AUMA") became law; and

WHEREAS, the AUMA regulates, among other items, the use of cannabis for personal and commercial purposes, including the recreational use of cannabis by adults over 21 years of age; and

WHEREAS, the personal use aspects of the AUMA were adopted as state law in California Health and Safety Code Section 11362.1, et. seq., which makes it "lawful under state and local law" for persons 21 years of age or older to "possess, process, transport, purchase, obtain, or give away to persons 21 years of age or older without any compensation whatsoever" up to 28.5 grams of cannabis in the form of concentrated cannabis contained in cannabis products; and

WHEREAS, the AUMA made it lawful for those individuals to "possess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants; and

WHEREAS, cannabis plants, as they begin to flower and for a period of two (2) months or more, produce a strong odor, which can be detectable far beyond property boundaries if grown outdoors; and

WHEREAS, the AUMA made it lawful for individuals above the age of 21 to smoke or ingest cannabis or cannabis products other than in public places, vehicles, within 1000 feet of schools day care centers or youth centers while children are present, or anywhere that the smoking of tobacco products is already prohibited; and

WHEREAS, the AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of cannabis inside a private residence or inside an "accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure" and to completely prohibit outdoor cultivation on the grounds of a private residence, up to and until a "determination by the California Attorney General that nonmedical use of cannabis is lawful in the State of California under federal law"; and

WHEREAS, to regulate commercial use of cannabis, the AUMA would add Division 10 (Cannabis) to the Business & Professions Code, which grants state agencies "the exclusive authority to create, issue, renew, discipline, suspend, or revoke" licenses for businesses

ORDINANCE NO. 3234-22 ADDING CHAPTER * TO TITLE * OF THE REDONDO BEACH MUNICIPAL CODE

PAGE NO. 1

including the transportation, storage, distribution, sale, cultivation, manufacturing, and testing of cannabis; and

WHEREAS, the AUMA provides for the creation of the Bureau of Cannabis within the Department of Consumer Affairs, which shall promulgate cannabis regulations as will the Department of Food and Agriculture and he Department of public health and the state may begin issuing licenses under Business and Professions Code Division 10 beginning January 1, 2018; and

WHEREAS, under the Federal Controlled Substances Act, the use, possession, and cultivation of cannabis are unlawful and subject to federal prosecution without regard to state permissions such as the AUMA or a claimed medical need pursuant to the MMRSA; and

WHEREAS, the California Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use recognizes that the cultivation or other concentration of cannabis in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering or crime; and

WHEREAS, based on the experiences of other cities, these negative effects on the public, health, safety, and welfare must be studied prior to the establishment and operation of cannabis cultivation, processing, testing, and distribution uses; and

WHEREAS, based on the findings above, the potential personal cannabis cultivation and use and the possible establishment of commercial cannabis cultivation, processing, testing, transportation, sales and other uses in the City without regulation may pose threat to the public health, safety, and welfare in the City if it is not properly regulated due to the negative land use and other impacts as described above; and

WHEREAS, because the state commercial provisions of the AUMA take effect on January 1, 2018, the City must disallow commercial cannabis activities in order to ensure that local regulations are promulgated and local control maintained; and

WHEREAS, the AUMA states that a local jurisdiction shall not prevent transportation of cannabis of cannabis or cannabis products on public roads by a licensee transporting cannabis or cannabis products in compliance with Division 10; and

WHEREAS, the "Medical Cannabis Regulation and Safety Act" ("MMRSA") which took effect January 1, 2016, regulates use of cannabis for medical purposes and the City of Redondo Beach adopted Ordinance No. 3152 which promulgated local regulations in accordance with the MMRSA, effective May 5, 2016; and

WHEREAS, the City's Municipal Code does not currently address some of the uses that have become legal pursuant to the passage and adoption of the AUMA and subsequent amendment by SB 94; and

WHEREAS, in response to the enactment of SB 94, the proposed amendment to the Redondo Beach Municipal Code combines medical and recreational cannabis regulations on a local level; and

WHEREAS, on November 8, 2016 the City Council adopted a temporary moratorium on cannabis uses legalized by the passage of Proposition 64, hereinafter referred to as the Adult Use of Cannabis Act (or "AUMA") and directed City staff to begin working on permanent AUMA regulations; and

WHEREAS, on December 19, 2016, that moratorium expired by operation of law; and

WHEREAS, on April 20, 2017 the Planning Commission held a noticed public hearing and took public testimony regarding regulatory options surrounding commercial and personal use of cannabis in the City of Redondo Beach (or "City") pursuant to the passage of the AUMA; and

WHEREAS, on May 18, 2017, the Planning Commission continued the public hearing and after further public input and discussion the Commission directed City staff to return with resolutions recommending the adoption of:

- (1) an ordinance restricting outdoor personal cultivation to secured locations or lockable out buildings only;
- (2) an ordinance disallowing all commercial cannabis activities in the City of Redondo Beach to allow staff to study and create appropriate guidelines for the operation of commercial cannabis facilities in the City;
- (3) an amendment to the City's existing medical cannabis regulations to allow the delivery of medical cannabis to qualified patients in the City; and

WHEREAS, in order to create comprehensive and cohesive local system of commercial cannabis regulations, the City enacted a temporary ban while City staff and the Cannabis Taskforce studied all aspects of permitted commercial cannabis activities; and

WHEREAS, on October 5, 2021 the Cannabis Steering Committee presented their findings to the City Council; and

WHEREAS, on January 18, 2022, the City Council considered the draft cannabis ordinance and proposed storefront and delivery citing parameters and buffer maps made suggested changes for staff to review; and

WHEREAS, on March 3, 2022 the Planning Commission considered the draft commercial cannabis regulations and zoning amendments and made recommendations to the Council for consideration; and

WHEREAS, passing a City Council sponsored commercial cannabis ordinance would maintain the City's ability to develop important policy positions, business and land use regulations, and health and safety permits to preserve the quality of life that Redondo's residents, visitors and business community desire and expect; and

WHEREAS a critical companion to this ordinance is a City Council sponsored measure to adopt a Cannabis Business Tax, without the passage of which the City would be financially unable to address the secondary effects of commercial cannabis businesses; and

WHEREAS, this Ordinance is necessary to provide the City of Redondo Beach Police Department clearly established legal authority to protect the public and deter potential criminal cannabis activity; and

WHEREAS, staff made some of those changes and is leaving it to the City Council's discretion to make any of the other suggested amendments or their own changes to this and the other two (2) proposed ordinances; and

WHEREAS, on May 10, 2022, the City Council reviewed draft amendments and directed staff to make changes in addition to engaging an outside consultant to review the ordinances; and

WHEREAS, this ordinance reflects the direction received from the Council and the consultant.

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

SECTION 1. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

SECTION 2. FINDINGS

- In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption under Section 15060(c)(2) because the activity will not result in direct or reasonable foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.
- 2. The amendments to the Zoning Ordinance are consistent with the General Plan.
- 3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
- 4. These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 3. AMENDMENT TO CODE. Title 10, Chapter 2, Section 10-2.1626 of the Redondo Beach Municipal Code shall be amended to read as follows:

"10-2.1626 Marijuana regulations.

(a) **Purpose and findings.** The City Council finds that it is in the interest of public health, safety, and welfare of the residents and businesses within the City to responsibly regulate and allow for commercial cannabis activities in the City of Redondo Beach.

(b) **Definitions**.

- (1) **"A-license"** means a State license issued under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician's recommendations.
- (2) "A-licensee" means any person holding a license under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician's recommendations.
- (3) "Act" shall mean the California Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), as in Business and Professions Code Section 26000 et seq., as amended from time to time
- (4) "**Applicant**" shall mean and refer to a person applying for a Development Agreement pursuant to this ordinance.
- (5) **"Cannabis"** For the purpose of this section "cannabis" and "cannabis" shall have the same meaning.
- (6) "Cannabis accessories" means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.
- (7) "Cannabis product" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.
- (8) "Cannabis retailer" means a commercial cannabis business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the City of Redondo Beach authorizing the operation of a retailer, and a valid state license as required by state law to operate as a retailer.
- (9) "Caregiver" or "Primary caregiver" has the same meaning as the term is defined in Section 11362.7 of the State Health and Safety Code.
 - (10) "City" means the City of Redondo Beach.
- (11) "City Council" or "Council" means the City Council of the City of Redondo Beach.
- (12) "City Manager" means the City Manager of the City of Redondo Beach or his or her designee(s).
- (13) **"Commercial cannabis activity"** includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, distribution, delivery or sale of cannabis and cannabis products.
- (14) "Commercial cannabis permit" means the permit issued by the City under RBMC Section 6-2.00.

- (15) **"Conditional Use Permit"** means the permit issued by the City under RBMC Section 10-5.2506.
- (15) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- (16) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded or trimmed, or a location where any combination of those activities occurs.
- (17) "Customer" means a natural person twenty-one (21) years of age or over or a natural person eighteen (18) years of age or older who possesses a physician's recommendation.
- (18) "Day care center" means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.
- (19) "**Delivery**" means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer (or a microbusiness engaging in retail sales).
- (20) "Department" means the Department of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Cannabis Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Cannabis Regulation.
- (21) "Development Agreement" means a contract between the City of Redondo Beach and the selected applicant.
- (22) "Dispensary" or "storefront retailer" means a location where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products.
- (23) "**Distribution**" means the procurement, sale, and transport of cannabis and cannabis products between licensees.
- (24) "Edible cannabis product" means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Section 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code.
- (25) "Gross receipts" means, except as otherwise specifically provided herein, whether designated as a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, and property of any kind or nature) received or payable for sales of goods, wares, or merchandise without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor, or service costs, interest paid or payable, losses, or any other expense whatsoever. However, the following shall be excluded from gross receipts:
 - (a) Cash discounts where allowed and taken on sales;
- (b) Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- (c) Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

- (d) Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;
- (e) Cash value of sales, trades, or transactions between departments or units of the same business;
- (f) Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a given year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered; and
- (g) Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar.
- (26) "**Hearing officer**" means the City Manager or his/her designee, who shall preside over administrative hearings.
- (27) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- (28) "Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container, that holds a State license pursuant to this section.
- (29) "Cannabis" or "cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this section, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.
- (29) "**Medicinal cannabis**" means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), California Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician's recommendation.
- (30) "**Medicinal delivery**" means the commercial transfer of medicinal cannabis to a customer that possesses a physician's recommendation. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this section that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.
- (31) "Nursery" means a license that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

- (32) "Operation" means any act for which any State or local licensure is required under the provisions of this section or any commercial transfer of cannabis or cannabis products.
 - (33) "Owner" means any of the following:
- (a) A person with an aggregated ownership interest of twenty (20%) percent or more in the person or entity applying for a license or a licensee, unless such interest is solely in security, lien, or encumbrance.
- (b) The chief executive officer or a member of the board of directors of a nonprofit organization.
- (c) An individual who will be participating in the direction, control, or management of the person or entity applying for a license.

 "Owner" means any of the following:
- 1. All persons identified as an "owner" on any permit, license, or other authorization issued by a state agency or local government which authorizes the persons to establish and operate the cannabis facility.
- 2. Any person identified or required to be identified as an "owner" on an application filed with any state agency and any local government, wherein the application requests the privilege to operate the cannabis facility.
- 3. If no person under subsection 1 or 2, above, exists:
- a. A person with an aggregate ownership interest of 20 percent or more in the corporate entity, partnership, or other business entity applying for a permit or a Permittee, unless the interest is solely a security, lien, or encumbrance.
- b. The chief executive officer of a nonprofit or other entity.
- c. A member of the board of directors of a nonprofit.
- d. An individual who will be participating in the direction, control, or management of the person applying for a permit. A member of the board of directors of a nonprofit.
- e. An individual who will be participating in the direction, control, or management of the person applying for a permit.
- (34) "Package" means any container or receptacle used for holding cannabis or cannabis products.
- (35) "Permit Administrator" means the Community Development Director or designee.
- (36) "**Permittee**" means a person who has obtained a commercial cannabis permit from the city to operate a cannabis business.
- (37) "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- (38) "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.
- (39) "**Premises**" means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted
- (40) "**Private residence**" means a house, an apartment unit, a mobile home, or other similar dwelling.

- (41) "**Purchaser**" means the customer who is engaged in a transaction for purposes of obtaining cannabis or cannabis products.
- (42) "Qualified delivery service" is one that has been licensed pursuant to the requirements of California Business and Professions Code Section 26050, maintains at all times while operating in the City of Redondo Beach all necessary State licenses, and operates in compliance with State and local law.
- (43) "Sell," "sale," and "to sell" includes any transaction whereby, for any consideration, title to cannabis is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom such cannabis or cannabis product was purchased.
- (44) "State license" means a State license issued under this section, and includes both an A-license and an M-license, as well as a testing laboratory license.
- (45) "State licensee" means any person holding a license under this section, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.
- (46) "State licensing authority" means the State agency responsible for the issuance, renewal, or reinstatement of the license, or the State agency authorized to take disciplinary action against the licensee.
- (47) "**Testing laboratory**" means a laboratory, facility, or entity in the State that offers or performs tests of cannabis or cannabis products and that is both of the following:
- a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
 - b. Licensed by the Department.
- (48) **"Testing service"** means a laboratory, facility, or entity in the State, that offers or performs tests of cannabis or cannabis products, including the equipment provided by such laboratory, facility, or entity, and that is both of the following:
- a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
 - b. Registered with the State Department of Public Health.
- (49) "Youth center" means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

(c) Commercial cannabis activities prohibited unless specifically authorized by this chapter.

- (1) It shall be unlawful for any person to operate, cause, allow, assist, participate in, engage in, or in any way conduct any commercial cannabis activity within the city, including but not limited to the cultivation, delivery, distribution, manufacture, testing, transport, retail, microbusiness, purchase, sale, testing, distribution, giving away, or otherwise transferring of cannabis or cannabis products, or any other activities for which a license is available except in compliance with the provisions of Section (c)(2) below.
- (2) The prohibitions of subsection (a) shall not apply to the following persons, provided said person operates in strict accordance with State and local regulations:

- a. A clinic, licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code;
- b. Health care facility, licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code;
- c. A residential care facility for persons with chronic life-threatening illness, licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code;
- d. A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code;
- e. A residential hospice or home health agency, licensed pursuant to Chapter 8 of the Health and Safety Code;
 - f. Personal indoor cultivation in compliance with this ordinance;
- g. A licensee's transportation of cannabis or cannabis products on public roads pursuant to subsection (b) of Section 26080 or subsection (e) of Section 26090 of the Business and Professions Code, as the same may be amended from time to time, provided the licensee is permitted or approved to operate by the local jurisdiction in which the licensee's facilities are physically located;
- h. A Permittee authorized to engage in retail activities under this ordinance, provided that said person has entered into a Development Agreement with the city, has been granted a conditional use permit, has been issued the requisite license from the Department, and otherwise complies, at all times, with the provisions of this ordinance.
- (3) Until the City establishes a local commercial cannabis tax, the City hereby expressly prohibits the delivery of cannabis and cannabis products within the City except by cannabis retailers based within the City. If the City is required by State law to permit the delivery of cannabis and cannabis products by cannabis retailers not based within the City, such cannabis retailers not based within the City shall be required to comply with the provisions in this ordinance, including, but not limited to, the City commercial cannabis business permit application and approval processes under the ordinance.
- (4) Delivery of medicinal cannabis and medicinal cannabis products to qualified patients and their primary caregivers by state licensee cannabis businesses, is permitted within the City until a retailer issued a commercial cannabis business permit.

(5) Individual cultivation restrictions.

- a. No person shall plant, cultivate, harvest, dry, or process more than six (6) cannabis plants or permit more than six (6) cannabis plants to be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence at one time.
- b. Personal cultivation permitted under Health and Safety Code Section 11362.2, as amended from time to time, must occur in a secured indoor location or outdoors within a locked structure upon the growers own property, or a property to which they have explicit authority to access, and in an area that is not visible from a public right-of-way.

(6) Commercial cannabis retailer regulations.

a. **Cannabis Retailer Permit Required.** A cannabis retailer must obtain and maintain at all times a valid Commercial Cannabis permit as required pursuant to Redondo Beach Municipal Code Title 6, Chapter 6.

b. Conditional Use Permit and Zoning.

(1) A Conditional Use Permit is required to establish a cannabis business or operate as a cannabis retailer. Cannabis retailers shall be required to comply with all zoning, land use, and

- development regulations applicable to the zoning district in which they are permitted to establish and operate such business as set forth in the Redondo Beach Municipal Code.
- (2) The cannabis retailer is not required to obtain a Conditional Use Permit prior to applying for a Commercial Cannabis Permit.
- (3) If a cannabis retailer is authorized by Conditional Use Permit to operate a cannabis business on a particular site and such operation is discontinued for a continuous period of 12 months, the Conditional Use Permit expires for discontinuance of use and thereafter is void.
- c. **Number of Retailers**. No more than two (2) sites may be used for storefront commercial cannabis retailers at any time. Those sites maybe concurrently licensed to provide Delivery.

d. Location Requirements.

A. Cannabis retailers shall be permitted only in commercial and industrial zones, specifically limited to the C-1, C-2, C-2A, C-2B, C-2PD, C-3, C-3A, C-3B, C-3PD, C-4, C-4A, C-4B, C-4PD, C-5A, CR, I-1, I-1A, I-1B, I-2, I-2A, and IC-1 zones. Cannabis retailers are prohibited in Coastal Commercial zones. Cannabis retailers are prohibited in any public-institutional zones and zones where residential is permitted.

B. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer.

C. No retailer shall be established or located within 1,500 feet of any public or private high school or middle school, measured from the nearest property lines of each of the affected parcels.

D. No retailer shall be established or located within 600 feet from public or private elementary schools, day cares, and youth centers, measured from the nearest property lines of each of the affected parcels.

E. Each Council District shall only have one (1) cannabis retail

F. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance or from the date of the violation, whichever is later.

e. **Operating Requirements**. In addition to those operating requirements specifically set forth in Section 6-2.05, the following operating requirements shall apply to all cannabis retailers operating in the City of Redondo Beach:

A. Hours of Operation. Storefront retail sales may be open for access to the public between the hours of 9:00 a.m. and 10:00 p.m., Monday through Sunday. Delivery hours shall be limited to between the hours of 6:00 a.m. and 10:00 p.m., Monday through Sunday.

B. Commercial cannabis activities may only operated within a fully enclosed and permanent building. For purposes of this ordinance, the phrase "fully enclosed and permanent building" shall mean a structure having a roof that is enclosed on all sides and is intended and has a useful life appropriate for long-term use, as contrasted with a "temporary building" that is not designed or intended to be permanently located, placed, or affixed to the premises.

ORDINANCE NO. 3234-22 AMENDING TITLE 10, CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH MUNICIPAL CODE REGULATING COMMERCIAL CANNABIS ACTIVITY IN INLAND ZONES PAGE NO. 11

site.

- C. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance.
- D. Notwithstanding the requirements of Section 6-2.07, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.
- E. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.
- F. Delivery services are permitted in association with a Cannabis Retailer. Delivery of cannabis shall be permitted in compliance with provision (c)(2)(h) of this Section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to State law and pursuant to Redondo Beach Municipal Code. Delivery of cannabis from a retailer permitted pursuant to this Section can only be made in a City of County that does not expressly prohibit it by ordinance.
- (e) **Public nuisance.** Any use or condition caused, or permitted to exist in violation of any provision of this section within the City limits of the City of Redondo Beach is declared to be a public nuisance and may be abated by the City either pursuant to Title 4, Chapter 10 of Redondo Beach Municipal Code or any available legal remedies, including, but not limited to, civil injunctions.
- (f) **Criminal penalties.** Any violation of any provision of this section shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.
- (g) **Separate offense for each day.** Any person who violates any provision of this section shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.
- (h) **Use or activity prohibited by State law.** Nothing in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law."
- SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 6. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 2nd day of August, 2022.

	William C. Brand, Mayor
APPROVED AS TO FORM:	ATTEST:
Michael W. Webb, City Attorney	Eleanor Manzano, City Clerk

ATTEST:						
STATE OF CALIFORNIA COUNTY OF LOS ANGELES CITY OF REDONDO BEACH)))	SS				
I, Eleanor Manzano, City Clerk of to Ordinance No. 3234-22 was introduced 19th day of July, 2022, and approximately Beach, California, at a regular med 2022, and there after signed and that said Ordinance was adopted by	duced a ved and eeting o approve	at a regular I adopted by of said City ed by the M	meeting of the City of Council he layor and a	of the City Council of eld on the	Council h the City o 2nd day	eld on the of Redondo of August,
AYES:						
NOES:						
ABSENT:						
ABSTAIN:						
Eleanor Manzano, CMC City Clerk						



Administrative Report

L.1., File # 22-3838 Meeting Date: 7/19/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING FOR INTRODUCTION AND FIRST READING OF ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10, CHAPTER 2, ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

PROCEDURES:

- 1. Open public hearing and take testimony;
- 2. Close public hearing and deliberate; and
- 3. Introduce the following three ordinances and adopt the following resolution:

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3233-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING CHAPTER 6 TO TITLE 6 OF THE REDONDO BEACH MUNICIPAL CODE TO REGULATE COMMERCIAL CANNABIS BUSINESSES

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3234-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES INLAND ZONES OF THE CITY

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3235-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 5 SECTION 10-5.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES IN COASTAL ZONES OF THE CITY

ADOPT BY TITLE ONLY RESOLUTION NO. 2207-056 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, REQUESTING CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION OF AMENDMENTS TO THE COASTAL LAND USE PLAN IMPLEMENTATION ORDINANCE (TITLE 10, CHAPTER 5 OF THE MUNICIPAL CODE) CONSISTENT WITH STATE LAW, WHICH IS INTENDED TO BE CARRIED OUT IF A MANNER FULLY IN CONFORMITY WITH THE COASTAL ACT; AND PROVIDING THAT THE AMENDMENTS TO THE CITY'S LOCAL COASTAL PROGRAM WILL TAKE EFFECT AUTOMATICALLY UPON COASTAL COMMISSION APPROVAL PURSUANT TO PUBLIC RESOURCES CODE SECTION

L.1., File # 22-3838 Meeting Date: 7/19/2022

30514 AND TITLE 14, SECTION 13551 OF THE CALIFORNIA CODE OF REGULATIONS

EXECUTIVE SUMMARY

In order to analyze and identify the cannabis regulations appropriate for Redondo Beach, a Cannabis Steering Committee was appointed by the previous City Manager comprised of representatives from the law enforcement community, RBUSD, BCHD, and other outside interest groups familiar with common best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options. The Steering Committee met multiple times over several years, and on October 5, 2021 presented their recommendations to the City Council. Following their recommendations, Council directed staff to begin preparing a draft ordinance designed to regulate commercial cannabis activity in the City.

Per City Council direction, the Planning Commission reviewed the draft cannabis ordinance at a public hearing held on March 3, 2022. The Planning Commission provided several recommendations at the hearing including that the City engage a consultant with experience advising the municipal regulation of the cannabis industry to assist in the review of the City's draft ordinance.

On May 10, 2022 the City Council considered the Planning Commission recommendations and provided direction to staff on the final preparation of ordinances. The Council, as part of that direction, also asked staff to prepare an agreement with HdL Companies ("HdL") to review the City's draft cannabis regulatory ordinances and other cannabis-related procedural tasks. The contract with HDL was approved at the June 21, 2022 City Council meeting.

HdL has since reviewed the City's draft cannabis regulatory ordinances and provided staff with recommendations and comments. The ordinances have been amended to include the Planning Commission recommendations directed by City Council at the May 10, 2022 meeting and the HDL recommendations supported by City staff. The public hearing provides the City Council an opportunity to consider the ordinances and approve them for introduction and first reading.

In addition to the consideration of the ordinances, a resolution to forward the coastal regulations to the California Coastal Commission for certification is also part of this public hearing and consideration.

BACKGROUND

California's history of cannabis law spans nearly 25 years of propositions and regulatory actions. More recently, the Medical Marijuana Regulation and Safety Act (MMRSA) that took effect January 1, 2016 regulated the use of marijuana for medical purposes. The City of Redondo Beach adopted Ordinance 3152 which promulgated local regulations in accordance with MMRSA, effective May 5, 2016.

On November 8, 2016, Proposition 64 was adopted by CA voters, titled the Adult Use of Marijuana Act (AUMA). The AUMA regulates the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age, thus expanding the permissions provided by MMRSA. The AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of marijuana inside a private residence or inside an accessory structure to a private residence, within the limits allowed by the State for personal cultivation.

Although Proposition 64 represented the interest of whether to allow the Adult Use of Marijuana Act, it

L.1., File # 22-3838 Meeting Date: 7/19/2022

did not specify how an individual municipality would regulate the commercial aspects of marijuana sales. The State's commercial provisions of AUMA were to take effect on January 1, 2018, requiring a city to disallow commercial marijuana activities in order to ensure that local regulations are promulgated and local control maintained. If a local governing body did not enact such a commercial ban by January 1, 2018, a valid State license would be the only requirement to open and operate a commercial marijuana business in any commercial zone in that city. Therefore, out of caution, and until local regulations and interests could be analyzed, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis businesses until the City could more thoroughly investigate the appropriate regulations to put in place.

One of the prior objectives included in the City Council's adopted Strategic Plan included the previous City Manager's appointment of a Cannabis Steering Committee (CSC) comprised of law enforcement, RBUSD, BCHD, and outside interest groups to review best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options, and to prepare a report for Planning Commission and City Council consideration. Members of the Redondo Beach Police Department, Fire Department, Community Development Department, and the City Treasurer's Office met jointly in support of the work of the CSC.

City Council considered the Steering Committee recommendations at their October 5, 2021 meeting and directed staff to prepare ordinances in line with those recommendations. At the January 18, 2022 meeting, Council finalized the siting parameters and land use buffers to be evaluated and included in the ordinance.

Staff prepared the ordinances and presented those at a public hearing of the Planning Commission on March 3, 2022. The Planning Commission made several recommendations, including "engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety."

At the May 10, 2022 meeting, City Council provided direction on the Planning Commission recommendations and their incorporation into the ordinances, as well as direction to engage HdL Companies ("HdL") for a scope of work to include the following:

- Review the City's Draft Cannabis Regulatory Ordinance
- Develop Draft Cannabis Tax Ordinance
- Application Process Development
- Cost Recovery Fee Analysis
- Attendance, Support or Presentations at Meetings or Workshops
- Technical Assistance and Subject Matter Expertise

At the June 21, 2022 meeting, City Council approved the contract with HdL, and the firm subsequently began reviewing the City's draft cannabis regulatory ordinances. As mentioned above, this public hearing provides the City Council an opportunity to consider the regulations set by the ordinances, which have been amended to incorporate the Planning Commission recommendations directed by Council at the May 10, 2022 meeting and certain language changes suggested by HDL that are also supported by City staff.

HdL's review yielded recommendations on amendments to Title 6, which defines the manner in which the City would administer cannabis regulations and the parameters within which cannabis businesses must operate. Below is a summary of the review. Attached to this report is a comprehensive matrix of HdL's review and staff's response to each of the recommendations/comments.

Section	Ordinance Topic	HdL Comment	Staff Response	
6-2.03(b)	Application administration 8	Expand section to include	Accepted HdL	
	approval	clarifying language	Recommendation	
6-2.04(b)	Fees types	Expand section to include	Ordinance	
		specific fee reference	unchanged (see	
			attached	
			comments)	
6-2.04(c)	Fees within Development	nt Add specific fee languageOrdinance		
	Agreement		unchanged (see	
			attached	
			comments)	
6-2.05(b)	Fee cap	Provided examples of	Ordinance	
		what other cities do	unchanged (see	
			attached	
			comments)	
6-2.05(c)(2)	Age limitations and	Flagged to check against	Ordinance	
	requirements	state law	unchanged (see	
			attached	
			comments)	
6-2.05(c)(17)	Property selection for	Expand definition	Ordinance	
	commercial cannabis		unchanged (see	
	business		attached	
			comments)	
6-2.12(b)	Auditing right of City	Expand section to allow	Accepted HdL	
		for flexibility	Recommendation	

In compliance with the California Environmental Quality Act of 1970 as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments captured by the ordinances qualify for CEQA exemption under Section 15060(c)(2); the activity will not result in direct or reasonably foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.

In addition to the consideration of the ordinances, a resolution to forward the coastal regulations to the California Coastal Commission for certification is also part of this public hearing and consideration. If the ordinances are approved for introduction and first reading an item for City Council consideration of adoption of the ordinances not in the coastal zone will be returned on August 2^{nd} . The ordinance in the coastal zone will be returned for consideration of adoption on September 6 th

COORDINATION

L.1., File # 22-3838 Meeting Date: 7/19/2022

The preparation of the ordinances and resolution was done in coordination with the City Manager's Office and the City Attorney's Office. The draft ordinances were prepared by the City Attorney's Office and the Community Development Department.

FISCAL IMPACT

The fiscal impact to the City for regulating cannabis sales and delivery in Redondo Beach is unknown at this point. There are many variables to consider including 1) the number and types of licenses to be approved, 2) the volume of business and sales from future local cannabis operations, 3) the specific franchise fee or tax rate charged for cannabis sales in Redondo Beach, 4) the amount of staff time allocated to regulatory and enforcement activities, and 5) the potential for legal challenge to the City's licensing activities.

Notwithstanding the above variables, staff's initial estimate is that each licensed site in Redondo Beach could provide \$500,000 to \$1,000,000 in additional annual General Fund revenue, provided the City moves forward with the adoption of a regulatory ordinance and the proposed tax and/or developer agreement fees.

The preparation of the ordinances, staff report, and community input survey are within the workplan and annual budgets of the Community Development Department, City Manager's Office, and the City Attorney's Office.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ordinance No. 3233-22
- Ordinance No. 3234-22 (Inland)
- Ordinance No. 3235-22 (Coastal)
- Resolution No. 2207-056
- HdL Review Matrix
- City Council Staff Report May 10, 2022
- City Council Presentation May 10, 2022
- Planning Commission Resolution 2022-03-PCR-02 adopted March 3, 2022
- Planning Commission Minutes March 3, 2022
- Planning Commission Staff Report March 3, 2022
- Planning Commission Presentation March 3, 2022
- Proof of Publication Public Hearing Notice



City of Redondo Beach

NOTICE OF PUBLIC HEARING BEFORE THE CITY COUNCIL

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BEFORE THE CITY COUNCIL OF THE CITY OF REDONDO BEACH ON THE FOLLOWING MATTER. ANY AND ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD.

SUBJECT OF THE HEARING: Public hearing to consider ordinances amending Title 6, Businesses, Professions, and Trades, Title 10 Chapter 2 Zoning and Land Use, and Title 10 Chapter 5 Coastal Land Use Plan Implementing Ordinance of the Redondo Beach Municipal Code pertaining to regulations for cannabis

The City Council will also consider categorical exemptions from the California Environmental Quality Act (CEQA) under CEQA Section 15060(c)(2) and Section 156060(c)(3) for the proposed amendments.

PUBLIC HEARING: The public hearing on this matter will take place before the City Council on Tuesday, July 19th, 2022 at 6:00 p.m., or as soon thereafter as possible, in the Redondo Beach City Council Chamber, 415 Diamond Street, Redondo Beach, California, or for public participation by Virtual Meeting. The meeting will also be livestreamed on the City's website at https://www.youtube.com/c/CityofRedondoBeachIT, and broadcast live through Spectrum Channel 8 and Frontier Communications Channel 41. Members of the public may participate during the meeting as outlined below.

PUBLIC COMMENT: There will be three options for public testimony during the meeting:

- In person oral testimony can be provided by attending the meeting in the City of Redondo Beach City Council Chamber at the address noted above. Interested persons may submit a written eComment through the City's agenda webpage at https://redondo.legistar.com/Calendar.aspx. Specific instructions for eComment will be provided on the agenda cover page when it is released at least 72 hours prior to the meeting. eComments may be read out olud by City staff during the public hearing and are limited to 3 minutes in length (up to 2200 characters). Only one eComment per person.

 Oral public testimony can be provided live by joining the virtual Zoom meeting by computer or phone-incompleting to the provided on the agenda coversheet when it is released at least 72 hours prior to the meeting. 2.
- 3.

A person may either comment live or submit an eComment, but cannot do both.

For those that cannot participate during the public hearing, written comments for the City Council on this matter may be submitted by email to PlanningRedondo.org. Written comments will be accepted up to 3:00 p.m. the day of the public hearing, July 19, 2022, to allow time for distribution to the City Council as a Blue Folder item.

ADDITIONAL INFORMATION: Questions related to this matter may be submitted by email to PlanningRedondo@redondo.org. A staff member will provide assistance.

The agenda packet with the administrative report and materials related to this matter will be available for review at least 72 hours prior to the public hearing, pursuant to State Law and local ordinance, on the City of Redondo Beach website https://redondo.legistar.com/Calendar.aspx. Select the July 19, 2022 City Council meeting.

The draft amendments are also provided for review to the California Coastal Commission South Coast Area Office consistent with Title 14, Cal. Code Regs. Section 13515 at least 72 hours prior to the public hearing.

If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

CITY OF REDONDO BEACH, CALIFORNIA Eleanor Manzano City Clerk of the City of Redondo Beach Easy Reader Inc/Redondo Beach News/July 7, 2022/RD22-048

Section	Current Ordinance Language	HdL Comment	Staff Comment
6-2.03(b)	"Whether to issue a solicitation for applications, the manner of accepting applications, the manner of application review, and whether to approve or deny any such application shall be <i>subject to the sole and absolute discretion of the City Council</i> ."	Most cities provide for the City Manager (or designee) to create reasonable rules/regulations to administer the application process. e.g. cities will sometimes have an "FAQ" page to clarify certain requirements, after the process has been adopted by City Council. With this language, the FAQ would may also have to be approved by City Council to take effect.	Incorporate City Manager or designeed language as it relates to accepting/reviewing/administering applications. However, approval/denial left at the sole discretion of City Council.
6-2.04(b)	"In addition to the fees specified in subsection (a), applicants and Permittees shall timely pay all other applicable fees, including, but not limited to, fees associated with processing applications for conditional use permits, Development Agreements, building permits, and plan checks, as well as the city's cost of preparing a Development Agreement."	Add reference to background check fees.	As is, language already is broad enough to include other fees not listed including background check fees.
6-2.04(c)	"In addition to the fees set forth in this ordinance, a Development Agreement may provide for a Permittee to pay the city a fair share contribution towards the city's costs incurred. Such costs may include, without limitation, enforcing the provisions of this ordinance, inspecting for and remediating any direct or secondary negative impacts of the commercial cannabis activities, and mitigating impacts to the city's existing public facilities caused by the commercial cannabis facility. If applicable, the remediation payments described in this ordinance shall be memorialized in a Development Agreement, and paid by a Permittee to the city in strict accordance with the terms thereof."	Annual regulatory costs would be better covered under an annual "permitting fee" or "regulatory fee" established outside of the Development Agreement negotiation process.	Keep Ordinance language as is.
6-2.05(b)	A fee of no more than 5% of gross receipts may be required in the Development Agreement. Such a fee shall be negotiated with Permittees and incorporated into the subsequent Development Agreement. This fee is to sunset upon the establishment of a local commercial cannabis tax.	Other cities have taken the position that fee must be "negotiated" through application process, by having businesses propose the fee amount to the City. City may consider/score/rank proposed rates, and factor the fee amount into selection process.	Ordinance language is flexible enough that it's setting a ceiling and not setting the fee. However, staff added language to ensure that it is clear that the fee is to be negotiated with the applicant in the Development Agreement.

Section	Current Ordinance Language	HdL Comment	Staff Comment
6-2.05(c)(2)	"Persons under the age of twenty-one (21) shall be prohibited from the premises at all times, other than as lawful customers permitted under State law in the case of Medicinal cannabis retailers. If such retail establishment sells Medicinal cannabis, persons under the age of twenty-one (21) and over the age of eighteen (18) shall be permitted to enter the establishment only after verification that they possess a valid Medical Marijuana ID card."	Recommend checking against State law. I believe persons 18+ can gain access with MMID or physician's recommendation. MMID's are becoming less and less common over time.	The concern regarding teen/underage access to such facilities is a major player in all discussions on the subject of cannabis sales regulations in RB. Anything seen to water down or diminish enforcement of the age requirements may cause concern for community members.
6-2.05(c)(17)	"Whether or not Applicants have obtained a property for the purposes of their commercial cannabis business prior to their selection, shall have no bearing on their selection."	What does "obtained" mean? Most (if not all) cities require, at a minimum, that businesses obtain property owner authorization to apply for a cannabis business license from that location. HdL recommends limiting applications to no more than two per location. May need to clarify that "obtain" means lease/own. Or, are you suggesting that applicants do not have to identify a location to apply for a license? If that's the case, City should anticipate a significant number of applications, since location is one of the only factors limiting number of applications that a city will receive.	•
6-2.12(b)	"Upon institution of a city-wide cannabis tax, it shall be the duty of every owner and operator of a commercial cannabis business to keep all records as may be necessary to determine the amount of tax due hereunder and shall preserve the same for a period of four years. The Finance Director shall have the right to inspect such records at all reasonable times. The finance director shall determine the mode and method of recordkeeping required to assist the tax collector to perform the duties required of him under this section. At the time of permit renewal, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the finance director. The Finance Director shall be authorized to engage a third-party to perform such audit(s)."	City may want to grant Finance Director ability to	Per HdL's suggestion, staff added language specifically permitting the Finance Director to engage a third-party auditor.



Administrative Report

N.2., File # 22-3837 Meeting Date: 5/10/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING DRAFT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10, CHAPTER 2, ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PERTAINING TO CANNABIS REGULATIONS AND RECOMMEDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

CONSIDERATION OF THE RECOMMENDATIONS MADE BY THE PLANNING COMMISSION REGARDING THE DRAFT CANNABIS ORDINANCES AND ADDITIONAL INPUT PROVIDED BY THE PUBLIC

EXECUTIVE SUMMARY

When the Medical Marijuana Regulation and Safety Act (MMRSA), regulating the use of marijuana for medical purposes, took effect January 1, 2016 the City of Redondo Beach adopted Ordinance 3152 to implement local MMRSA regulations. On November 8, 2016, Proposition 64, known as the Adult Use of Marijuana Act (AUMA), was approved by state voters. The AUMA regulates, among other items, the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age.

Proposition 64 stipulated that if a city did not enact local commercial licensing restrictions or a ban by January 1, 2018, a valid state license would be the only thing needed to open and operate a commercial marijuana business in any commercial zone in the city. Therefore, out of caution and until local regulations and interests could be analyzed and identified for implementation, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis and restrict commercial cannabis activities in the City.

In order to analyze and identify the cannabis regulations appropriate for Redondo Beach, a steering committee was appointed by the previous City Manager comprised of representatives from the law enforcement community, RBUSD, BCHD, and other outside interest groups familiar with common best practices for commercial use regulations of cannabis including storefront siting, taxation, delivery, and development agreement options.

The Steering Committee met multiple times over several years, and on October 5, 2021 presented their work and recommendations to the City Council. After considering the presentation, the City Council asked staff to prepare an ordinance based on the recommendations of the CSC, directed that the Galleria site be included as a permitted location, and that the taxation level or developer agreement fee rate be set at 5%. Additionally, Council asked staff to return with maps that identified

the storefront siting parameters recommended by the CSC, and additional options that would include buffers for alcohol sales sites and "safe routes to schools" pathways.

Staff returned with the maps for Council discussion at the January 18, 2022 meeting. At the meeting, City Council reviewed the potential buffer maps, and decided to move forward with the CSC recommended map and have the Planning Commission review the residential buffering options. Additionally, Council directed that the Planning Commission review the draft ordinances and that staff conduct a community outreach process to gather further input.

The draft ordinances were prepared by the Community Development Department and the City Attorney's Office and presented to the Planning Commission on March 3, 2022, at a public hearing. After much deliberation, the Planning Commission recommended the City Council approve the draft ordinances, with 23 specific recommendations, which are included in the attached resolution (see Section 6).

Separately, a community survey was issued to the public regarding potential cannabis regulations. The survey was opened on Thursday, April 21, 2022 and made available for two weeks through May 5, 2022. The results of the survey will be provided for discussion at the meeting, via Blue Folder.

One of the Planning Commission recommendations is to engage an industry-expert consultant to review the ordinance in its entirety and assist in the development of the business permit solicitation and selection process. To help consider this recommendation, staff contacted HdL, a firm that has expertise in preparing and reviewing cannabis regulations and related procedures for numerous cities, to determine the cost and scope of possible support services. HdL personnel agreed to prepare a proposal for the City for services related to the following: 1) reviewing and providing input on the City's draft ordinance, 2) preparing a separate tax ballot measure for the City, 3) establishing a solicitation and selection process for cannabis business permits, and 4) other related services. The proposal will be provided for discussion at the meeting, via Blue Folder.

This item provides the City Council an opportunity to review the draft ordinances, consider the recommendations made by the Planning Commission, receive input from the community through a review of the community survey results and additional comments provided by the public at the meeting, evaluate the merits of hiring a consultant to help finalize the City's ordinance and assist with follow-up cannabis tax and permit activities, and provide direction to staff on next steps.

BACKGROUND

California's history of cannabis law spans nearly 25 years of propositions and regulatory actions (see attached). More recently, the Medical Marijuana Regulation and Safety Act (MMRSA) that took effect January 1, 2016 regulated the use of marijuana for medical purposes. The City of Redondo Beach adopted Ordinance 3152 which promulgated local regulations in accordance with MMRSA, effective May 5, 2016.

On November 8, 2016, Proposition 64 was adopted by CA voters, titled the Adult Use of Marijuana Act (AUMA). The AUMA regulates the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age, thus expanding the permissions provided by MMRSA. The AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of marijuana inside a private residence or inside an accessory structure to a private residence, within the limits allowed by the State for personal cultivation.

In Redondo Beach, 65% of the voters were in favor of Proposition 64. Although Proposition 64 represented the interest of whether to allow the Adult Use of Marijuana Act, it did not specify how an individual municipality would regulate the commercial aspects of marijuana sales. The State's commercial provisions of AUMA were to take effect on January 1, 2018, requiring a city to disallow commercial marijuana activities in order to ensure that local regulations are promulgated and local control maintained. If a local governing body did not enact such a commercial ban by January 1, 2018, a valid State license would be the only requirement to open and operate a commercial marijuana business in any commercial zone in that city. Therefore, out of caution, and until local regulations and interests could be analyzed, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis businesses until the City could better evaluate what types of businesses and regulations to put in place.

One of the prior objectives included in the City Council's adopted Strategic Plan included the previous City Manager's appointment of a Cannabis Steering Committee (CSC) comprised of law enforcement, RBUSD, BCHD, and outside interest groups to review best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options, and to prepare a report for Planning Commission and City Council consideration. Members of the Redondo Beach Police Department, Fire Department, Community Development Department, and the City Treasurer's Office met jointly in support of the work of the CSC.

The CSC met a total of 12 times from November 2018 through October 2021, with their final recommendations presented to City Council on October 5, 2021. After discussion of the CSC's work and recommendations, City Council directed staff to draft an ordinance based on the recommendations of the CSC for regulating cannabis licenses in Redondo Beach. Additionally, the Council directed that the Galleria site be included as a permitted location and the taxation or ultimate development agreement fee rate be set at 5%. The Council also directed staff to prepare maps with the siting parameters recommended by the CSC, and that the maps include buffers for alcohol sales sites and safe routes to schools.

The Council asked that the ordinance, maps, and commercial licensee selection process, once drafted, be reviewed by the Planning Commission for recommendations to the City Council and that a community outreach process also be conducted.

The draft ordinances were prepared by the Community Development Department and City Attorney's Office, and were reviewed by the Planning Commission for recommendation to City Council. The key provisions incorporated in the draft ordinances, including the recommendations from the CSC that City Council agreed to, are as follows:

- Personal Cultivation. Continue to allow for outdoor personal cultivation as currently regulated for a maximum of 6 plants allowed indoors and in yard area if secured and not visible from surrounding sites.
- Allow Licensed Activity. Permit licensed cannabis businesses with recommended restrictions (see remaining items in the list below).
- **License Types**. Allow only storefront retailer licenses (Type 10) and non-storefront retailer delivery licenses (Type 9) or a combination of the two on one site. Prohibit delivery services

that originate from other cities if a non-storefront delivery license is issued in Redondo Beach.

- Zoning Provisions. Limit cannabis license sites to commercial and industrial zones. Prohibit licenses in coastal commercial, residential, and public/institutional zones. (CSC had initially recommended prohibiting in regional commercial zone where Galleria is located, but City Council directed staff to add that as an acceptable zone). Require discretionary Conditional Use Permit (CUP) approval.
- **Buffers**. Maintain a 600-foot radius from elementary schools, day cares, and youth centers (per State's mandate). Increase the buffer zone to a 1500-foot radius from high schools and middle schools. School buffers to include private schools. City Council requested that Planning Commission consider implications of buffer around residential (see Planning Commission recommendations noted below).
- **Number and Location of Licenses**. Allow up to two (2) sites within the City, with a maximum of one site per district. Establish a 1000-foot buffer between cannabis licensed sites.
- Hours of Operation. The State allows retail activities between the hours of 6 a.m. and 10 p.m. Local jurisdictions can be more restrictive. Limit hours to the following:
 - Storefront Retail Sales 9 a.m. to 10 p.m.
 - o Non-storefront Delivery 6 a.m. to 10 p.m.
- Security. In addition to State security requirements, include the following security measures:
 - All security personnel to be vetted through the Redondo Beach Police Department (RBPD) or a certified 3rd party.
 - Regarding surveillance, the licensee must provide real time direct access to all surveillance.
 - Alarm systems to be set to send real time immediate messages to RBPD.
 - Regarding safety, requirements to better define "secure storage of cannabis and cannabis products" as well as onsite revenue.
 - The licensee to provide measures to ensure a minor doesn't enter, requiring ID checks and providing appropriate signage.
 - For delivery, licensee to provide a signature for receipt and that those records be maintained on file for auditing purposes.
- **Enforcement**. The CSC recommends the City implement the Cannabis Compliance and Enforcement Program. The Los Angeles County Department of Public Health has created a relatively new program entitled the Cannabis Compliance and Enforcement Program, where the County contracts with cities that allow for cannabis activities. The program aims to further protect public health but has the additional benefit of being an effective enforcement tool against illegal operators who are unable to apply for the permit and subsequently violate Public Health Department Codes.
- **Tax or Fees**. Establish a Developer Agreement with developer fees and consider sunsetting it with an eventual tax measure.
- Tax or Fee Rate. Set fee at 5%. (CSC had initially recommended reviewing neighboring jurisdictions, which the City Council did and selected 5%).
- Tax or Fee Revenue Location. General Fund.
- **Property Requirement**. Do not require applicant to secure property prior to the application process.
- **Selection Process**. City Council to determine the licensee solicitation and selection process at a future date separate from the Ordinance. This may come back to Planning Commission for input if City Council continues with that direction.

• Transfer of Ownership. Limit transferability of a developer agreement and/or license for a set period of time.

• Adoption of Regulations. Adopt ordinances to effectuate decisions.

On March 3, 2022, the Planning Commission considered the draft ordinances at a public hearing. After much deliberation, the Planning Commission recommended the draft ordinances, with 23 specific recommendations included in their resolution (attached - see Section 6) for City Council to consider when reviewing the ordinances. Those recommendations are as follows:

- Correct numbering and reference in10-2 and 10-5.1626(c)(2) references the "prohibitions of subsection (a)". That should reference subsection (c)(1) immediately above it. [This has been addressed in the draft ordinances attached]
- 2. Add definitions for the following terms:
 - a. Hearing Officer [This definition was added in the draft ordinances attached]
 - b. Tax Administrator [This was corrected to say "Finance Director"]
 - c. Finance Director [This seemed straightforward without needing to be defined, since this is a designated position within the City of Redondo Beach]
 - d. Permit Administrator [This definition was added in the draft ordinances attached]
 - e. Premises [This definition was added in the draft ordinances attached]
- 3. Correct discrepancy between calendar days referenced in 6-2.16(b)(3) and (b)(4) so that materials would not have to be submitted in advance of the appeal itself. [This has been addressed in the draft ordinances attached]
- 4. In 6-2.05(c)(14) add clarification that employees would be permitted to consume food on site not in the customer area.

[This has been addressed in the draft ordinances attached]

- 5. By limiting to two licenses, it is a duopoly. Under Subsection 6-2.06 remove the reference to the "...minimum period of three (3) years from the start of operation." And remove the language, "Permittee may only transfer ownership after the initial period of time and with prior discretionary approval of the City Council. Before approving any such request, City may require the purchaser, assignee, or transferee to provide the same information and materials that are required of an initial applicant, including the payment of associated fees."
- 6. Require a Conditional Use Permit condition that authorizes that CUP only while there is an operator that has a commercial cannabis retailer permit per Title 6.
- 7. Consider engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety. [City staff have reached out to HdL, who will provide a quote for services at the meeting, as explained above]
- 8. Institute a mechanism to vet all owners. Specifically, if a certain percentage is proposed to be assigned to new owners or partners, permittee is to notify the City and must obtain prior City Council approval. A restriction should be added to prohibit a permittee to be a C Corporation.

- 9. Prohibit the two permits from having the same or common ownership.
- 10. Require that the developer agreement set a timeframe from when a permit is issued to when it is required to be in operation.
- 11. Revise 6-2.02 to read, "No person may operate a commercial cannabis business or engage in commercial cannabis activity within the City of Redondo Beach including cultivation, processing, manufacturing, testing, sale, delivery, distribution, or transportation of cannabis or a cannabis product unless the person (1) has a valid commercial cannabis retailer permit from the City of Redondo Beach; (2) has any and all valid state or local permits; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activity, including holding the necessary state licenses to engage in commercial cannabis activity." Where the language is specifying that only a cannabis retailer permit allowed.

[This has been addressed in the draft ordinances attached]

- 12. Require in the developer agreement that the permittee have a community relations contact available to businesses and residents within 600' of the site and quarterly meetings required between community relations contact and City Manager for first year and at request of City Manager thereafter.
- 13. Revise Section 6-2.05(c)(5) to address and not inadvertently prohibit delivery. The language currently states, "All commercial cannabis business shall be operated within the specific part of the premises specified in the Development Agreement and/or conditional use permit. No commercial cannabis activities shall take place in an area exceeding the square footage authorized in the controlling Development Agreement, conditional use permit, or the licensee's license; whichever is most restrictive."
- 14. Developer agreement should restrict permitted local cannabis retail businesses from advertising on billboards in the City of Redondo Beach.
- 15. If there is no requirement under the law for personal information to be collected for cannabis retail storefront licensees, prohibit the business from requiring that the personal information be collected in order to be a customer.
- 16. Concern with real time surveillance being an invasion of privacy. Return the video surveillance requirements to be limited to the State requirements, police not surveilling the cannabis site, or if police have surveillance access, not recording it. If police have recordings of surveillance at the discretion of the permittee, should delete surveillance recordings within 90 days unless part of an active investigation.
- 17. Regarding buffering residential zones:
 - a. Prohibit entrances and exits and driveways associated with cannabis retailers on streets where adjacent to residential zone where residential shares that road within the same block.

- 18. Add restriction that no more than cannabis retail site per street.
- 19. Consider requiring a bond for liability.
- 20. Consider requiring in the development agreement an audit of operations in addition to the financial auditing requirement to be paid for by the permittee.
- 21. Recommend that Council add supplemental appearance requirements per 6-2.05(c)(9) in the development agreement.
- 22. Remove the CR zone that includes the Galleria site as an allowed zone for cannabis retailer permits.
- 23. Considering that Beach Cities Transit Route 102 is a main bus line for Redondo Beach High School students to take to school, with two bus stops on Artesia Boulevard between Ridge Lane and Hawthorne Boulevard, recommend removing the commercial sites along Artesia Boulevard between Ridge Lane and Hawthorne Boulevard from consideration for cannabis retailer permits.

Some of the minor recommendations regarding editing/numbering cleanup have been addressed in the draft ordinances attached to this Administrative Report and are noted above in brackets under the description of those particular minor recommendations. However, there are several substantive recommendations that the City Council may want to discuss and consider incorporating into the ordinance.

In addition to the Planning Commission recommendations, in response to City Council direction at the January 18th meeting, a community survey was issued regarding potential regulations regarding cannabis. The survey was opened on Thursday, April 21, 2022 and made available to the public for two weeks (through May 5, 2022). The results of the survey will be made available at the meeting, via Blue Folder, for consideration and discussion.

In anticipation of the discussion on Planning Commission recommendation #7, staff initiated discussions with HdL., a firm that has expertise in preparing and reviewing cannabis regulations and related procedures. HdL is developing a proposal for services related to 1) reviewing the City's draft ordinance, 2) preparing a separate tax ballot measure, 3) establishing a business permit solicitation and selection process, and 4) other related services. With most of these services, (the exception being the preparation of a cannabis tax ballot measure), the City is expected to be able to recover costs for the consulting work through future permit fees. The proposal from HdL is in development and will be made available for discussion at the meeting, via Blue Folder.

COORDINATION

This agenda item was prepared by the Community Development Department in coordination with the City Manager's Office and the City Attorney's Office. The draft ordinances were prepared by the City Attorney's Office and the Community Development Department.

FISCAL IMPACT

The fiscal impact to the City for regulating cannabis sales and delivery in Redondo Beach is unknown at this point. There are many variables to consider including 1) the number and types of licenses to

be approved, 2) the volume of business and sales from future local cannabis operations, 3) the specific franchise fee or tax rate charged for cannabis sales in Redondo Beach, 4) the amount of staff time allocated to regulatory and enforcement activities, and 5) the potential for legal challenge to the City's licensing activities.

Notwithstanding the above variables, staff's initial estimate is that each licensed site in Redondo Beach could provide \$500,000 to \$1,000,000 in additional annual General Fund revenue, provided the City moves forward with the adoption of a regulatory ordinance and the proposed tax and/or developer agreement fees.

The preparation of the ordinances, staff report, and community input survey are within the workplan and annual budgets of the Community Development Department, City Manager's Office, and the City Attorney's Office.

APPROVED BY:

Mike Witzansky, City Manager

<u>ATTACHMENTS</u>

- Draft Ordinance Amending Title 6 (businesses, professions, and trades)
- Draft Ordinance Amending Title 10 Chapter 2 (inland zoning)
- Draft Ordinance Amending Title 10 Chapter 5 (coastal zoning)
- Planning Commission Resolution on Cannabis Code Amendments 2022-03-03
- Cannabis Map Final Buffers 2022-01-12
- City Council Administrative Report on Cannabis Steering Committee Update 2021-10-05
- City Council Presentation on Cannabis Steering Committee Update 2022-10-05
- Summary of Cannabis Laws and Updates

DISCUSSION AND POSSIBLE ACTION REGARDING DRAFT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10, CHAPTER 2, ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

REDONDO BEACH CITY COUNCIL MEETING MAY 10, 2022
AGENDA ITEM N.2.

Cannabis Regulatory Background

California's Cannabis Law

- Medical Marijuana Regulation and Safety Act Effective January 1, 2016
- Proposition 64 for Adult Use of Marijuana Act Approved November 8, 2016

City of Redondo Beach Actions

- Adopted ordinance initially to address Medical Marijuana Regulations
- Adopted ordinance to address Adult Use interim measure
- Strategic Planning Objective 2018 for Cannabis Steering Committee
- Cannabis Steering Committee recommendations presented October 5, 2021
- Council direction on ordinance preparation January 18, 2022
- Current Strategic Planning Objective finalize cannabis ordinance by July 1, 2022
- Planning Commission review of ordinances March 3, 2022
- Community Survey April/May 2022
- Discussion on draft ordinances May 10, 2022

Cannabis Ordinances – Draft Provisions

Personal Cultivation. Continue to allow outdoor personal cultivation.

License Types. Storefront retail (Type 10), non-storefront delivery (Type 9) or a combination.

Zoning Provisions.

- Commercial and industrial zones.
- Prohibit licenses in coastal commercial, residential, and public/institutional zones.
- Require discretionary Conditional Use Permit (CUP) approval.

Buffers.

- 600-foot radius from elementary schools, day cares, and youth centers (per State's mandate).
- 1500-foot radius from high schools and middle schools.

Number and Location of Licenses.

- Two (2) sites total within the City, with a maximum of one site per district.
- 1000-foot buffer between cannabis licensed sites.

Cannabis Ordinances – Draft Provisions (continued)

Hours of Operation.

Storefront Retail Sales - 9 a.m. to 10 p.m.
 Non-storefront Delivery - 6 a.m. to 10 p.m.

Security & Enforcement.

- In addition to State security requirements, City added additional security measures.
- Implement County's Cannabis Compliance and Enforcement Program.

Tax or Fees.

- Developer Agreement with developer fees, sunset with tax measure.
- Set fee at 5% revenues to go into General Fund.

Property Requirement. Do not require applicant to secure property prior to application.

Selection Process. Council to decide solicitation/selection process separate from Ordinance.

Transfer of Ownership. Limit transferability developer agreement/license for a set period of time.

Cannabis Ordinances – Planning Commission Recommendations

- Regarding limiting transferring ownership, under Subsection 6-2.06 remove reference to 3 years from start of operation, as well as transfer of ownership language.
- Limit CUPs with a condition that the CUP is only permitted while there is an operator that has a commercial cannabis retailer permit.
- Prohibit the two permits from having the same or common ownership.
- Revise Section 6-2.05(c)(5) to address and not inadvertently prohibit delivery.
- Concern with real time surveillance being an invasion of privacy. Return the video surveillance requirements to be limited to the State requirements, so police are not surveilling the cannabis site.
- Regarding buffering residential zones, prohibit entrances and exits and driveways
 associated with cannabis retailers on streets where adjacent to residential zone where
 residential shares that road within the same block.

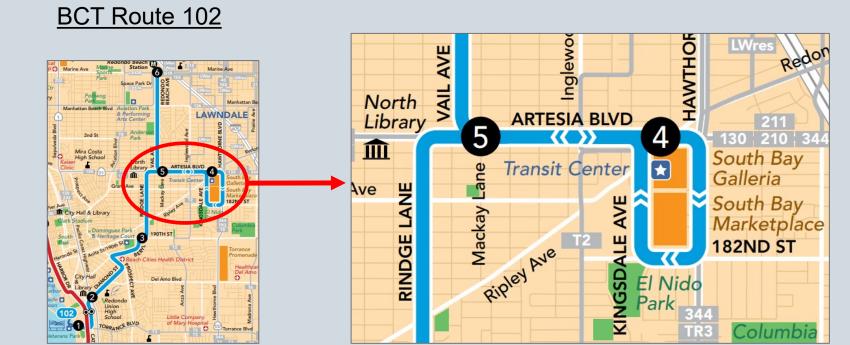
Cannabis Ordinances – Planning Commission Recommendations (continued)



- Add restriction that no more than cannabis retail site per street.
- Recommend that Council add supplemental appearance requirements per 6-2.05(c)(9) in the development agreement.
- Remove the CR zone that includes the Galleria site as an allowed zone for cannabis retailer permits.

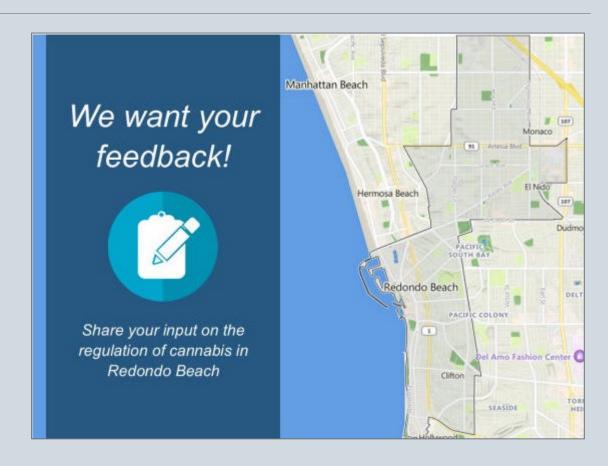
Cannabis Ordinances – Planning Commission Recommendations (continued)

 Recommend removing the commercial sites along Artesia Boulevard between Rindge Lane and Hawthorne Boulevard from consideration for cannabis retailer permits.



Cannabis Ordinances – Community Survey Results

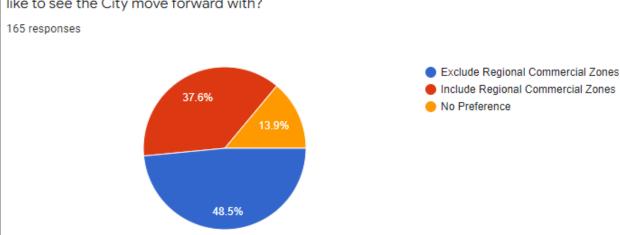
- City released a Community Survey regarding cannabis regulation on April 21, open for two (2) weeks
- 173 responses total
- Community was fairly evenly split on broader regulation options such as number and location of licenses
- Community leaned toward certain preferences on questions related to Planning Commission recommendations

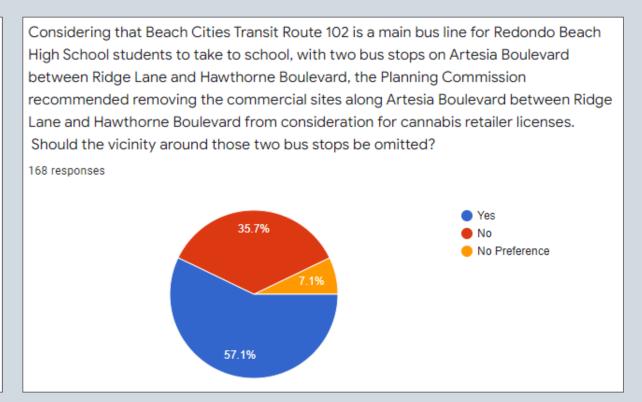


Cannabis Ordinances – Community Survey Results

Survey Questions Pertaining to Planning Commission Recommendations

Pertaining to which Zoning Provisions, the Draft Cannabis Ordinance limits cannabis license sites to commercial and industrial zones. It specifically prohibits licenses in coastal commercial, residential, and public/institutional zones. The Planning Commission recommended the prohibition of licenses within Regional Commercial zones, which include the South Bay Galleria and waterfront areas. The City Council recommended the inclusion of Regional Commercial Zones. Which policy would you like to see the City move forward with?





Cannabis Ordinances – Possible Consultant Services

Planning Commission Recommendation: "Consider engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety."

Potential Consultant Services:

- Review of cannabis ordinances
- Preparation of tax ordinance/initiative
- Comparatively analyze ordinances and the separate initiative
- Develop solicitation and selection procedures
- Incorporate cost recovery in process to fund the potential services

HdL Companies Contract Could Be Expanded for Cannabis Services

Recommendation

City Council discussion on ordinances and direction to staff:

- Direction on finalizing ordinances, incorporating any modifications
- Direction on engaging HdL on various services, including:
 - Review of cannabis ordinances
 - Preparation of tax ordinance
 - Comparatively analyzing ordinances and the initiative
 - Creating solicitation and selection procedures
 - Incorporating cost
- Determination on timing for a tax initiative

RESOLUTION NO. 2022-03-PCR-02

A RESOLUTION OF THE PLANNING COMMISSION OF CALIFORNIA. REDONDO BEACH. CITY OF RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES. PROFESSIONS, AND TRADES, TITLE 10, CHAPTER 2, ZONING AND LAND USE AND TITLE 10. CHAPTER 5 PLAN IMPLEMENTING USE COASTAL LAND **CANNABIS** TO ORDINANCE PERTAINING REGULATIONS AND RECOMMEDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

WHEREAS, on November 8th, 2016 Proposition 64 known as the Adult Use of Marijuana Act (AUMA) was approved by state voters, and regulates the use of marijuana for personal and commercial purposes, including recreational use of marijuana by adults over 21 years of age;

WHEREAS, AUMA stipulates that if a City did not enact local commercial licensing restrictions by January 1st, 2018, a valid state license would be the only requirement to operate a commercial marijuana business in any commercial zone in the City;

WHEREAS, on December 7th, 2017, the City Council adopted Ordinance Nos. 3177 and 3178 to regulate the personal use and cultivation of cannabis and restrict commercial cannabis activities until local regulations and interests could be analyzed and identified for implementation;

WHEREAS, in order to analyze and identify cannabis regulations appropriate for Redondo Beach, in 2018 a Steering Committee was appointed by the City Manager comprised of representatives from the law enforcement community, Redondo Beach Unified School District (RBUSD), Beach Cities Health District (BCHD), and other outside interest groups familiar with common best practices for commercial cannabis regulations including storefront siting, taxation, delivery, and development agreement options;

WHEREAS, the Steering Committee met multiple times over several years and presented their work and recommendations to the City Council on October 5th, 2021, at which time the City Council directed staff to prepare draft code amendments;

WHEREAS, on January 18th, 2022 the City Council discussed the draft code amendments for cannabis licensing and proposed storefront siting parameters, at which time they provided additional direction and requested that the draft amendments be presented to the Planning Commission;

WHEREAS, the Planning Commission held a duly noticed public hearing, took public testimony, and considered the draft amendments on the 3rd day of March, 2022.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY FIND AS FOLLOWS:

SECTION 1. FINDINGS

- 1. In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption under Section 15060(c)(2) because the activity will not result in direct or reasonable foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.
- 2. The amendments to the Zoning Ordinance are consistent with the General Plan.
- 3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
- These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 2. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. AMENDMENT TO CODE. The Planning Commission recommends that Title 6 Businesses, Professions, and Trades of the Redondo Beach Municipal Code be amended as follows:

Add Chapter 6 COMMERCIAL CANNABIS ACTIVITY

6-2.00 Commercial Cannabis Retailer Permit Regulations.

6-2-01 Definitions. The technical terms and phrases used in this Chapter are defined in Redondo Beach Municipal Code Section **10-2.1626** (see RBMC Chapter 10-2.1626 Marijuana Regulations).

6-2.02 Commercial cannabis permit required to engage in commercial cannabis activity. No person may operate a commercial cannabis business or engage in commercial cannabis activity within the City of Redondo Beach including cultivation, processing, manufacturing, testing, sale, delivery, distribution, or transportation of cannabis or a cannabis product unless the person (1) has a valid commercial cannabis permit from the City of Redondo Beach; (2) has any and all valid state or local permits;

and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activity, including holding the necessary state licenses to engage in commercial cannabis activity.

6-2.03 Application Procedure.

- (a) The city may, in its sole discretion, approve and direct the issuance of a notice inviting applications, a request for applications, or similar solicitation inviting persons interested in operating commercial cannabis activities in the city to submit an application for a Development Agreement.
- Whether to issue a solicitation for applications, the manner of accepting (b) applications, the manner of application review, and whether to approve or deny any such application shall be subject to the sole and absolute discretion of the City Council. The criteria utilized in evaluating or scoring any application for a Development Agreement shall be that specified in this ordinance, elsewhere in the Redondo Beach Municipal Code, or in the solicitation for applications issued by the City Council. Subject to the discretion of the City Council, the solicitation may include provisions pertaining to: the information required to be submitted by applicants, including but not limited to the application information specified in the regulations for a license from the Department. the city's application review, vetting, and approval processes; the review and scoring criteria that will be utilized by the city in distinguishing among applicants, applicant background checks and verification requirements; conditions of approval; security features and requirements; operating guidelines, standards, limitations, and requirements; site improvement obligations; maintenance requirements; book, accounting, and record keeping requirements; and/or a draft Development Agreement.
- (c) A Development Agreement approved by the City Council is required before any person operates a retailer site in the city. Said Development Agreement shall set forth the terms and conditions under which the commercial cannabis activities may be undertaken, in addition to the terms and conditions otherwise set forth in this ordinance. Subject to the agreement of any state Permittee and approval of the City Council, such additional terms and conditions of the Development Agreement may include, but are not limited to, public outreach and education requirements, community service requirements, the payment of mutually agreeable fees and charges, development and operating plans (including site plan, floor plan, and elevations), security measures, operating standards and procedures, site location and design standards, and such other terms and conditions as may be agreed upon by a Permittee and the City Council, as well as those that the City Council deems necessary to protect and promote the public health, safety, and welfare of the community.
- (d) In addition to a Development Agreement, no person shall operate a retail site until a conditional use permit has been approved by the planning commission or City Council. The application process for the conditional use permit shall be the same as is generally applicable to conditional use permits in the city, provided that a

Development Agreement between the Permittee and the city shall be a condition precedent to approving a conditional use permit.

(e) Nothing in this ordinance is intended or shall be construed as requiring the City Council to approve any Development Agreement(s) or to otherwise allow commercial cannabis activities in the city. No application for a Development Agreement will be accepted except during the times specified by the City Council in a solicitation for applications. The City Council's solicitation for, review of, and approval of any application for a Development Agreement is discretionary, and nothing in this ordinance is intended or shall be interpreted as rendering commercial cannabis activities a "byright" land use in the city.

6-2.04 Fees and Charges.

- (a) Each applicant or Permittee shall timely and fully pay all fees set forth in this ordinance. Failure of an applicant to pay the requisite fees is grounds for denial, and the failure of a Permittee to pay the requisite fees shall constitute a breach of the Development Agreement, and is grounds for revocation of the conditional use permit. Except as otherwise provided herein, the amount of each fee shall be established by resolution of the City Council.
- (1) Application fee to cover the city's costs incurred in the initial acceptance and review of an application for a Development Agreement, due and payable in full at the time an application is submitted.
- (2) Processing fee(s) to cover the costs incurred in the review, investigation, scoring, and/or selection of an applicant for the award of a Development Agreement shall be due and payable in full at the time an application is submitted. The city may charge a separate processing fee for each round of the application review and selection process. Such Agreement shall be granted in accordance with evaluation criteria specified by the City Council in a notice inviting applications, a request for proposal ("RFP"), or similar solicitation
- (b) In addition to the fees specified in subsection (a), applicants and Permittees shall timely pay all other applicable fees, including, but not limited to, fees associated with processing applications for conditional use permits, Development Agreements, building permits, and plan checks, as well as the city's cost of preparing a Development Agreement.
- (c) In addition to the fees set forth in this ordinance, a Development Agreement entered into pursuant to this ordinance may provide for a Permittee to pay the city a fair share contribution towards the city's costs incurred. Such costs may include, without limitation, enforcing the provisions of this ordinance, inspecting for and remediating any direct or secondary negative impacts of the commercial cannabis activities, and mitigating impacts to the city's existing public facilities caused by the commercial cannabis facility. If applicable, the remediation payments described in this ordinance

shall be memorialized in a Development Agreement, and paid by a Permittee to the city in strict accordance with the terms thereof.

6-2.05 Development Agreement and Operating Standards.

- (a) Permittees, and the premises upon which commercial cannabis activities are operated, shall strictly comply with this ordinance, the Development Agreement, the conditional use permit, the Act, and anything else required by the Department or the State licensing authority. To the extent of a conflict among any of the foregoing, the more restrictive provision shall control unless a different intent is clear from context.
- (b) A fee of no more than 5% of gross receipts may be required in the Development Agreement. This fee is to sunset upon the establishment of a local commercial cannabis tax.
- (c) All premises where commercial cannabis activities are operated shall comply with the following minimum development and operating standards:
- (1) Commercial cannabis activities shall occur in a fully enclosed and permanent building, as described in this ordinance.
- (2) Persons under the age of twenty-one (21) shall be prohibited from the premises at all times, other than as lawful customers permitted under State law in the case of Medicinal cannabis retailers. If such retail establishment sells Medicinal cannabis, persons under the age of twenty-one (21) and over the age of eighteen (18) shall be permitted to enter the establishment only after verification that they possess a valid Medical Marijuana ID card.
- (3) A premises shall notify patrons of the following through the posting of a sign outside the premises posted in a conspicuous location near the entrance of the building.:
- (a) That loitering on and around the premises is prohibited by California Penal Code § 647(e).
- (b) That patrons must immediately leave the site upon concluding the reason for their visit, and may not consume cannabis or cannabis products on the premises.
 - (c) That patrons may be subject to prosecution under federal law.
- (d) That the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate machinery.
- (4) Permittees shall provide the name and phone number of an on-site staff person who shall be responsible for notification of any operational problems or emergencies associated with the premises or the operation thereof to the Police Department and City Manager.

- (5) All commercial cannabis business shall be operated within the specific part of the premises specified in the Development Agreement and/or conditional use permit. No commercial cannabis activities shall take place in an area exceeding the square footage authorized in the controlling Development Agreement, conditional use permit, or the licensee's license; whichever is most restrictive.
- (6) All exterior windows, doors, loading and unloading docks or bays, and any points of ingress or egress to the premises where the commercial cannabis business will be operated, shall be secured from unauthorized entry by commercial grade, nonresidential locks, and in a manner specifically approved by the Police Department. The exterior of each of the foregoing areas shall be illuminated during twilight hours.
- (7) The ingress and egress points of any storage areas for cannabis or cannabis products shall be locked and secured at all times, and shall be under the control of and accessible only to Permittee's authorized personnel as disclosed to the City.
- (8) Each Permittee shall implement a track-and-trace system, compliant with the Act, to record the chain of supply of cannabis or cannabis products from "seed-to-sale."
- (9) The exterior appearance of the premises, including but not limited to the design, color, landscaping, screening, architectural treatments, signage, and other such aesthetic features of the premises shall comply with the standards applicable to the underlying zoning district, as may be modified or supplemented through the Development Agreement and/or conditional use permit. Except as modified herein, or in a Development Agreement or conditional use permit, the premises shall comply with the development standards applicable to the underlying zoning district.
 - (10) Development Agreement
- (10) All exterior signage on the premises shall comply with city standards, the Development Agreement and/or conditional use permit. Should these provisions conflict, the terms of the Development Agreement shall control.
- (12) The exterior of the premises shall comply with the city's generally applicable lighting standards including, without limitation, fixture type, wattage, illumination levels, shielding; and associated approvals and permits.
- (13) All waste generated by or resulting from commercial cannabis activities shall be disposed of as required by law, and Pending disposal such waste shall be stored in a locked and secure area that is under the control of and accessible only to Permittee's authorized personnel.

- (14) On-site sales of alcohol or tobacco products, and consumption of food, alcohol, tobacco, cannabis, or cannabis products on the premises is **strictly prohibited**.
- (15) The premises shall provide an odor absorbing ventilation and exhaust system so that odor generated inside the structure where commercial cannabis activities are taking place cannot be detected outside the structure, anywhere on adjacent property, public rights-of-way, or within any other unit or structure on the premises where commercial cannabis activities are not taking place.
- (16) Be provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage facilities for the intended purpose.
- (17) Whether or not Applicants have obtained a property for the purposes of their commercial cannabis business prior to their selection, shall have no bearing on their selection.
- (18) The Permit Administrator shall have the power and authority to promulgate rules, regulations, and requirements consistent with the provisions of this chapter and other law in connection with the issuance of a registration certificate. The Permit Administrator may designate an employee of his or her department to make decisions and investigate and take action under this chapter.

6-2.06 No transfer or change in ownership of location.

- (a) Permittees may not sell, transfer, pledge, assign, grant an option, or otherwise dispose of, in whole or in part, their rights under or interest in a Development Agreement. it is strictly prohibited for any Owner to sell, transfer, pledge, assign, grant an option, or otherwise dispose of, in whole or in part, their ownership interest in the licensed cannabis business for a minimum period of three (3) years from the start of operation. No Permittee may allow for a separate entity to manage or operate their business or act as their agent in their place. Permittee may only transfer ownership after the initial period of time and with prior discretionary approval of the City Council. Before approving any such request, City may require the purchaser, assignee, or transferee to provide the same information and materials that are required of an initial applicant, including the payment of associated fees.
- (b) Before exercising any rights under a Development Agreement, Permittees shall demonstrate proof of lawful possession of the premises where commercial cannabis activities are proposed to take place. Such evidence shall consist of properly executed deeds of trust, leases, licenses, or similar documents evidencing the Permittee's right to possession and use of the premises. Subject to the criteria specified by the City Council in its solicitation for applications, a Development Agreement shall be awarded contingent upon an applicant's subsequent identification of a premises that is acceptable to the City; or, subject to an applicant's provision of an option, letter of intent, or similar instrument executed by the current owner of the proposed premises in

favor of a Permittee or applicant, authorizing commercial cannabis activities to be operated therein.

- (c) Commercial cannabis activities may only take place within the area, building, structure, and portion of the premises that is specifically described in Development Agreement and/or conditional use permit. A Permittee shall not relocate, move, or otherwise alter the location of its operations from the specific area so identified without obtaining prior approval from the City; regardless of any possessory interest or right to possession to such additional areas. No Permittee shall add additional or contiguous units or areas, thereby altering the initially approved premises, without prior approval of the City Council.
- (d) Permittee shall not sublet, transfer, or otherwise assign any portion of any approved premises for any purpose, unless the City Council granss prior approval of such amendment.
- (e) Permittee shall not make any physical change, alternation, or modification to the approved premises that, in the opinion or discretion of the building official, materially or substantively alters the location or usage of the premises from the plans approved in the Development Agreement and/or conditional use permit, without the advanced approval of the City Council. For purposes of this subsection, the phrase "materially or substantively alters" shall mean any physical change, alternation, or modification to the area of the premises identified in the Development Agreement or conditional use permit for the operation of commercial cannabis activities that either: (1) increases the capacity or scope of commercial cannabis activities by five percent (5%) or more; or (2) requires a building permit.

6-2.07 Minimum Security Requirements.

- (a) Permittees shall comply with the security standards and requirements set forth in this ordinance, the Development Agreement, the conditional use permit, and the Act. If any of the foregoing are inconsistent, the most restrictive provision shall control unless a different intent is clear from context.
 - (b) Security Standards are as follows:
- (1) Owner shall establish a security system that prevents individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business and establishing limited access areas accessible only to authorized commercial cannabis business personnel.
 - (2) Panic buttons shall be installed in all commercial cannabis
 - (3) Sensors shall be installed to detect entry and exit from all

secure areas.

businesses.

(4) Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access

doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

- (5) All Security Personnel shall be vetted through and approved by the Police Department.
- (c) All Premises where commercial cannabis activities are operated and their personnel shall comply with the following minimum security standards:
 - (1) Security Cameras.
- a. Security cameras shall be installed and maintained on the premises in a good working condition, and shall be capable of producing digitally recorded documentation in a format approved by the Police Department.
- b. All security cameras on the premises shall be in use twenty-four (24) hours per day, seven (7) days per week. Permittees are responsible for ensuring that all surveillance equipment is properly functioning and maintained so that the playback quality is suitable for viewing and the surveillance equipment is capturing the identity of all individuals and activities in the monitored areas.
- c. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage.
- d. The areas of the premises to be covered by the security cameras include, but are not limited to: (1) all storage areas for cannabis or cannabis products; (2) all areas where commercial cannabis activities are operated; (3) each location where weighing, packaging, transport, preparation, or tagging activities occur; (4) the interior and exterior of all points of ingress or egress to storage areas; (5) all doors and windows; (6) loading and unloading bays, the interior and exterior of all points of ingress or egress to the structure on the premises where commercial cannabis activities are operated, and (7) all points of ingress or egress to the premises.
- e. Surveillance recording equipment must be housed in a designated, locked, and secured room or other enclosure with access limited to authorized employees or local law enforcement agencies for appropriate purposes.
- f. All entrances and exits to the facility shall be recorded from both indoor and outdoor vantage points.
- g. At least one camera shall be dedicated to recording the access points to the secured surveillance recording area.
- h. Permittees shall keep a current list of all authorized employees and personnel who have access to the surveillance system and/or room on the premises.
- i. Permittees shall keep a surveillance equipment maintenance activity log to record all service activity, including the identity of the individual performing the service, the service date and time, and the reason for service. Such records shall be maintained on the premises and shall be made available to the city upon request.
- j. The system shall be capable of recording all pre-determined surveillance areas in any lighting conditions.

- k. Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, cameras capable of meeting the requirements described in this ordinance, video monitors, digital archiving devices, a color printer, and the capability to produce still color photograph from any camera image, live or recorded. The date and time shall be embedded on all surveillance recordings without significantly obscuring the picture. The time on the surveillance video is to be measured in accordance with the official United States time established by the National Institute of Standards and Technology and the U.S. Naval Observatory.
- 1. Video surveillance systems must be equipped with a failure notification system that provides prompt notification of any prolonged surveillance interruption and/or the complete failure of the surveillance system to the Permittee and Police Department.
- m. All surveillance recordings must be kept for a minimum of ninety (90) days and be in a format that can be easily accessed for viewing. Video recordings must be archived in a format that ensures authentication of the recording as a legitimately captured video, and ensures no alteration of the recorded image has taken place.
- n. After the ninety-day (90) surveillance video retention period has lapsed, surveillance video recordings must be erased or destroyed prior to being discarded or disposed of for any other purposes. Surveillance video recordings may not be destroyed if the premises knows, or should have known of a pending criminal, civil, or administrative investigation, or any other proceedings for which the recording may contain relevant information.
- o. Upon request, Permittees shall make available to the Police Department or local law enforcement agency, for law enforcement purposes, all information related to security alarm systems, recordings, monitoring, and/or system activity.
- p. Permittees may utilize off-site monitoring and video recording storage, or an independent third-party service, to satisfy the requirements of this ordinance, provided the standards exercised at the remote location meet or exceed all standards for on-site monitoring set forth herein.
- q. The cannabis business shall be responsible for ensuring that the security surveillance camera footage is compatible with the city's software and hardware and remotely accessible by the Chief of Police. Alarm systems shall send real time alerts directly to the Police Department.

(2) Alarm System.

- a. The premises shall be equipped with a reliable, commercial alarm system that is operated and monitored by a security company or alarm business twenty-four (24) hours a day, seven (7) days a week, operating in full compliance with this ordinance.
- b. Permittees shall maintain on the premises up to date and current records and existing contracts with third party alarm system or security services providers that: (1) describe the location and operation of each security alarm system, (2) a schematic of security zones, (3) the name of the alarm company, and, if different from the name of the alarm company, (4) the name of any vendor monitoring the premises.

- c. At a minimum, the alarm system shall monitor all exterior points of access into the structure on the premises where commercial cannabis activities are operated, including but not limited to windows and doors.
- (3) Security Guard. At all times a premises is open to the public, at least one security guard who is licensed, possesses a valid department of consumer affairs "security guard card".
- (4) Records. All records applicable to the surveillance system, alarm system, and track-and-trace system shall be maintained on the premises, and available for inspection upon request by the Police Department or other local law enforcement personnel for law enforcement purposes or to ensure compliance with this ordinance, the Act, or the Regulations.
- **6-2.08 County Health Permit.** The City shall work with The County of Los Angeles to adopt the county's Cannabis Compliance and Enforcement Program and require the city's cannabis Permittees to obtain the county's health permit prior to operation.

6-2.09 Criminal Penalties.

- (a) Any violation of any provision of this ordinance shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.
- (b) Separate offenses for each day. Any person who violates any provision of this ordinance shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.
- (c) Use or activity prohibited by State law. Nothing in this ordinance shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law

6-2.10 Violations.

- (a) The city may initiate abatement proceedings as authorized by this ordinance or state law to correct or cure any violation of this ordinance. The city shall be entitled to recover its courts costs and reasonable attorneys' fees in the event of a court order or judgment of abatement is entered in favor of the city.
- (b) Any person violating any of the provisions of this ordinance shall be guilty of a misdemeanor.
- (c) The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.
- (d) Violations declared a public nuisance. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.
- **6-2.11 Audits**. No later than February 15 of every calendar year, each Permittee shall file with the city one copy of an audit of its operations for the previous calendar year, completed and certified by an independent certified public accountant in accordance

with generally accepted auditing and accounting principles. The audit shall include, but not be limited to, a discussion, analysis, and verification of each of the records required to be maintained pursuant to this ordinance.

6-2.12 Records.

- (a) Permittees shall maintain records at the premises accurately and truthfully documenting the following:
- (1) Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the full names, address, and telephone number) of anyone owning, holding an interest in or managing the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the city manager or his/her designee upon a reasonable request.
- (2) All receipts of the premises, including but not limited to all payments, purchases, contributions, reimbursements, and reasonable compensation, whether in cash or in kind, concerning commercial cannabis activities, whether among licensees or otherwise.
- (3) Commercial cannabis businesses must record all commercial cannabis activity in the track and trace system as required by state law.
- (4) Proof of compliance with the Act and regulations, including but not limited to the license issued by the Department authorizing a Permittee to operate commercial cannabis activities on the premises;
- (5) Any other required documentation described in the Development Agreement required to be maintained on the premises.
- (6) The foregoing records shall be maintained by Permittees for a period of seven (7) years and shall be made available by the Permittee to the Police Department, other local law enforcement, or the city manager upon request. If such records are not produced as requested, the city may seek a search warrant, subpoena, or court order to compel access thereto. The records shall be stored at the premises in a manner capable of being reproduced promptly and accurately. Any loss, camage or destruction of the records shall be reported to the Police Department within twenty-four hours.
- (b) Upon institution of a city-wide cannabis tax, it shall be the duty of every owner and operator of a commercial cannabis business to keep all records as may be necessary to determine the amount of tax due hereunder and shall preserve the same for a period of four years. The tax administrator shall have the right to inspect such records at all reasonable times. The finance director shall determine the mode and method of recordkeeping required to assist the tax collector to perform the duties required of him under this section. At the time of permit renewal, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the finance director.

6-2.12 Compliance with laws.

Nothing in this chapter shall be construed as authorizing any actions that violate state or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable state and local laws, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis permit. Nothing in this chapter shall be construed as authorizing any actions that violate state law regarding the operation of a commercial cannabis business. Except as otherwise provided herein, this ordinance incorporates the requirements of the Act. In the event of any conflict between the provisions of this ordinance and the provisions of the foregoing, the more restrictive provision shall control.

- **6-2.13 Interpretation.** The provisions of this ordinance shall be read to be consistent with all the provisions of state and local law, and their implementing regulations, as well as the other provisions of this ordinance.
- **6-2.14 Severability.** Should any provision of this ordinance, or its application to any persons or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

6-2.15 Limitation of Liability

- (a) To the fullest extent permitted by law, the city shall not assume any liability whatsoever, with respect to receiving, reviewing, processing, denying, or approving any application to operate commercial cannabis activities under this ordinance.
- (b) As a condition of submitting an application for a Development Agreement, and as a further condition of approval, each applicant or Permittee, as applicable, shall: (1) agree to indemnify the city and its elected and appointed officers, employees, and representatives, from and against any claims, damages, injuries, or liabilities of any kind relating to or arising from an application, the city's denial or approval of an application, or the operation of commercial cannabis activities; (2) waive any and all claims, damages, injuries, or liabilities of any kind against the city and its elected and appointed officers, employees, and representatives; (3) agree to defend, at its sole cost and expense, any action against the city and/or its elected and appointed officers, employees, and representatives, relating to or arising from an application, denial or approval of an application, or the operation of a commercial cannabis activity; and (4) agree to reimburse the city for any court costs and attorneys' fees (with legal counsel of the city's choice) incurred in any legal challenge relating to an application, the denial or approval of any application, or the operation of a commercial cannabis activity.
- 6-2.16 Suspension, revocation or modification of permits.

- (a) Commercial cannabis permits may be suspended, revoked or modified for any violation of any state or local law and/or any rule, regulation, and/or standard adopted pursuant to this chapter or in this Code, whether committed by the Permittee or any employee or agent of the Permittee.
- (b) A decision of the city to suspend, revoke or modify a commercial cannabis permit is appealable to a hearing officer and any appeal must be filed with the city manager at least ten (10) working days prior to the commencement date of the permit revocation or modification.
- (1) The City Clerk shall not accept an appeal, and no hearing shall be held, unless the appellant has paid a filing fee, in an amount set by resolution of the City Council, to defray the cost of such appeal. Any appeal without the timely payment of fees shall be considered to be untimely.
- (2) The scope of the appeal hearing pursuant to this section shall be limited to those issues raised by the appellant in the written appeal, as submitted pursuant to subsection (a) of this section.
- (3) Upon receipt of a timely filed appeal, the City Clerk shall set the matter for hearing before the City Manager. The hearing shall be held not fewer than ten (10) calendar days and not more than thirty (30) calendar days from the date of the appeal request. The hearing may be continued from time to time upon the mutual consent of the parties.
- (4) The appellant shall be provided with notice of the time and place of the appeal hearing, as well as a copy of all relevant materials at least fifteen (15) calendar days prior to the hearing.
- (5) An appeal shall stay all proceedings in furtherance of the appealed action, following appeal, the decision of the hearing officer may be appealed to the city council. A decision of the city council shall be the final decision of the city.
- (c) Any premises, or portion of a premises, for which the cannabis public health permit has been suspended or revoked shall close, cease doing business, and remain closed until the cannabis Health Permit has been reinstated or reissued by the City Health Officer.
- (d) Additionally, when there is an imminent threat to public health, safety or welfare, the city manager or his/her designee, may take immediate action to temporarily suspend a commercial cannabis permit issued by the city, pending a hearing before the city manager or his/her designee within ten (10) working days of suspension. The decision of the City Manager may be appealed to the City Council, whose decision shall be final.

SECTION 2. AMENDMENT OF CODE. The Planning Commission recommends that Title 10, Chapter 2 Section 10-2.126 be fully amended to read as follows:

10-2.1626 Marijuana regulations.

- (a) **Purpose and findings.** The City Council finds that it is in the interest of public health, safety, and welfare of the residents and businesses within the City to responsibly regulate and allow for commercial cannabis activities in the City of Redondo Beach.
 - (b) Definitions.

- (1) "A-license" means a State license issued under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician's recommendations.
- (2) "A-licensee" means any person holding a license under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician's recommendations.
- (3) "Act" shall mean the California Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), as in Business and Professions Code Section 26000 et seq., as amended from time to time
- (4) **"Applicant"** shall mean and refer to a person applying for a Development Agreement pursuant to this ordinance.
- (5) **"Cannabis"** For the purpose of this section "cannabis" and "marijuana" shall have the same meaning.
- (6) **"Cannabis accessories"** means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.
- (7) "Cannabis product" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.
- (8) "Cannabis retailer" means a commercial cannabis business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the City of Redondo Beach authorizing the operation of a retailer, and a valid state license as required by state law to operate as a retailer.
- (9) "Caregiver" or "Primary caregiver" has the same meaning as the term is defined in Section 11362.7 of the State Health and Safety Code.
 - (10) "City" means the City of Redondo Beach.
- (11) "City Council" or "Council" means the City Council of the City of Redondo Beach.
- (12) "City Manager" means the City Manager of the City of Redondo Beach or his or her designee(s).
- (13) "Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, distribution, delivery or sale of marijuana and marijuana products.
- (14) "Commercial cannabis permit" means the permit issued by the City under RBMC Section 6-2.00.
- (15) "Conditional Use Permit" means the permit issued by the City under RBMC Section 10-2.2506.
- (15) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of marijuana.

- (16) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded or trimmed, or a location where any combination of those activities occurs.
- (17) "Customer" means a natural person twenty-one (21) years of age or over or a natural person eighteen (18) years of age or older who possesses a physician's recommendation.
- (18) "Day care center" means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.
- (19) "**Delivery**" means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer (or a microbusiness engaging in retail sales).
- (20) "Department" means the Department of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Cannabis Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation.
- (21) "Development Agreement" means a contract between the City of Redondo Beach and the selected applicant.
- (22) "Dispensary" or "storefront retailer" means a location where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products.
- (23) "Distribution" means the procurement, sale, and transport of cannabis and cannabis products between licensees.
- (24) **"Edible cannabis product"** means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Section 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code.
- (25) "Gross receipts" means, except as otherwise specifically provided herein, whether designated as a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, and property of any kind or nature) received or payable for sales of goods, wares, or merchandise without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor, or service costs, interest paid or payable, losses, or any other expense whatsoever. However, the following shall be excluded from gross receipts:
 - (a) Cash discounts where allowed and taken on sales;
- (b) Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- (c) Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
- (d) Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;

- (e) Cash value of sales, trades, or transactions between departments or units of the same business;
- (f) Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a given year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered; and
- (g) Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar.
- (26) **"Manufacture"** means to compound, blend, extract, infuse, or otherwise make or prepare a marijuana product.
- (27) "Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of marijuana or marijuana products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages marijuana or marijuana products or labels or re-labels its container, that holds a State license pursuant to this section.
- (28) "Marijuana" or "cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this section, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.
- (29) "**Medicinal cannabis**" means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), California Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician's recommendation.
- (30) "Medicinal delivery" means the commercial transfer of medicinal cannabis to a customer that possesses a physician's recommendation. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this section that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of marijuana or marijuana products.
- (31) "Nursery" means a license that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.
- (32) "**Operation**" means any act for which any State or local licensure is required under the provisions of this section or any commercial transfer of cannabis or cannabis products.

- (33) "Owner" means any of the following:
- (a) A person with an aggregated ownership interest of twenty (20%) percent or more in the person or entity applying for a license or a licensee, unless such interest is solely in security, lien, or encumbrance.
- (b) The chief executive officer or a member of the board of directors of a nonprofit organization.
- (c) An individual who will be participating in the direction, control, or management of the person or entity applying for a license. "Owner" means any of the following:
- 1. All persons identified as an "owner" on any permit, license, or other authorization issued by a state agency or local government which authorizes the persons to establish and operate the cannabis facility.
- 2. Any person identified or required to be identified as an "owner" on an application filed with any state agency and any local government, wherein the application requests the privilege to operate the cannabis facility.
- If no person under subsection 1 or 2, above, exists:
- a. A person with an aggregate ownership interest of 20 percent or more in the corporate entity, partnership, or other business entity applying for a permit or a Permittee, unless the interest is solely a security, lien, or encumbrance.
- b. The chief executive officer of a nonprofit or other entity.
- A member of the board of directors of a nonprofit.
- d. An individual who will be participating in the direction, control, or management of the person applying for a permit. A member of the board of directors of a nonprofit.
- e. An individual who will be participating in the direction, control, or management of the person applying for a permit.
- (34) "Package" means any container or receptacle used for holding cannabis or cannabis products.
- (35) "**Permittee**" means a person who has obtained a commercial cannabis permit from the city to operate a cannabis business.
- "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- (36) "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.
- (37) **"Private residence"** means a house, an apartment unit, a mobile home, or other similar dwelling.
- (38) **"Purchaser"** means the customer who is engaged in a transaction for purposes of obtaining cannabis or cannabis products.
- (39) "Qualified delivery service" is one that has been licensed pursuant to the requirements of California Business and Professions Code Section 26050, maintains at all times while operating in the City of Redondo Beach all necessary State licenses, and operates in compliance with State and local law.

- (40) "Sell," "sale," and "to sell" includes any transaction whereby, for any consideration, title to marijuana is transferred from one person to another, and includes the delivery of marijuana or marijuana products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of marijuana or marijuana products by a licensee to the licensee from whom such marijuana or marijuana product was purchased.
- (41) "State license" means a State license issued under this section, and includes both an A-license and an M-license, as well as a testing laboratory license.
- (42) "State licensee" means any person holding a license under this section, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.
- (43) "State licensing authority" means the State agency responsible for the issuance, renewal, or reinstatement of the license, or the State agency authorized to take disciplinary action against the licensee.
- (44) "**Testing laboratory**" means a laboratory, facility, or entity in the State that offers or performs tests of cannabis or cannabis products and that is both of the following:
- a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
 - b. Licensed by the Department.
- (45) "**Testing service**" means a laboratory, facility, or entity in the State, that offers or performs tests of marijuana or marijuana products, including the equipment provided by such laboratory, facility, or entity, and that is both of the following:
- a. Accredited by an accrediting body that is independent from all other persons involved in commercial marijuana activity in the State.
 - b. Registered with the State Department of Public Health.
- (46) **"Youth center"** means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.
- (c) Commercial cannabis activities prohibited unless specifically authorized by this chapter.
- (1) It shall be unlawful for any person to operate, cause, allow, assist, participate in, engage in, or in any way conduct any commercial cannabis activity within the city, including but not limited to the cultivation, delivery, distribution, manufacture, testing, transport, retail, microbusiness, purchase, sale, testing, distribution, giving away, or otherwise transferring of cannabis or cannabis products, or any other activities for which a license is available except in compliance with the provisions of Section (c)(2) below.
- (2) The prohibitions of subsection (a) shall not apply to the following persons, provided said person operates in strict accordance with State and local regulations:
- a. A clinic, licensed pursuant to Chapte: 1 of Division 2 of the Health and Safety Code:
- b. Health care facility, licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code;

- c. A residential care facility for persons with chronic lifethreatening illness, licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code;
- d. A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code;
- e. A residential hospice or home health agency, licensed pursuant to Chapter 8 of the Health and Safety Code;
- f. Personal indoor cultivation in compliance with this ordinance;
- g. A licensee's transportation of cannabis or cannabis products on public roads pursuant to subsection (b) of Section 26080 or subsection (e) of Section 26090 of the Business and Professions Code, as the same may be amended from time to time, provided the licensee is permitted or approved to operate by the local jurisdiction in which the licensee's facilities are physically located;
- h. A Permittee authorized to engage in retail activities under this ordinance, provided that said person has entered into a Development Agreement with the city, has been granted a conditional use permit, has been issued the requisite license from the Department, and otherwise complies, at all times, with the provisions of this ordinance.
- (3) Until the City establishes a local commercial cannabis tax, the City hereby expressly prohibits the delivery of cannabis and cannabis products within the City except by cannabis retailers based within the City. If the City is required by State law to permit the delivery of cannabis and cannabis products by cannabis retailers not based within the City, such cannabis retailers not based within the City shall be required to comply with the provisions in this ordinance, including, but not limited to, the City commercial cannabis business permit application and approval processes under the ordinance.
- (4) Delivery of medicinal cannabis and medicinal cannabis products to qualified patients and their primary caregivers by state licensee cannabis businesses, is permitted within the City until a retailer issued a commercial cannabis business permit.
 - (5) Individual cultivation restrictions.
- a. No person shall plant, cultivate, harvest, dry, or process more than six (6) cannabis plants or permit more than six (6) cannabis plants to be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence at one time.
- b. Personal cultivation permitted under Health and Safety Code Section 11362.2, as amended from time to time, must occur in a secured indoor location or outdoors within a locked structure upon the growers own property, or a property to which they have explicit authority to access, and in an area that is not visible from a public right-of-way.
 - (6) Commercial cannabis retailer regulations.
- a. Cannabis Retailer Permit Required. A cannabis retailer must obtain and maintain at all times a valid Commercial Cannabis permit as required pursuant to Redondo Beach Municipal Code Title 6, Chapter 6.
 - b. Conditional Use Permit and Zoning.

- (1) A Conditional Use Permit is required to establish a cannabis business or operate as a cannabis retailer. Cannabis retailers shall be required to comply with all zoning, land use, and development regulations applicable to the zoning district in which they are permitted to establish and operate such business as set forth in the Redondo Beach Municipal Code.
- (2) The cannabis retailer is not required to obtain a Conditional Use Permit prior to applying for a Commercial Cannabis Permit.
- (3) If a cannabis retailer is authorized by Conditional Use Permit to operate a cannabis business on a particular site and such operation is discontinued for a continuous period of 12 months, the Conditional Use Permit expires for discontinuance of use and thereafter is void.
- c. **Number of Retailers**. No more than two (2) sites may be used for storefront commercial cannabis retailers at any time. Those sites maybe concurrently licensed to provide Delivery.
 - d. Location Requirements.
- A. Cannabis retailers shall be permitted only in commercial and industrial zones, specifically limited to the C-1, C-2, C-2A, C-2B, C-2PD, C-3, C-3A, C-3B, C-3PD, C-4, C-4A, C-4B, C-4PD, C-5A, CR, I-1, I-1A, I-1B, I-2, I-2A, and IC-1 zones. Cannabis retailers are prohibited in Coastal Commercial zones. Cannabis retailers are prohibited in any public-institutional zones and zones where residential is permitted.
- B. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer.
- C. No retailer shall be established or located within 1,500 feet of any public or private high school or middle school, measured from the nearest property lines of each of the affected parcels.
- D. No retailer shall be established or located within 600 feet from public or private elementary schools, day cares, and youth centers, measured from the nearest property lines of each of the affected parcels.
 - E. Each Council District shall only have one (1)
- cannabis retail site.
- F. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance or from the date of the violation, whichever is later.
- e. **Operating Requirements**. In addition to those operating requirements specifically set forth in Section 6-2.05, the following operating requirements shall apply to all cannabis retailers operating in the City of Redondo Beach:
- A. Hours of Operation. Storefront retail sales may be open for access to the public between the hours of 9:00 a.m. and 10:00 p.m., Monday

through Sunday. Delivery hours shall be limited to between the hours of 6:00 a.m. and 10:00 p.m., Monday through Sunday.

- B. Commercial cannabis activities may only operate within a fully enclosed and permanent building. For purposes of this ordinance, the phrase "fully enclosed and permanent building" shall mean a structure having a roof that is enclosed on all sides and is intended and has a useful life appropriate for long-term use, as contrasted with a "temporary building" that is not designed or intended to be permanently located, placed, or affixed to the premises.
- C. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance.
- D. Notwithstanding the requirements of Section 6-2.07, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.
- E. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.
- F. Delivery services are permitted in association with a Cannabis Retailer. Delivery of cannabis shall be permitted in compliance with provision (c)(2)(h) of this Section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to State law and pursuant to Redondo Beach Municipal Code. Delivery of cannabis from a retailer permitted pursuant to this Section can only be made in a City of County that does not expressly prohibit it by ordinance.
- (e) **Public nuisance.** Any use or condition caused, or permitted to exist in violation of any provision of this section within the City limits of the City of Redondo Beach is declared to be a public nuisance and may be abated by the City either pursuant to Title 4, Chapter 10 of Redondo Beach Municipal Code or any available legal remedies, including, but not limited to, civil injunctions.
- (f) **Criminal penalties.** Any violation of any provision of this section shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.
- (g) **Separate offense for each day.** Any person who violates any provision of this section shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.
- (h) Use or activity prohibited by State law. Nothing in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law.

SECTION 3. AMENDMENT OF CODE. The Planning Commission recommends that Title 10, Chapter 5 Section 10-5.1626 be fully amended to read as follows:

10-5.1626 Marijuana regulations.

- (a) **Purpose and findings.** The City Council finds that it is in the interest of public health, safety, and welfare of the residents and businesses within the City to responsibly regulate and allow for commercial cannabis activities in the City of Redondo Beach.
 - (b) **Definitions**.
- (1) "A-license" means a State license issued under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician's recommendations.
- (2) "A-licensee" means any person holding a license under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician's recommendations.
- (3) "Act" shall mean the California Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), as in Business and Professions Code Section 26000 et seq., as amended from time to time
- (4) **"Applicant"** shall mean and refer to a person applying for a Development Agreement pursuant to this ordinance.
- (5) "Cannabis" For the purpose of this section "cannabis" and "marijuana" shall have the same meaning.
- (6) "Cannabis accessories" means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.
- (7) "Cannabis product" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.
- (8) "Cannabis retailer" means a commercial cannabis business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the City of Redondo Beach authorizing the operation of a retailer, and a valid state license as required by state law to or erate as a retailer.
- (9) "Caregiver" or "Primary caregiver" has the same meaning as the term is defined in Section 11362.7 of the State Health and Safety Code.
 - (10) "City" means the City of Redondo Beach.
- (11) "City Council" or "Council" means the City Council of the City of Redondo Beach.
- (12) "City Manager" means the City Manager of the City of Redondo Beach or his or her designee(s).
- (13) "Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, distribution, delivery or sale of marijuana and marijuana products.
- (14) "Commercial cannabis permit" means the permit issued by the City under RBMC Section 6-2.00.

- (15) **"Conditional Use Permit"** means the permit issued by the City under RBMC Section 10-5,2506.
- (15) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of marijuana.
- (16) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded or trimmed, or a location where any combination of those activities occurs.
- (17) "Customer" means a natural person twenty-one (21) years of age or over or a natural person eighteen (18) years of age or older who possesses a physician's recommendation.
- (18) "Day care center" means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.
- (19) "**Delivery**" means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer (or a microbusiness engaging in retail sales).
- (20) "**Department**" means the Department of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Cannabis Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation.
- (21) "Development Agreement" means a contract between the City of Redondo Beach and the selected applicant.
- (22) "Dispensary" or "storefront retailer" means a location where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products.
- (23) "Distribution" means the procurement, sale, and transport of cannabis and cannabis products between licensees.
- (24) **"Edible cannabis product"** means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Section 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code.
- (25) "Gross receipts" means, except as otherwise specifically provided herein, whether designated as a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, and property of any kind or nature) received or payable for sales of goods, wares, or merchandise without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor, or service costs, interest paid or payable, losses, or any other expense whatsoever. However, the following shall be excluded from gross receipts:
 - (a) Cash discounts where allowed and taken on sales;
- (b) Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- (c) Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

- (d) Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;
- (e) Cash value of sales, trades, or transactions between departments or units of the same business;
- (f) Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a given year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered; and
- (g) Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar.
- (26) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a marijuana product.
- (27) "Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of marijuana or marijuana products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages marijuana or marijuana products or labels or re-labels its container, that holds a State license pursuant to this section.
- (28) "Marijuana" or "cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this section, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.
- (29) "Medicinal cannabis" means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), California Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician's recommendation.
- (30) "Medicinal delivery" means the commercial transfer of medicinal cannabis to a customer that possesses a physician's recommendation. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this section that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of marijuana or marijuana products.
- (31) "Nursery" means a license that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

- (32) "Operation" means any act for which any State or local licensure is required under the provisions of this section or any commercial transfer of cannabis or cannabis products.
 - (33) "Owner" means any of the following:
- (a) A person with an aggregated ownership interest of twenty (20%) percent or more in the person or entity applying for a license or a licensee, unless such interest is solely in security, lien, or encumbrance.
- (b) The chief executive officer or a member of the board of directors of a nonprofit organization.
- (c) An individual who will be participating in the direction, control, or management of the person or entity applying for a license. "Owner" means any of the following:
- 1. All persons identified as an "owner" on any permit, license, or other authorization issued by a state agency or local government which authorizes the persons to establish and operate the cannabis facility.
- 2. Any person identified or required to be identified as an "owner" on an application filed with any state agency and any local government, wherein the application requests the privilege to operate the cannabis facility.
- If no person under subsection 1 or 2, above, exists:
- a. A person with an aggregate ownership interest of 20 percent or more in the corporate entity, partnership, or other business entity applying for a permit or a Permittee, unless the interest is solely a security, lien, or encumbrance.
- b. The chief executive officer of a nonprofit or other entity.
- A member of the board of directors of a nonprofit.
- d. An individual who will be participating in the direction, control, or management of the person applying for a permit. A member of the board of directors of a nonprofit.
- e. An individual who will be participating in the direction, control, or management of the person applying for a permit.
- (34) "Package" means any container or receptacle used for holding cannabis or cannabis products.
- (35) "Permittee" means a person who has obtained a commercial cannabis permit from the city to operate a cannabis business.
- "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- (36) "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.
- (37) **"Private residence"** means a house, an apartment unit, a mobile home, or other similar dwelling.
- (38) **"Purchaser"** means the customer who is engaged in a transaction for purposes of obtaining cannabis or cannabis products.
- (39) "Qualified delivery service" is one that has been licensed pursuant to the requirements of California Business and Professions Code Section 26050,

maintains at all times while operating in the City of Redondo Beach all necessary State licenses, and operates in compliance with State and local law.

- (40) "Sell," "sale," and "to sell" includes any transaction whereby, for any consideration, title to marijuana is transferred from one person to another, and includes the delivery of marijuana or marijuana products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of marijuana or marijuana products by a licensee to the licensee from whom such marijuana or marijuana product was purchased.
- (41) "State license" means a State license issued under this section, and includes both an A-license and an M-license, as well as a testing laboratory license.
- (42) "State licensee" means any person holding a license under this section, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.
- (43) "State licensing authority" means the State agency responsible for the issuance, renewal, or reinstatement of the license, or the State agency authorized to take disciplinary action against the licensee.
- (44) "**Testing laboratory**" means a laboratory, facility, or entity in the State that offers or performs tests of cannabis or cannabis products and that is both of the following:
- a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
 - b. Licensed by the Department.
- (45) "**Testing service**" means a laboratory, facility, or entity in the State, that offers or performs tests of marijuana or marijuana products, including the equipment provided by such laboratory, facility, or entity, and that is both of the following:
- a. Accredited by an accrediting body that is independent from all other persons involved in commercial marijuana activity in the State.
 - b. Registered with the State Department of Public Health.
- (46) **"Youth center"** means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.
- (c) Commercial cannabis activities prohibited unless specifically authorized by this chapter.
- (1) It shall be unlawful for any person to operate, cause, allow, assist, participate in, engage in, or in any way conduct any commercial cannabis activity within the city, including but not limited to the cultivation, delivery, distribution, manufacture, testing, transport, retail, microbusiness, purchase, sale, testing, distribution, giving away, or otherwise transferring of cannabis or cannabis products, or any other activities for which a license is available except in compliance with the provisions of Section (c)(2) below.
- (2) The prohibitions of subsection (a) shall not apply to the following persons, provided said person operates in strict accordance with State and local regulations:
- a. A clinic, licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code;

- b. Health care facility, licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code;
- c. A residential care facility for persons with chronic lifethreatening illness, licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code;
- d. A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code;
- e. A residential hospice or home health agency, licensed pursuant to Chapter 8 of the Health and Safety Code;
- f. Personal indoor cultivation in compliance with this ordinance;
- g. A licensee's transportation of cannabis or cannabis products on public roads pursuant to subsection (b) of Section 26080 or subsection (e) of Section 26090 of the Business and Professions Code, as the same may be amended from time to time, provided the licensee is permitted or approved to operate by the local jurisdiction in which the licensee's facilities are physically located;
- h. A Permittee authorized to engage in retail activities under this ordinance, provided that said person has entered into a Development Agreement with the city, has been granted a conditional use permit, has been issued the requisite license from the Department, and otherwise complies, at all times, with the provisions of this ordinance.
- (3) Until the City establishes a local commercial cannabis tax, the City hereby expressly prohibits the delivery of cannabis and cannabis products within the City except by cannabis retailers based within the City. If the City is required by State law to permit the delivery of cannabis and cannabis products by cannabis retailers not based within the City, such cannabis retailers not based within the City shall be required to comply with the provisions in this ordinance, including, but not limited to, the City commercial cannabis business permit application and approval processes under the ordinance.
- (4) Delivery of medicinal cannabis and medicinal cannabis products to qualified patients and their primary caregivers by state licensee cannabis businesses, is permitted within the City until a retailer issued a commercial cannabis business permit.
 - (5) Individual cultivation restrictions.
- a. No person shall plant, cultivate, harvest, dry, or process more than six (6) cannabis plants or permit more than six (6) cannabis plants to be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence at one time.
- b. Personal cultivation permitted under Health and Safety Code Section 11362.2, as amended from time to time, must occur in a secured indoor location or outdoors within a locked structure upon the growers own property, or a property to which they have explicit authority to access, and in an area that is not visible from a public right-of-way.
 - (6) Commercial cannabis retailer regulations.
- a. Cannabis Retailer Permit Required. A cannabis retailer must obtain and maintain at all times a valid Commercial Cannabis permit as required pursuant to Redondo Beach Municipal Code Title 6, Chapter 6.

b. Conditional Use Permit and Zoning.

- (1) A Conditional Use Permit is required to establish a cannabis business or operate as a cannabis retailer. Cannabis retailers shall be required to comply with all zoning, land use, and development regulations applicable to the zoning district in which they are permitted to establish and operate such business as set forth in the Redondo Beach Municipal Code.
- (2) The cannabis retailer is not required to obtain a Conditional Use Permit prior to applying for a Commercial Cannabis Permit.
- (3) If a cannabis retailer is authorized by Conditional Use Permit to operate a cannabis business on a particular site and such operation is discontinued for a continuous period of 12 months, the Conditional Use Permit expires for discontinuance of use and thereafter is void.
- c. **Number of Retailers**. No more than two (2) sites may be used for storefront commercial cannabis retailers at any time. Those sites maybe concurrently licensed to provide Delivery.

d. Location Requirements.

- A. Cannabis retailers shall be permitted only in commercial and industrial zones, specifically limited to the C-1, C-2, C-2A, C-2B, C-2PD, C-3, C-3A, C-3B, C-3PD, C-4, C-4A, C-4B, C-4PD, C-5A, CR, I-1, I-1A, I-1B, I-2, I-2A, and IC-1 zones. Cannabis retailers are prohibited in Coastal Commercial zones. Cannabis retailers are prohibited in any public-institutional zones and zones where residential is permitted.
- B. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer.
- C. No retailer shall be established or located within 1,500 feet of any public or private high school or middle school, measured from the nearest property lines of each of the affected parcels.
- D. No retailer shall be established or located within 600 feet from public or private elementary schools, day cares, and youth centers, measured from the nearest property lines of each of the affected parcels.
- E. Each Council District shall only have one (1) cannabis retail site.
- F. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance or from the date of the violation, whichever is later.
- e. **Operating Requirements**. In addition to those operating requirements specifically set forth in Section 6-2.05, the following operating requirements shall apply to all cannabis retailers operating in the City of Redondo Beach:
- A. Hours of Operation. Storefront retail sales may be open for access to the public between the hours of 9:00 a.m. and 10:00 p.m., Monday

through Sunday. Delivery hours shall be limited to between the hours of 6:00 a.m. and 10:00 p.m., Monday through Sunday.

- B. Commercial cannabis activities may only operate within a fully enclosed and permanent building. For purposes of this ordinance, the phrase "fully enclosed and permanent building" shall mean a structure having a roof that is enclosed on all sides and is intended and has a useful life appropriate for long-term use, as contrasted with a "temporary building" that is not designed or intended to be permanently located, placed, or affixed to the premises.
- C. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance.
- D. Notwithstanding the requirements of Section 6-2.07, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities,
- E. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.
- F. Delivery services are permitted in association with a Cannabis Retailer. Delivery of cannabis shall be permitted in compliance with provision (c)(2)(h) of this Section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to State law and pursuant to Redondo Beach Municipal Code. Delivery of cannabis from a retailer permitted pursuant to this Section can only be made in a City of County that does not expressly prohibit it by ordinance.
- (e) **Public nuisance.** Any use or condition caused, or permitted to exist in violation of any provision of this section within the City limits of the City of Redondo Beach is declared to be a public nuisance and may be abated by the City either pursuant to Title 4, Chapter 10 of Redondo Beach Municipal Code or any available legal remedies, including, but not limited to, civil injunctions.
- (f) **Criminal penalties.** Any violation of any provision of this section shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.
- (g) Separate offense for each day. Any person who violates any provision of this section shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.
- (h) Use or activity prohibited by State law. Nothing in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law.

SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council shall declare that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 6. Below are additional recommendations from the Planning Commission for the City Council to consider in finalizing and implementing the cannabis regulations.

- Correct numbering and reference in10-2 and 10-5.1626(c)(2) references the "prohibitions of subsection (a)". That should reference subsection (c)(1) immediately above it.
- 2. Add definitions for the following terms:
 - a. Hearing Officer
 - b. Tax Administrator
 - c. Finance Director
 - d. Permit Administrator
 - e. Premises
- Correct discrepancy between calendar days referenced in 6-2.16(b)(3) and (b)(4) so that materials would not have to be submitted in advance of the appeal itself.
- In 6-2.05(c)(14) add clarification that employees would be permitted to consume food on site not in the customer area.
- 5. By limiting to two licenses, it is a duopoly. Under Subsection 6-2.06 remove the reference to the "...minimum period of three (3) years from the start of operation." And remove the language, "Permittee may only transfer ownership after the initial period of time and with prior discretionary approval of the City Council. Before approving any such request, City may require the purchaser, assignee, or transferee to provide the same information and materials that are required of an initial applicant, including the payment of associated fees."
- Require a Conditional Use Permit condition that authorizes that CUP only while there is an operator that has a commercial cannabis retailer permit per Title 6.
- Consider engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety.

- 8. Institute a mechanism to vet all owners. Specifically, if a certain percentage is proposed to be assigned to new owners or partners, permittee is to notify the City and must obtain prior City Council approval. A restriction should be added to prohibit a permittee to be a C Corporation.
- 9. Prohibit the two permits from having the same or common ownership.
- 10. Require that the developer agreement set a timeframe from when a permit is issued to when it is required to be in operation.
- 11. Revise 6-2.02 to read, "No person may operate a commercial cannabis business or engage in commercial cannabis activity within the City of Redondo Beach including cultivation, processing, manufacturing, testing, sale, delivery, distribution, or transportation of cannabis or a cannabis product unless the person (1) has a valid commercial cannabis retailer permit from the City of Redondo Beach; (2) has any and all valid state or local permits; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activity, including holding the necessary state licenses to engage in commercial cannabis activity." Where the language is specifying that only a cannabis retailer permit allowed.
- 12. Require in the developer agreement that the permittee have a community relations contact available to businesses and residents within 600' of the site and quarterly meetings required between community relations contact and City Manager for first year and at request of City Manager thereafter.
- 13. Revise Section 6-2.05(c)(5) to address and not inadvertently prohibit delivery. The language currently states, "All commercial cannabis business shall be operated within the specific part of the premises specified in the Development Agreement and/or conditional use permit. No commercial cannabis activities shall take place in an area exceeding the square footage authorized in the controlling Development Agreement, conditional use permit, or the licensee's license; whichever is most restrictive."
- 14. Developer agreement should restrict permitted local cannabis retail businesses from advertising on billboards in the City of Redondo Beach.
- 15. If there is no requirement under the law for personal information to be collected for cannabis retail storefront licensees, prohibit the business from requiring that the personal information be collected in order to be a customer.
- 16. Concern with real time surveillance being an invasion of privacy. Return the video surveillance requirements to be limited to the State requirements, police not surveilling the cannabis site, or if police have surveillance access, not recording it. If police have recordings of surveillance at the discretion of the permittee, should delete surveillance recordings within 90 days unless part of an active investigation.

- 17. Regarding buffering residential zones:
 - a. Prohibit entrances and exits and driveways associated with cannabis retailers on streets where adjacent to residential zone where residential shares that road within the same block.
- 18. Add restriction that no more than cannabis retail site per street.
- 19. Consider requiring a bond for liability.
- 20. Consider requiring in the development agreement an audit of operations in addition to the financial auditing requirement to be paid for by the permittee.
- 21. Recommend that Council add supplemental appearance requirements per 6-2.05(c)(9) in the development agreement.
- 22. Remove the CR zone that includes the Galleria site as an allowed zone for cannabis retailer permits.
- 23. Considering that Beach Cities Transit Route 102 is a main bus line for Redondo Beach High School students to take to school, with two bus stops on Artesia Boulevard between Ridge Lane and Hawthorne Boulevard, recommend removing the commercial sites along Artesia Boulevard between Ridge Lane and Hawthorne Boulevard from consideration for cannabis retailer permits.

FINALLY RESOLVED, that the Planning Commission forward a copy of this resolution to the City Council so the Council will be informed of the action of the Planning Commission.

PASSED, APPROVED, AND ADOPTED this 3rd day of March, 2022.

Rob Gaddis, Chair Planning Commission City of Recondo Beach

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

I, Brandy Forbes, Community Development Director of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. 2022-03-PCR-02 was duly passed, approved and adopted by the Planning Commission of the City of Redondo Beach, California, at an adjourned regular meeting of said Planning Commission held on the 3rd day of March, 2022 by the following roll call vote:

AYES:

Chair Gaddis, Commissioners Behrendt, Boswell, Hazeltine, Hinsley,

Godek, and Lamb

NOES:

None

ABSENT:

None

Brandy Forbes AICP

Community Development Director

APPROVED AS TO FORM:

City Attorney's Office

City of Redondo Beach Planning Commission Minutes Adjourned Regular Meeting March 3, 2022

A. CALL TO ORDER

A Virtual meeting of the Planning Commission was held pursuant to California Assembly Bill 361 and City Council action and was called to order by Chair Gaddis at 6:30 p.m.

B. ROLL CALL

Commissioners Present: Behrendt, Boswell, Godek, Hazeltine, Hinsley, Lamb, Chair

Gaddis

Officials Present: Brandy Forbes, Community Development Director

Jillian Martins, Senior Deputy City Attorney

Lina Portolese, Planning Analyst

C. SALUTE TO THE FLAG

Commissioner Hazeltine led in the Salute to the Flag.

D. APPROVE OF ORDER OF AGENDA

Motion by Commissioner Hazeltine, seconded by Commissioner Lamb, to approve the order of the agenda, as presented. Motion carried 7-0, with the following roll call vote:

AYES:

Behrendt, Boswell, Godek, Hazeltine, Hinsley, Lamb, Chair Gaddis

NOES:

None

ABSTAIN:

None

ABSENT: None

E. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS - None

F. CONSENT CALENDAR

There were no public comments or eComments on this item.

F. 1. APPROVE AFFIDAVIT OF POSTING OF THE PLANNING COMMISSION ADJOURNED REGULAR MEETING OF MARCH 3, 2022

F. 2. APPROVE MINUTES OF THE PLANNING COMMISSION REGULAR MEETING OF FEBRUARY 17, 2022

F. 3. RECEIVE AND FILE PLANNING COMMISSION REFERRALS TO STAFF UPDATE

No update since February 17, 2022

Motion by Commissioner Hazeltine, seconded by Commissioner Hinsley, to approve the Consent Calendar, as presented. Motion carried 7-0, with the following roll call vote:

AYES:

Behrendt, Boswell, Godek, Hazeltine, Hinsley, Lamb, Chair Gaddis

NOES: ABSTAIN: None

ABSENT:

None None

G. EXCLUDED CONSENT CALENDAR ITEMS - None

H. PUBLIC PARTICIPATION NON-AGENDA ITEMS

There were no eComments or public comments on items not on the agenda.

I. EX PARTE COMMUNICATIONS

Commissioner Behrendt reported speaking with Chair Gaddis, City staff, Councilmembers Obagi, Nehrenheim, Loewenstein, Emdee and Horvath, Jonatan Cvetko from the Cannabis Steering Committee, Kerri Ann Lawson from the Beach Cities Health District, former Councilmember Kagel, Ms. Joan Irvine, Members of the Redondo Beach Business Association, a Cannabis Law expert and residents.

Commissioner Boswell spoke with Jonatan Cvetko from the Cannabis Steering Committee, Councilmember Obaqi, residents and Geoff Maleman of the Galleria.

Commissioner Lamb spoke with Councilmembers Nehrenheim and Obagi.

Commissioner Hazeltine spoke with Councilmember Obagi and residents.

Commissioner Hinsley spoke with City staff, Jonatan Cvetko from the Cannabis Steering Committee and residents.

Chair Gaddis spoke with Commissioner Behrendt, Mayor Brand, Councilmember Loewenstein, residents and City staff.

J. PUBLIC HEARINGS

J. 1. PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESS, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CANNABIS REGULATIONS AND CONSIDER ADOPTION OF CATEGORICAL EXEMPTIONS FROM THE

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

RECOMMENDATIONS:

- 1. Open Public Hearing, take testimony from staff and other interested parties and deliberate;
- 2. Close Public Hearing; and
- 3. Adopt a resolution by title only subject to the findings contained therein:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS.

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

Motion by Chair Gaddis, seconded by Commissioner Hazeltine, to open the public hearing. Motion carried 7-0, with the following roll call vote:

AYES:

Behrendt, Boswell, Godek, Hazeltine, Hinsley, Lamb, Chair Gaddis

NOES:

None

ABSTAIN:

None

ABSENT:

None

Community Development Director Forbes narrated a PowerPoint presentation with details of the Administrative Report; discussed the Planning Commission's role at this time in terms of land use; spoke about residential zones adjacent to cannabis sites and addressed security requirements.

Discussion followed regarding transfer and sale of licenses once they are granted, the possibility prohibiting the transfer of licenses but rather require licenses to be forfeited back to the City, addressing the definition of "ownership", eliminating the three-year period in terms of prohibiting the sale and transfer of licenses, recommending that City Council review the pros and cons of CUPs versus business licenses, the possibility of hiring a third-party consultant that could advise on some of the cannabis-related issues, addressing corporate ownership of licenses, the development agreement process, allowing commercial cannabis retail and not cultivation, the 600 ft. boundary limitations and potential qualifying zone sites.

In response to Commissioner Hinsley, Director Forbes stated that the City Council will oversee the selection process and would have the authority to approve the development agreement. The Planning Commission would review the Conditional Use Permit application for the physical

location land use approval.

Commissioner Hinsley commented that the language seems to allow for cultivation even if there is language elsewhere that disallows it, confirmed that buffer zones from schools and daycares included a neighboring city if near a border, and clarified that the City Council recommended including the CR zone.

In response to Commissioner Hazeltine, Director Forbes reviewed a map of buffer zones and general areas where cannabis retail could potentially be located.

Commissioner Hazeltine supported smaller size retailers and license transfers being reviewed by the City.

Chair Gaddis suggested prohibiting both licenses being owned by any one set of partners or cross ownership between two licenses and setting a time limit between the time a license is granted and the time it starts being used and discussed combined licenses for retail and delivery on the same site.

Commissioner Behrendt talked about making sure that one owner is not just a shell company for another and suggested stringent reviews.

In reply to Commissioner Boswell's question, Community Development Director Forbes and Senior Deputy City Attorney Martins discussed commercial cultivation versus individual cultivation and commented on regulations and enforcement, state versus local regulations and packaging and labeling requirements.

Discussion continued regarding inspections, access to surveillance and making records available to Law Enforcement, and a limit to the length of time surveillance must be stored.

Commissioner Godek commented on buffers from residential zones, driveway access adjacent to residential zones, clarification on prohibiting deliveries originating in other cities, increasing the distance between locations.

Commissioner Boswell discussed limiting ownership to one license, whether the limitation to two locations is sufficient to serve the City, clarification of delivery businesses, and concerns with storage of customer personal data and privacy.

Commissioner Lamb suggested that permittees have a community relations contact who would be available to businesses and residents within 600 feet of the commercial cannabis business; that during the first year of operation, the owners, managers, community relations contact and operators of the businesses attend quarterly meetings with the City Manager. After that the meetings would be as required by the City Manager and noted that is the policy in Culver City.

Commissioner Hinsley expressed concerns regarding the possible concentration of uses in district boundaries such as Torrance Boulevard (separating Districts 1 and 2) and along a part of Artesia Boulevard.

Discussion followed regarding the need for valid state and local permits/licenses, concerns regarding child safety, advertising and personal privacy, restricting the sale of candy (edibles), regulations regarding delivery services, access to surveillance videos, requiring deletion of videos after a given number of days, creating buffers between residential areas and dispensaries, prohibiting driveways onto residential streets, prohibiting deliveries from outside the City and challenges with enforcement, increasing the distance between two similar cannabis businesses, the possibility of limiting owners to have associations with only one license and starting with two cannabis facilities per district.

Community Development Director Forbes noted this will be cash-only businesses and spoke about the importance of security.

Chair Gaddis spoke about the possibility of prohibiting advertising billboards; discussed avoiding locating cannabis businesses along Artesia Boulevard and commented on issues with privacy and records retention.

Commissioner Behrendt reported concerns with access to live surveillance access by the Police and the possibility of overreach in terms of individual privacy; suggested recommending that City Council promote inclusiveness and commercial diversity of operators within the retail cannabis community and to provide an opportunity for smaller, less-established and newer operators while ensuring their competency and limiting licenses to owners/operators who have owned operated four or less cannabis shops.

Chair Gaddis invited comments from the public.

Candace Nafissi spoke about the possibility of requiring businesses to have private security guards.

Joan Irvine reported she provides cannabis education for seniors; noted no legal store will risk losing their license by selling to children; stated there are restrictions in terms of the amount a cannabis an individual can buy at one time; asserted that all stores use age verification and mentioned that children know about what is happening with cannabis.

Motion by Commissioner Behrendt, seconded by Commissioner Boswell, to extend Ms. Irvine's time to comment. Motion carried 7-0.

Ms. Irvine reported that people in the cannabis business have expertise in retail and what it means to be a community member.

Courtney Caron, Attorney, Adamant Law Group, thanked the Commission for having the discussion and allow her to contribute; encouraged Commissioners to visit a shop or research unique operators such as Artist Tree or Haven; felt the City is limiting itself by restricting applications to those who have four stores or less; talked about youth prevention and suggested requiring a youth education and youth prevention plan from each operator.

Motion by Commissioner Hinsley, seconded by Commissioner Lamb, to extend Ms. Caron's time to comment. Motion carried 7-0.

Ms. Carone cautioned against conducting a license process without some form of property requirement; spoke about delays in licensing because of understaffing in particular cities and a lack of understanding of what is necessary for a CUP to received; noted may operators now accept credit cards and added that states regulate the daily limit a consumer may purchase.

Jonatan Cvetko listed his experience in connection with cannabis and cannabis regulations; spoke about the importance of the City maintaining local control of this issue and pass an ordinance in a timely fashion and commented favorably on the proposed ordinance.

Zein Obagi reported receiving input from older residents in favor of the ordinance; noted lawsuits are inevitable and wondered about funding of those lawsuits.

Kerianne Lawson, Beach Cities Health District, spoke about keeping retail shops away from schools and where kids typically go for lunch, etc.; talked about the message being sent in terms of acceptability of cannabis use and urged the Commission to think about unintended consequences.

Dana Cisneros, Attorney, discussed Proposition 218 and spoke about the land-use component in terms of how a dispensary would fit into a neighborhood and having property requirements.

Planning Analyst Lina Portolese read eComments into the record from Lisa Garland, Michael Garland and Dana Cisneros.

There were no other public comments.

In response to Commissioner Hazeltine's question Community Development Director Forbes reported the Redondo Beach Police Chief suggested having full-time police surveillance.

Discussion followed regarding prohibiting cannabis shops in the Galleria, conducting quarterly audits by an outside, independent auditor and the possibility of requiring a bond.

Commissioner Hinsley stated he opposes a cannabis facility in or near the Galleria; referenced the General Plan and alleged cannabis retail does not meet permitted uses under regional commercial and agreed with the Steering Committee in terms of removing cannabis businesses from regional commercial zones.

Commissioner Hinsley further referenced the safe paths to school and bus routes and recommended a 600-foot buffer from certain bus routes going to schools.

Commissioner Hinsley commented that the audit requirement seems to focus on just financials, and suggested it should be broader to include operational conditions.

Motion by Commissioner Behrendt, seconded by Commissioner Hinsley, to call for a recess. Motion carried 7-0.

Recess/Reconvene

Chair Gaddis called a recess at 10:02 p.m. The meeting reconvened at 10:07 p.m. with all Commissioners, present.

Chair Gaddis agreed with prohibiting cannabis retailers in the Galleria or along Artesia Boulevard and discussed a fee of no more than 5% of gross receipts required in the development agreement.

Discussion followed regarding signage requirements, recommending a "subdued" appearance in terms of signage, acceptance of debit/credit cards, the possibility of limiting locations to industrial areas, avoiding price-gouging by landlords, the CC zone (Sea Lab), financial solvency of the operator and industrial areas in the City.

Motion by Commissioner Hinsley, seconded by Commissioner Boswell, to allow public comment for a second time. Motion carried 7-0.

Joan Irvine expressed concerns regarding placing cannabis shops in industrial zones in relation to public safety and stressed that children are not allowed inside cannabis shops.

Commissioners Hazeltine and Boswell noted industrial zones in the City are located in nice neighborhoods and have parking available.

Commissioner Lamb commented on cannabis retail being part of the normal, everyday life, within the next few years.

Jonatan Cvetko noted the Steering Committee learned from the lessons provided by various cities; reported they found that locating cannabis shops in industrial areas was a big mistake because of landlord predatory practices; suggested starting this off as a pilot program; added that most businesses would find cannabis shops to be more viable within commercial zones and spoke about minimizing litigation.

Community Development Director Forbes presented details of additional recommendations to include in the resolution.

Relative to hiring an expert consultant to review and give feedback regarding the ordinance, Commissioner Bowell suggested specifying "a thoroughly vetted consultant with a verifiable track record in the regulatory aspect of the cannabis business" and felt someone in the Steering Committee may be qualified to act as an expert consultant.

Commissioner Hinsley commented on existing language that could be used for Item No. 8 of the recommended changes to the resolution in terms of the definition of ownership/owners.

Senior Deputy City Attorney discussed the definition of ownership in regard to massage parlors.

Discussion followed regarding prohibiting retail cannabis storefronts on Artesia Boulevard and within 600 feet of the entire Beach Cities Bus Line 102 route bus stops, prohibiting cannabis business billboard advertising in the City, setting limits per district or per zip code, starting with smaller organizations versus corporations, avoiding limiting ownership, giving consideration to who will do the best job, City Council's selection process, expanding current audit requirements and appearance requirements.

Discussion continued regarding areas on Artesia Boulevard where cannabis stores may be located, buffer areas around youth centers, schools and daycare facilities, consideration of a buffer around the aquatics center, state mandates regarding 600-foot buffer zones, considerations of liquor stores near daycare facilities, revitalizing Artesia Boulevard and making it "family friendly".

Commissioner Boswell opposed the 24/7 live feed surveillance and the resulting loss of privacy and noted other methods for security.

Discussion followed regarding state security requirements for retail cannabis businesses, avoiding Police overreach, industry standards for security and mirroring the City's requirements to state requirements.

Motion by Commissioner Lamb, seconded by Commissioner Godek, to close the public hearing. Motion carried 7-0, with the following roll call vote:

AYES: Behrendt, Boswell, Godek, Hazeltine, Hinsley, Lamb, Chair Gaddis

NOES: None ABSTAIN: None ABSENT: None

Motion by Commissioner Lamb, seconded by Commissioner Godek, to waive further reading of and adopt a resolution by title only subject to the findings contained therein:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS as amended by adding Section 6. Motion carried 7-0, with the following roll call vote:

AYES: Behrendt, Boswell, Godek, Hazeltine, Hinsley, Lamb, Chair Gaddis

NOES: None ABSTAIN: None

ABSENT: None

- K. ITEMS CONTINUED FROM PREVIOUS AGENDAS NONE
- L. ITEMS FOR DISCUSSION PRIOR TO ACTION NONE
- M. ITEMS FROM STAFF

Community Development Director Forbes reported City Council will be considering the possibility of returning to in-person meetings.

N. COMMISSION ITEMS AND REFERRALS TO STAFF

Commissioner Boswell shared a postcard he received in the mail regarding a cannabis delivery business in the City of Commerce.

O. ADJOURNMENT

There being no further business to come before the Commission, Commissioner Hinsley motioned, seconded by Commissioner Godek, to adjourn at 12:45 a.m. on March 4, 2022, to a Planning Commission regular meeting on March 17, 2022, at 6:30 p.m. Motion carried unanimously, without opposition.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Brandy Forbes, AICP

Community Development Director



Administrative Report

J.1., File # PC22-3799 Meeting Date: 3/3/2022

To: PLANNING COMMISSION

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CANNABIS REGULATIONS AND CONSIDER ADOPTION OF CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

RECOMMENDATION:

- 1. Open Public Hearing, take testimony from staff and other interested parties, and deliberate;
- 2. Close Public Hearing; and
- 3. Adopt a resolution by title only subject to the findings contained therein:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

EXECUTIVE SUMMARY

When the Medical Marijuana Regulation and Safety Act (MMRSA), regulating the use of marijuana for medical purposes, took effect January 1, 2016 the City of Redondo Beach adopted Ordinance 3152 to implement local MMRSA regulations. On November 8, 2016, Proposition 64, known as the Adult Use of Marijuana Act (AUMA), was approved by state voters. The AUMA regulates, among other items, the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age.

Proposition 64 stipulated that if a city did not enact local commercial licensing restrictions or a ban by January 1, 2018, a valid state license would be the only thing needed to open and operate a commercial marijuana business in any commercial zone in the city. Therefore, out of caution and until local regulations and interests could be analyzed and identified for implementation, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis and

restrict commercial cannabis activities in the City.

In order to analyze and identify the cannabis regulations appropriate for Redondo Beach, a steering committee was appointed by the City Manager comprised of representatives from the law enforcement community, RBUSD, BCHD, and other outside interest groups familiar with common best practices for commercial use regulations of cannabis including storefront siting, taxation, delivery, and development agreement options.

The Steering Committee met multiple times over several years, and on October 5, 2021 presented their work and recommendations to the City Council. After considering the presentation, the City Council asked staff to prepare an ordinance based on the recommendations of the CSC, and directed that the Galleria site be included as a permitted location and that the taxation level or developer fee rate be set at 5%. Additionally, Council asked staff to return with maps that identified the storefront siting parameters recommended by the CSC, and include buffers for alcohol sales sites and "safe routes to schools" pathways.

On January 18, 2022 City Council reviewed the maps and gave additional direction on the critical provisions and siting parameters to be included in the City's Ordinance.

Following Council direction, staff prepared the draft ordinances for Planning Commission review and input.

BACKGROUND

California's history of cannabis law spans nearly 25 years of propositions and regulatory actions (see attached). More recently, the Medical Marijuana Regulation and Safety Act (MMRSA) that took effect January 1, 2016 regulated the use of marijuana for medical purposes. The City of Redondo Beach adopted Ordinance 3152 which promulgated local regulations in accordance with MMRSA, effective May 5, 2016.

On November 8, 2016, Proposition 64 was adopted by CA voters, titled the Adult Use of Marijuana Act (AUMA). The AUMA regulates the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age, thus expanding the permissions provided by MMRSA. The AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of marijuana inside a private residence or inside an accessory structure to a private residence, within the limits allowed by the State for personal cultivation.

In Redondo Beach, 65% of the voters were in favor of Proposition 64. Although Proposition 64 represented the interest of whether to allow the Adult Use of Marijuana Act, it did not specify how an individual municipality would regulate the commercial aspects of marijuana sales. The State's commercial provisions of AUMA were to take effect on January 1, 2018, requiring a city to disallow commercial marijuana activities in order to ensure that local regulations are promulgated and local control maintained. If a local governing body did not enact such a commercial ban by January 1, 2018, a valid State license would be the only requirement to open and operate a commercial marijuana business in any commercial zone in that city. Therefore, out of caution, and until local regulations and interests could be analyzed, the City of Redondo Beach adopted ordinances to

regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis businesses until the City could better evaluate what types of businesses and regulations to put in place.

One of the prior objectives included in the City Council's adopted Strategic Plan included the City Manager's appointment of a Cannabis Steering Committee (CSC) comprised of law enforcement, RBUSD, BCHD, and outside interest groups to review best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options, and to prepare a report for Planning Commission and City Council consideration. Members of the Redondo Beach Police Department, Fire Department, Community Development Department, and the City Treasurer's Office met jointly in support of the work of the CSC.

The CSC met a total of 12 times from November 2018 through October 2021, with their final recommendations presented to City Council on October 5, 2021. After discussion of the CSC's work and recommendations, City Council directed staff to draft an ordinance based on the recommendations of the CSC for regulating cannabis licenses in Redondo Beach. Additionally, the Council directed that the Galleria site be included as a permitted location and the taxation or ultimate developer's fee rate be set at 5%. The Council also directed staff to prepare maps with the siting parameters recommended by the CSC, and that the maps include buffers for alcohol sales sites and safe routes to schools.

At the January 18, 2022 meeting, City Council reviewed the potential buffer maps and provided additional direction for Planning Commission review. The Council asked that the ordinances, maps, and commercial licensee selection process, once drafted, be reviewed by the Planning Commission for recommendations to the City Council and that a community outreach process also be conducted.

The draft ordinances were prepared by the Community Development Department and City Attorney's Office, and are before the Planning Commission for review and recommendation to City Council. The key provisions incorporated in the draft ordinances, including the recommendations from the CSC that City Council agreed to, are as follows:

- Personal Cultivation. Continue to allow for outdoor personal cultivation as currently regulated for a maximum of 6 plants allowed indoors and in yard area if secured and not visible from surrounding sites.
- Allow Licensed Activity. Permit licensed cannabis businesses with recommended restrictions (see remaining items in the list below).
- **License Types**. Allow only storefront retailer licenses (Type 10) and non-storefront retailer delivery licenses (Type 9) or a combination of the two on one site. Prohibit delivery services that originate from other cities if a non-storefront delivery license is issued in Redondo Beach.
- Zoning Provisions. Limit cannabis license sites to commercial and industrial zones. Prohibit licenses in coastal commercial, residential, and public/institutional zones. (CSC had initially recommended prohibiting in regional commercial zone where Galleria is located, but City Council directed staff to add that as an acceptable zone). Require discretionary Conditional Use Permit (CUP) approval.

 Buffers. Maintain a 600-foot radius from elementary schools, day cares, and youth centers (per State's mandate). Increase the buffer zone to a 1500-foot radius from high schools and middle schools. School buffers to include private schools. City Council requested that Planning Commission consider implications of buffer around residential.

- **Number and Location of Licenses**. Allow up to two (2) sites within the City, with a maximum of one site per district. Establish a 1000-foot buffer between cannabis licensed sites.
- **Hours of Operation**. The State allows retail activities between the hours of 6 a.m. and 10 p.m. Local jurisdictions can be more restrictive. Limit hours to the following:
 - Storefront Retail Sales 9 a.m. to 10 p.m.
 - Non-storefront Delivery 6 a.m. to 10 p.m.
- Security. In addition to State security requirements, include the following security measures:
 - All security personnel to be vetted through the Redondo Beach Police Department (RBPD) or a certified 3rd party.
 - Regarding surveillance, the licensee must provide real time direct access to all surveillance.
 - Alarm systems to be set to send real time immediate messages to RBPD.
 - Regarding safety, requirements to better define "secure storage of cannabis and cannabis products" as well as onsite revenue.
 - The licensee to provide measures to ensure a minor doesn't enter, requiring ID checks and providing appropriate signage.
 - o For delivery, licensee to provide a signature for receipt and that those records be maintained on file for auditing purposes.
- **Enforcement**. The CSC recommends the City implement the Cannabis Compliance and Enforcement Program. The Los Angeles County Department of Public Health has created a relatively new program entitled the Cannabis Compliance and Enforcement Program, where the County contracts with cities that allow for cannabis activities. The program aims to further protect public health but has the additional benefit of being an effective enforcement tool against illegal operators who are unable to apply for the permit and subsequently violate Public Health Department Codes.
- **Tax or Fees**. Establish a Developer Agreement with developer fees and consider sunsetting it with an eventual tax measure.
- Tax or Fee Rate. Set fee at 5%. (CSC had initially recommended reviewing neighboring jurisdictions, which the City Council did and selected 5%).
- Tax or Fee Revenue Location. General Fund.
- **Property Requirement**. Do not require applicant to secure property prior to the application process.
- **Selection Process**. City Council to determine the licensee solicitation and selection process at a future date separate from the Ordinance. (This may come back to Planning Commission for input if City Council continues with that direction).
- Transfer of Ownership. Limit transferability of a developer agreement and/or license for a set period of time.
- Adoption of Regulations. Adopt ordinances to effectuate decisions.

Attached to the report is the buffer map with the 600' and 1500' restrictions. Planning Commission can utilize these maps to see the proximity to residential to determine if there might be an effective way to buffer residential.

Meeting Date: 3/3/2022

Included in the agenda packet is a resolution to recommend the draft ordinance revisions that incorporate the CSC's recommendations and City Council's direction. This agenda item is for the Planning Commission to consider adoption of resolutions recommending that the City Council adopt ordinances amending Title 6 Businesses, Professions, and Trades, Title 10 Chapter 2 Zoning and Land Use, and Title 10 Chapter 5 Coastal Land Use Plan Implementing Ordinance of the Redondo Beach Municipal Code and consider adoption of categorical exemptions from the California Environmental Quality Act (CEQA).

COORDINATION

This agenda item and draft regulations were prepared by the Community Development Department in coordination with the City Attorney's Office.

<u>ATTACHMENTS</u>

Draft Resolution

Text of Amendments

Administrative Report on Cannabis Steering Committee Update from October 5, 2021 City Council Meeting

Presentation on Cannabis Steering Committee Update from October 5, 2021 City Council Meeting Cannabis Map Final-Buffers 2022-01-12

J.1. PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10, CHAPTER 2 ZONING AND LAND USE, AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CANNABIS REGULATIONS AND TO CONSIDER ADOPTION OF CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

REDONDO BEACH PLANNING COMMISSION MEETING MARCH 3, 2022



CANNABIS REGULATORY BACKGROUND

- California's history of cannabis law spans nearly 25 years
- Medical Marijuana Regulation and Safety Act Effective January 1, 2016
 - Redondo Beach adopted Ordinance 3152 for local regulations regarding medical marijuana
- Proposition 64 for Adult Use of Marijuana Act Approved November 8, 2016
 - Redondo Beach adopted Ordinances to regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis businesses until the City could better evaluate what types of businesses and what regulations to put in place.



REDONDO BEACH STRATEGIC PLANNING REGARDING CANNABIS

City Council's prior adopted Strategic Plan Objective:

- City Manager's appointment of a steering committee comprised of law enforcement,
 Redondo Beach Unified School District, Beach Cities Health District, and outside interest groups
- Purpose to review best practices for commercial use regulations of cannabis:
 - Storefront siting
 - Taxation
 - Delivery
 - Development agreement options
 - Conclude with a report for Planning Commission and City Council consideration.

City Council's current adopted Strategic Plan Objective:

- Finalize cannabis ordinance by July 1, 2022
- Ordinance to be based on policy direction confirmed by City Council on January 18, 2022

CANNABIS STEERING COMMITTEE CONSIDERATIONS

- The CSC met 12 times from November 13, 2018 through October 5, 2021, reviewing a variety of questions geared toward building an ordinance using best practices
- The CSC's recommendations intended to:
 - prioritize public health and safety
 - consider a wealth of challenges experienced by other jurisdictions
 - mitigate and limit potential liabilities against the City implementing a local ordinance
- The CSC finds that the most responsible approach to local regulations
 - first address the immediate concerns and needs of the community
 - allow the greatest flexibility and local control in regulating
 - only expanding after success in the initial implementation

retipe recommendations to City Council on October 5, 2021 reflect this intent.

CANNABIS POLICY INCLUDED IN ORDINANCE

- Personal Cultivation. Continue to allow for outdoor personal cultivation as currently regulated.
- **License Types**. Allow only storefront retailer licenses (Type 10) and non-storefront retailer delivery licenses (Type 9) or a combination of the two on one site.
- **Zoning Provisions**. Limit cannabis license sites to commercial and industrial zones. Prohibit licenses in coastal commercial, residential, and public/institutional zones. Require discretionary Conditional Use Permit (CUP) approval.
- **Buffers**. Maintain a 600-foot radius from elementary schools, day cares, and youth centers (per State's mandate). Increase the buffer zone to a 1500-foot radius from high schools and middle schools. School buffers to include private schools. City Council requested that Planning Commission consider implications of buffer around residential.

CANNABIS POLICY INCLUDED IN ORDINANCE (Cont.)

- **Number and Location of Licenses**. Up to two (2) sites within the City, with a maximum of one site per district. Establish a 1000-foot buffer between cannabis licensed sites.
- Hours of Operation. The State allows retail activities between the hours of 6 a.m. and 10 p.m. Local jurisdictions can be more restrictive. Limit hours to the following:
 - Storefront Retail Sales 9 a.m. to 10 p.m.
 - Non-storefront Delivery 6 a.m. to 10 p.m.
- Security. In addition to State security requirements, the City added additional security measures.
- Enforcement. City Council to implement Cannabis Compliance and Enforcement Program.



CANNABIS POLICY INCLUDED IN ORDINANCE (Cont.)

- Tax or Fees. Establish a Developer Agreement with developer fees and consider sunsetting
 it with an eventual tax measure. Revenue generated would go into the General Fund.
- Tax or Fee Rate. Set fee at 5%.
- Tax or Fee Revenue Location. General Fund.
- Property Requirement. Do not require applicant to secure property prior to application.
- Selection Process. City Council to determine the licensee solicitation and selection process at a future date separate from the Ordinance.
- Transfer of Ownership. Limit transferability of a developer agreement and/or license for a set period of time.
- [®] Ádoption of Regulations. Adopt ordinances to effectuate decisions.

RECOMMENDATION

Public hearing for Planning Commission to consider adoption of a resolution recommending that the City Council adopt ordinances amending Title 6 Businesses, Professions, and Trades, Title 10 Chapter 2 Zoning and Land Use, and Title 10 Chapter 5 Coastal Land Use Plan Implementing Ordinance of the Redondo Beach Municipal Code and consider adoption of categorical exemptions from the California Environmental Quality Act (CEQA).

Procedure:

- Open public hearing, take testimony from staff and other interested parties, and deliberate.
- 2. Close public hearing.
- Adopt a resolution by title only subject to the findings contained therein.





Administrative Report

H.12., File # 22-4585 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2750 ARTESIA BOULEVARD, #116, REDONDO BEACH, CA 90278 INCLUDING:

- 1. AN AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]
- A SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE, AND
- 3. ESCROW INSTRUCTIONS

EXECUTIVE SUMMARY

On February 17, 2004, the City Council adopted the Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for housing for senior citizens. On June 17, 2004, the Planning Commission subsequently approved a 192 unit senior citizen residential condominium project at 2750 Artesia Boulevard, Redondo Beach, CA, also known as "Breakwater". As required by Senior Housing Ordinance 2927-04, a condition of project approval requires that the developer enter into an Affordable Housing Agreement with the City to provide and restrict by deed twelve (12) units as affordable for moderate income households and eight (8) units for low income households for a period of not less than 55 years from the date of construction in accordance with all applicable state and local laws.

A moderate income family is defined as a household where the combined gross incomes of all persons residing in the unit exceeds the adjusted qualifying income limit for low income but does not exceed a maximum of 120% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

A low income family is defined as a household where the combined gross income of all persons residing in the unit does not exceed a maximum of 80% of the area median income (AMI) adjusted for household size as published annually by the California Department of Housing and Community Development.

This Affordable Housing agreement is necessary due to the current owner's request to sell the moderate income unit located at 2750 Artesia Blvd., #116, Redondo Beach, CA 90278. This agreement will preserve the City's rights in the addendum to the Grant Deed which includes the preservation of the applicable low/moderate income Housing Covenants and Restrictions. These Covenants and Restrictions also grant the City an option to purchase the unit in the case of an uncured default or upon the Owner's intent to transfer the residence.

BACKGROUND

The City Council adopted Ordinance No. 2927-04 on February 17, 2004 amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance contains an inclusionary housing requirement for ten percent (10%) of the senior housing units to be affordable to low and moderate income households in proportion to the housing needs identified in the Housing Element of the General Plan. Such units must be maintained as affordable units for at least 55 years. The agreement was entered into on January 15, 2008.

Pursuant to State and local requirements, the income restricted unit at 2750 Artesia Blvd., #116 can be sold or rented only to qualified moderate income individuals. Moderate income levels are based on a County-wide formula with income levels determined based on household size and in comparison to county wide median income.

The owner of this affordable housing unit made a request to sell their unit and has identified another qualified moderate income buyer. The Affordability Agreement is a recorded document to ensure maintenance of affordability levels. Provisions of the agreement will require housing staff to perform verification of buyer/tenant qualification and annual compliance reporting. The maximum sales price for this unit is \$190,349 and is calculated to be consistent with affordability criteria under State Law.

The Affordable Housing Agreement for the specific property being sold and the related documents include: 1) The covenants imposing restrictions on the property pursuant to the original agreement and providing notice of the restrictions to future purchasers and/or lenders, and 2) The Performance Deed of Trust for the developer and purchasers of this unit, securing the developer's and purchaser's obligations under the agreement to ensure the continued affordability of this unit throughout the term of this Agreement.

COORDINATION

The City Attorney's office has approved the Affordability Housing Agreement and all necessary and related documents as to form.

FISCAL IMPACT

The Affordable Housing Program activities are processed through the City's Housing Authority office. As part of the FY 2021-22 Budget, the City Council approved a fee for service for the City's Inclusionary Housing Programs. The Housing Authority has received a \$75.00 transaction fee for processing the proposed sale and associated documents.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Affordable Housing Agreement
- Substitution of Trustee and Full Reconveyance
- Escrow Instructions

H.12., File # 22-4585	Meeting Date: 8/2/2022
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Maximum Sales Price Quote

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach City Attorney's Office 415 Diamond Street Redondo Beach, California 90277 Attention: Michael W. Webb, Esq.

(No Fee per Government Code § 27383)

AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE [MODERATE INCOME]

Owner: David Taekwon Ahn Residence Address: 2750 Artesia Boulevard, #116, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 2nd day of August, 2022 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and David Taekwon Ahn (the "Owner").

RECITALS

- A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.
- B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of that certain Affordable Housing Agreement Imposing Restrictions on Real Property (the "Affordable Housing Agreement") by and between the City and Anastasi Development Company, LLC, dated January 15, 2008.
- C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

- a. "Deficiencies" Section 5.
- b. "Designee" Section 6.
- c. "<u>Eligible Purchaser</u>" shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.
- d. "Excess Proceeds" Section 9.
- e. "Moderate Income Affordable Purchase Price" shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development ("HCD"), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term "household size appropriate to the unit" shall mean the number of bedrooms in the unit plus one.
- f. "Moderate Income Senior Citizen Household" shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser's actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.
- g. "Owner" shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

- h. "Residence" Section 2.
- i. "Restricted Period" shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.
- j. "<u>Sales Price</u>" shall mean the total compensation payable by a purchaser for the Residence.
- k. "Senior Citizen Household" shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a "qualified permanent resident" or a "permitted health care resident" as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.
- 1. "Transfer" shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a "Excluded Transfer" for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the "Notice of Excluded Transfer" upon any such Excluded Transfer.

2. DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2750 Artesia Boulevard., #116, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the "Residence"). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

3. OWNER CERTIFICATION

Owner certifies the following:

a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

b. Owner shall occupy the Residence as Owner's principal place of residence.

4. OWNER-OCCUPANCY; LEASING OF RESIDENCE

- a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.
- b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the amount needed to pay the monthly mortgage, taxes, insurance and other housing expenses to be paid by Owner for the Residence upon written consent by the City or designee. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.
- c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:
 - i. A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or
 - ii. If the Residence is not owner-occupied, documentation evidencing the requirements of Section 4.b., including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.
- d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

- e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.
- f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

5. MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

6. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent ("Owner's Notice"). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer ("Notice of Excluded Transfer").

Following receipt of the Owner's Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser ("Designee") to purchase the Residence, as provided in Section 8, below.

7. DETERMINATION OF RESALE PRICE

The maximum sales price that the Owner may receive for any type of Transfer of the Residence ("Resale Price") shall be the lowest of the following: (1) the Moderate Income Affordable Purchase Price at the time of resale; or (2) the Increased Base Price (defined below), as adjusted pursuant to Section 7.b., below.

- a. <u>Increased Base Price</u>. The "Increased Base Price" means the purchase price that Owner paid for the Residence, increased by the percentage change in the Area Median Income for Los Angeles County, as published annually by HCD, determined in accordance with HCD published criteria, from the purchase date to the date of notification as indicated in Section 6, above. In the event that such income determination is no longer published, or has not been updated for a period of at least eighteen (18) months, the City or Authority may use or develop such other reasonable method as it may choose to determine the area median income for Los Angeles County.
- Adjusted Increased Base Price. The Increased Base Price shall also be b. adjusted for the "Value of Capital Improvements". The "Value of Capital Improvements" shall mean the value of substantial structural or permanent fixed improvements which cannot be removed without substantial damage to the Residence or substantial or total loss of value of said improvements. No such valuation shall be made except for improvements: (a) made or installed by or under the direction of the Owner; (b) with an initial cost of One Thousand Dollars (\$1,000) or more; and (c) which can be documented by the Owner to the reasonable satisfaction of the City or Authority. The value of such improvements to be taken into account in calculation of the Increased Base Price shall be the appraised market value of the improvements when considered as additions or fixtures to the Residence (i.e., the amount by which said improvements enhance the market value of the Residence at the time of sale or valuation). The adjustment to the Increased Base Price for such improvements shall be limited to the increase in value, and shall be determined by the City or Authority and the Owner, or in the event of a failure to agree, by an independent residential appraiser selected by the Owner from a list of appraisers established by the City or Authority. The cost of the appraisal shall be borne by the Owner.

8. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the "Option") on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

- a. <u>Events Precipitating City's Option to Purchase</u>. The Owner agrees the City's Option may be exercised upon the occurrence of any of the following:
 - i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

- ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or
- iii. Owner's Notice of Intent to Transfer the Residence.
- b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.
- c. <u>Payment for Option</u>. Upon the occurrence of an event listed in subsection a. above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.
- d. <u>Escrow</u>. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:
 - i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;
 - ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City

- and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;
- iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A policy or the endorsements shall be paid by the City (or Designee, as the case may be);
- iv. In the event the City exercises its Option pursuant to Section 8.a.3, the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.1 or Section 8.a.2, the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;
- v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);
- vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;
- vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and
- viii. Any other terms or conditions mutually agreed to by the parties.
- e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

9. RESTRICTED TRANSFER BY OWNER

- a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.
- b. In the event the City does not exercise its Option pursuant to Section 8, above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.
- c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

10. DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions

of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority 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 wavier 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 the City or Authority to or of any act by the Owner 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 City or Authority in the exercise of any right, power, or remedy hereunder.

11. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B ("Notice of Sale"). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale. Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

12. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

13. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

14. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

15. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner itself 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, sublessees or vendees of the Residence. This covenant shall run in perpetuity.

16. FORM OF NONDISCRIMINATION AND NONSEGRATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the

grantee itself or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

- b. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself 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, sublessees or vendees in the land herein leased."
- c. In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself 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, sublessees or vendees of the land."

17. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

18. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority ("Deed of Trust"), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner's purchase of the Residence, but this Agreement shall

be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

19. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants 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 is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

20. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

21. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

22. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

David Taekwon Ahn 2750 Artesia Boulevard, #116 Redondo Beach, California 90278

To the City:

City of Redondo Beach City Attorney's Office 415 Diamond Street Redondo Beach, California 90277 Attention: Michael W. Webb

To the Authority

The Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Director of Community Services

Attention: Housing Supervisor

or such other address that the City, the Authority of Owner may subsequently request in writing.

23. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Sales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

	"OWNER"
Date:	By: David Taekwon Ahn
	[remainder of page left intentionally blank]
	[signatures continue on the following page]

Accepted and agreed to by the City this 2nd day of August, 2022.

CITY OF REDONDO BEACH, a chartered municipal corporation By: ______ William C. Brand Mayor APPROVED AS TO FORM: Michael W. Webb City Attorney By: Michael W. Webb ATTEST: Eleanor Manzano City Clerk

[Signatures continue on following page]

Accepted and agreed to by the Authority this 2^{nd} day of August, 2022.

	HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a public body, corporate and politic
Date:	By: William C. Brand Chairman
APPROVED AS TO FORM: Michael W. Webb General Counsel for Authority	
By: Michael W. Webb ATTEST:	
By: Eleanor Manzano	

Secretary

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

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES	
On this day of	. 20 . before me.
subscribed to the within instrum same in his/her/their authorized	
I certify under PENALTY OF P foregoing paragraph is true and	ERJURY under the laws of the State of California that the correct.
WITNESS my hand and official	seal.
Signature:	(Seal)
	completing this certificate only verifies the identity of the nents to which this certificate is attached, and not the ty of that document.
COUNTY OF LOS ANGELES	
On this day of	, 20, before me,,
subscribed to the within instrum same in his/her/their authorized	
I certify under PENALTY OF P foregoing paragraph is true and	ERJURY under the laws of the State of California that the correct.
WITNESS my hand and official	seal.
Signature:	(Seal)

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 116 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08- 149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO, EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED S EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

EXHIBIT B NOTICE OF SALE

[BEHIND THIS PAGE]

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach City Attorney's Office 415 Diamond Street Redondo Beach, California 90277 Attention: Michael W. Webb, Esq.

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is hereby r	nade that copies of any
NOTICE OF DEFAULT and copies of any NOTICE OF SALE	under the DEED OF
TRUST dated as of August 2, 2022 and recorded as Instrument No.	, in the
Official Records of Los Angeles County on	_, 2022 and describing
the following real property, located in Los Angeles County, California	rnia as

[See Exhibit "A" attached hereto and incorporated herein]

executed by David Taekwon Ahn, a Single Man as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title Company, as Trustee, be mailed to:

City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered municipal corporation

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a Public Body Corporate and Politic

Date:	By:	
	William C. Brand	
	Mayor and Chairman	
APPROVED AS TO FORM:		
Michael W. Webb		
City Attorney and General Counse	sel for Authority	
City Tittorney and General Counse	of for Flamority	
By: Michael W. Webb		
Michael W. Webb		
ATTEST:		
ATILST.		
By:		
Eleanor Manzano		
City Clerk and Secretary for	for Authority	

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

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES	
On this day of	, 20 , before me,
subscribed to the within instrume same in his/her/their authorized	ed,
I certify under PENALTY OF Pl foregoing paragraph is true and of	ERJURY under the laws of the State of California that the correct.
WITNESS my hand and official	seal.
Signature:	(Seal)
	completing this certificate only verifies the identity of the ents to which this certificate is attached, and not the y of that document.
COUNTY OF LOS ANGELES	
On this day of	
subscribed to the within instrume same in his/her/their authorized	ed,, who proved ory evidence to be the person(s) whose name(s) is/are ent and acknowledged to me that he/she/they executed the capacity(ies), and that by his/her/their signature(s) on the entity upon behalf of which the person(s) acted, executed
I certify under PENALTY OF Pl foregoing paragraph is true and of	ERJURY under the laws of the State of California that the correct.
WITNESS my hand and official	seal.
Signature:	(Seal)

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

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PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

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PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

Assessor's Parcel Number: 4082-012-111

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Housing Supervisor

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is here	eby made that copies of any
NOTICE OF DEFAULT and copies of any NOTICE OF S	ALE under the DEED OF
TRUST dated as of August 2, 2022 and recorded as Instrument	No, in the
Official Records of Los Angeles County on	, 2022 and describing the
following real property, located in Los Angeles County, Califo	ornia as

[See Exhibit "A" attached hereto and incorporated herein]

executed by David Taekwon Ahn, a Single Man as sole owner and Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title Company, as Trustee, be mailed to:

City of Redondo Beach
The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Director of Community Services
Attention: Housing Supervisor

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a chartered municipal corporation

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a public body corporate and politic

Date:	By: William C. Brand Mayor and Chairman
APPROVED AS TO FORM: Michael W. Webb City Attorney and General Counsel f	or Authority
By:Michael W. Webb	
ATTEST:	
By: Eleanor Manzano City Clerk and Secretary for A	

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

STATE OF CALIFORNIA COUNTY OF LOS ANGELE

COUNTY OF LOS ANGELES
On this day of , 20 , before me, ,
On thisday of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)
A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
On thisday of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)

EXHIBIT "A" LEGAL DESCRIPTION

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PARCEL 2:

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EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

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PARCEL 3

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PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 4 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

EXHIBIT C PERFORMANCE DEED OF TRUST

[BEHIND THIS PAGE]

RECORDING REQUESTED BY:

Housing Authority of the City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Angelica Zavala, Housing Supervisor

(No Fee per Government Code § 27383)

PERFORMANCE DEED OF TRUST (Option to Cure and Purchase Agreement)

THIS PERFORMANCE DEED OF TRUST (this "Deed of Trust") dated as of August 2, 2022 is entered into by David Taekwon Ahn, a Single Man ("Trustor") whose address is 2750 Artesia Boulevard, #116, Redondo Beach, California 90278 in favor of Chicago Title Company ("Trustee"), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the "City") whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the "Beneficiary").

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor's fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference.

FOR THE PURPOSE OF SECURING: performance of Trustor's obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the August 2, 2022 Agreement Containing Covenants, Restrictions and Option to Purchase ("Covenant Agreement") executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST, TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

- 1. Maintenance of the Property. Trustor will:
 - a. keep the Property in good condition;
 - b. not permit any mechanic's or materialman's lien to arise against the Property;
 - c. comply with all laws having a material effect on the Property; and
 - d. not commit or permit waste on or to the Property.
- 2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:
 - a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and
 - b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.
- 3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.
- 4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by

virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

- 5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):
 - a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and
 - b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.
- 6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.
- 7. Default. Each of the following shall constitute a "**Default**" under this Deed of Trust:
 - a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or
 - b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase, conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily; or
 - c. Trustor defaults under the terms and conditions of the Covenant Agreement.
- 8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth

herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

- 9. Obligation to Inform Beneficiary of Default. Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.
- 10. Remedies Cumulative. Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.
- 11. Trustee. The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

- 12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.
- 13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.
- 14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.
- 15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.
- 16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to

the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

- a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);
- b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);
- c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or
- d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: City Manager, Joe Hoefgen Attention: Director of Community Services

Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach 415 Diamond Street Redondo Beach, California 90277 Attention: Housing Supervisor

TO TRUSTOR: David Taekwon Ahn 2750 Artesia Boulevard, #116 Redondo Beach, California 90278 TO TRUSTEE:

First American Title 207 Goode Avenue, Suite 410 Glendale, California 91203

Email: ben@benhsutitle.com

- 17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.
- 18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.
- 19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.
- 20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.
- 21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:
 - a. post-judgment motions;
 - b. contempt proceedings;
 - c. garnishment, levy, and debtor and third party examinations;
 - d. discovery; and
 - e. bankruptcy litigation.

22. General Provisions.

- a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.
- b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.
- c. As used herein, the word "Property" shall mean and include the Property and part thereof.
- d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.
- e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.
- f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

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

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES
On this day of, 20, before me,,
Notary Public, personally appeared,, who proved
o me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
ubscribed to the within instrument and acknowledged to me that he/she/they executed the ame in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed he instrument.
certify under PENALTY OF PERJURY under the laws of the State of California that the oregoing paragraph is true and correct.
VITNESS my hand and official seal.
Signature: (Seal)

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 60638, IN THE CITY OF REDONDO BEACH, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1328, PAGE(S) 44 AND 45 OF MAPS, DEFINED AS UNIT 116 OF MODULE 2 ON THAT CERTAIN CONDOMINIUM PLAN ("PLAN") RECORDED ON JANUARY 24, 2008, AS INSTRUMENT NO. 08- 149822, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/48TH FEE SIMPLE INTEREST AS TENANT IN COMMON IN AND TO THE COMMON AREA OF MODULE 2 ON LOT 1 OF TRACT NO. 60638, AS MORE PARTICULARLY DESCRIBED AND DELINEATED ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-149822, OF OFFICIAL RECORDS.

ALSO, EXCEPT THEREFROM, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY SOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED ON FEBRUARY 28, 1968, AS DOCUMENT NO. 2480 IN BOOK D-3925, PAGE 100, OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER.

PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 4

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A PARKING SPACE AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED AS EXCLUSIVE USE COMMON AREA, ON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "P-78".

Assessor's Parcel Number: 4082-012-111

RECORDING REQUESTED BY: Chicago Title Insurance Company

WHEN RECORDED MAIL TO Taesung Yan and Aiko Shiono C/O Hiro Shiono 7072 Moon Shadow Court Eastvale, California, 92880

(SPACE ABOVE IS RESERVED FOR RECORDER'S USE)

SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE

The undersigned City of Redondo Beach and the Housing Authority of the City of Redondo Beach are collectively the present Beneficiary under the Performance Deed of Trust dated as of December 10, 2010 and recorded on December 13, 2010 as Instrument No. 20101837589, Official Records of Los Angeles County, California, and executed by Taesung Yang and Aiko Shiono as Trustor, and Lawyers Title Company as Original Trustee. Beneficiary hereby appoints and substitutes the City of Redondo Beach, a chartered municipal corporation and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (collectively the "City/Authority") as the new and "Substituted Trustee" under the Performance Deed of Trust.

As duly appointed Substituted Trustee, the undersigned City/Authority does hereby reconvey to the person or persons legally entitled thereto, without warranty all of the estate, title and interest acquired by the Original Trustee and by the City/Authority as the Substituted Trustee under the Performance Deed of Trust as to certain real property described in the Legal Description, Exhibit A, attached and herby fully incorporated.

IN WITNESS WHEREOF, the owner and holder above named and the City of Redondo Beach and the Housing Authority of the City of Redondo Beach as Substituted Trustee has caused this instrument to be executed each in its respective interest.

Dated this 2nd day of August, 2022.

ŀ	Housing A	Authorit	v of t	he City	of Rec	dondo	Beach.	. a 1	public [bodv	, cor	porate	and	pol	iti	C

By:	
<i>y</i> _	William Brand
	Chairman
City o	f Redondo Beach, a chartered municipal corporation
By: _	
	William Brand
	Mayor

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

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
On this day of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature: (Seal)
A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
STATE OF CALIFORNIA COUNTY OF LOS ANGELES
On this day of, 20, before me,, Notary Public, personally appeared,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
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WITNESS my hand and official seal.

Signature: (Seal)

EXHIBIT "A" LEGAL DESCRIPTION

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PARCEL 3

AN EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL 1 ABOVE, FOR ALL USES AND PURPOSES OF A BALCONY AREA AND/OR DECK AREA OVER AND ACROSS THAT PORTION OF THE COMMON AREA WITHIN MODULE 2 OF LOT 1 OF SAID TRACT NO. 60638, DEFINED AND DELINEATED S EXCLUSIVE USE COMMON AREA, WHICH BEARS THE SAME NUMBER AS TO THE UNIT REFERRED TO IN PARCEL 1 ABOVE FOLLOWED BY THE LETTER "Y" ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

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Assessor's Parcel Number: 4082-012-111



Community Services Department Housing Authority 1922 Artesia Boulevard Redondo Beach, California 90278 www.redondo.org tel: 310 318-0635 fax: 310 798-8463

August 2 2022

Cindie Kim
Sr. Escrow Officer
Hana Escrow Company, Inc.
3580 Wilshire Boulevard, Suite 1170
Los Angeles, California 90010

Re: Escrow No. 23402

Dear Ms. Kim:

These instructions are submitted by the City of Redondo Beach (the "City") and the Housing Authority of the City of Redondo Beach (the "Authority") in connection with the following transaction.

Taesung Yang and Aiko Shiono (the "Seller") and David Taekwon Ahn (the "Buyer") have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated February 28, 2022 relating to the sale of the residential unit located at 2750 Artesia Blvd., #116, Redondo Beach, California 90278. The "Unit" is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the Addendum to Grant Deed – Covenants, Restrictions and Option to Purchase [Moderate Income] dated December 10, 2010, and recorded in the Official Records of Los Angeles County on December 13, 2010, as Instrument No. 10-1837588 (the "Existing Covenants Agreement").

Cindie Kim, Sr. Escrow Officer Escrow No. 002719-CK

The Existing Covenants Agreement places certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations are secured by that certain Performance Deed of Trust dated December 10, 2010 and recorded in the land records of Los Angeles County on December 13, 2010 as Instrument No. 10-1837589. The Seller is the trustor, the City is the beneficiary and Lawyers Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the "2022 Covenants Agreement") for recordation against the Unit. The 2022 Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the "2022 Performance Deed of Trust").

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the "Recording Documents" shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

I. DOCUMENTS

Enclosed herewith are the following documents that will need to be signed and returned to the City and Authority prior to execution by the City and the Authority.

- 1. One original of the 2022 Covenants Agreement that has been signed by the Buyer.
- 2. One original of the 2022 Performance Deed of Trust that has been signed by the Buyer.

The signed documents are to be returned to the following address:

Angelica Zavala, Housing Supervisor
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

- 1. The City and the Authority have deposited into escrow one original 2022 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.
- 2. The Buyer has deposited into escrow one original 2022 Performance Deed of Trust, executed in recordable form by the Buyer, the City and the Authority.
- 3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code City, and one Request for Notice Under Section 2924b Civil Code Authority executed in recordable form by the City and the Authority (the "Request for Notice").
- 4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.
- 5. You are committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

- 1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, contact the undersigned immediately.
- 2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

- 3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:
 - a. The grant deed conveying fee title to the Unit from the Seller to the Buyer.
 - b. The 2022 Covenants Agreement.
 - c. The 2022 Performance Deed of Trust
 - d. The Request for Notice.
- 4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) and a copy of these escrow instructions signed by you in the space provided at the conclusion of this letter to indicate your acceptance are to be delivered to:

Angelica Zavala, Housing Supervisor
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

- 5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.
- 6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City or the Authority are entitled to free recording pursuant to Government Code §§ 6103 and 27383:
 - a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.
 - b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.
 - c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very t	truly yours,
City o	f Redondo Beach, a chartered municipal corporation
Housi	ng Authority of the City of Redondo Beach, a public body, corporate and politic
Ву: _	
	William C. Brand
	Mayor and Chairman
	ndersigned acknowledges receipt of the within escrow instructions and agrees to proceed ordance therewith.
Hana	Escrow Company, Inc.
Ву: _	
	Cindie Kim
	Sr. Escrow Officer

EXHIBIT "A" LEGAL DESCRIPTION

All that certain property situated in the County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

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EXCEPT THEREFROM UNITS 116 THROUGH 118, INCLUSIVE, 121 THROUGH 132, INCLUSIVE, 216 THROUGH 218, INCLUSIVE, 221 THROUGH 233, INCLUSIVE, 316 THROUGH 318 INCLUSIVE, AND 321 THROUGH 333, INCLUSIVE, AS DEFINED AND DELINEATED ON A CONDOMINIUM PLAN RECORDED JANUARY 24, 2008, AS INSTRUMENT NO. 08-1498226, OF OFFICIAL RECORDS.

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APN: 4082-012-111



January 26, 2022

ADVISORS IN: Real Estate Affordable Housing Economic Development

Taesung Yan and Aiko Shiono 2750 Artesia Boulevard #116 Redondo Beach, California 90278

BERKELEY
A. Jerry Keyser
Debbie M. Kern
David Doezema

Re: Maximum Sales Price Request

LOS ANGELES
Kathleen H. Head
James A. Rabe
Gregory D. Soo-Hoo
Kevin E. Engstrom
Julie L. Romey
Tim R. Bretz

Dear Mr. Yan and Ms. Shiono:

SAN DIEGO Paul C. Marra The City of Redondo Beach Housing Authority (Housing Authority) has engaged Keyser Marston Associates, Inc. (KMA) to provide consulting services related to the affordable housing units located in the Breakwater Village project. The following letter is a response to your request for an assessment of the maximum allowable sales price for the Moderate-Income unit you own at 2750 Artesia Boulevard #116, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Agreement Containing Covenants, Restrictions and Option to Purchase, which is dated December 10, 2010 and was recorded on December 13, 2010 by the Los Angeles County Recorder as Instrument No. 20101837588. Under the terms and conditions included in Section 7 of the Agreement Containing Covenants, Restrictions and Option to Purchase, the maximum sales price that you may receive for any type of Transfer of your residence ("Resale Price") shall be the lesser of the following:

- 1. The Moderate Income Affordable Purchase Price at the time of Resale; or
- 2. The Increased Base Price plus the "Value of Capital Improvements" that have been approved by the City of Redondo Beach, if any.

The Unit Resale Determination Worksheet follows this letter. Based on the calculations included in the Worksheet, the Resale Price is based on the Increased Base Price. As of today's date, the maximum Resale Price is \$190,349.

The Resale Price provided to you will be valid for three months from the date of this letter. Should the Resale Price expire, a new Maximum Sales Price Request must be submitted. In that case a completed application (and fee payment, if applicable) should be submitted to the Housing Authority.

Sincerely,

Keyser Marston Associates, Inc.

Kethler Hund

Kathleen Head

UNIT RESALE PRICE DETERMINATION WORKSHEET

Owner's Name	Taesung Yang and Aiko Shiono		
Development	Breakwater Village		
Unit Number	116		
Assessor Parcel Number (APN)	4082012111		
	-		
Income Level	Moderate		
Number of Bedrooms	1		

The Maximum Resale Price is equal to the Lesser of:

- 1. The Increased Base Price, and the
- The Moderate Income Affordable Purchase Price

Increased Base Price	
Current Owner's Purchase Price	\$149,900
Current Owner's Purchase Date (HCD Income 2010)	12/10/10
Area Median Income at Time of Owner's Purchase	\$50,400
Area Median Income at Calculation Date (HCD Income 2021)	\$64,000
Percentage Increase in Area Median Income	26.98%
Increased Base Value	\$190,349
Increase in Value Due to Capital Improvements	\$0
Increased Base Price	\$190,349
Moderate Income Affordable Purchase Price	\$315,600
Maximum Resale Price	\$190,349
Calculation is Valid Through:	4/26/22

Prepared by Keyser Marston Associates, Inc.	Kathleen Head
Date the Calculation is Completed	1/26/22

The Maximum Sales Price is based on the formula included in the Addendum to Grant Deed recorded on the property with the County of Los Angeles. The formula takes into consideration the Area Median Income as determined by the State of California and makes allowances for utilities, HOA dues, taxes, PMI, homeowners insurance, etc. Additionally, calculations are subject to change at any time due to changes in the abovementioned information. Please check with the Housing Authority prior to entering into a purchase and sale agreement.

Prepared by: Keyser Marston Associates, Inc.

for additional information.

File name: ASP Calcs 1 26 22



Administrative Report

H.13., File # 22-4570 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE THE FIRST AMENDMENT TO THE MAINTENANCE AND SUPPORT AGREEMENT WITH COMPLETE PAPERLESS SOLUTIONS, LLC, FOR LASERFICHE SOFTWARE SUPPORT FOR AN ADDITIONAL AMOUNT NOT TO EXCEED \$34,709 AND TO EXTEND THE TERM ONE-YEAR TO SEPTEMBER 3, 2023

EXECUTIVE SUMMARY

This agreement exercises the one-year option to extend current services for Laserfiche software support and maintenance of the City's records content management system with Complete Paperless Solutions, LLC ("CPS") through September 3, 2023.

BACKGROUND

CPS has provided software support and maintenance services to the Police Department and City Clerk's Office since 2010 including all software updates, onsite repair, onsite training assistance and remote telephone help desk assistance during the year.

Laserfiche enterprise document imaging software serves the city's official documents to the public via the Internet and confidential documents to the Police Department staff via Intranet. Staff members scan documents to the centralized document imaging databases from paper and electronic formats and use the software to e-mail document images within the city and to the public. The Police Department uses audit and workflow components to manage the distribution of crime reports automatically to investigators and other personnel.

The Police Department, Information Technology Department and City Clerk's Office seek to renew the contract with CPS for software maintenance and professional services to maintain the City's Laserfiche enterprise document imaging software.

COORDINATION

Preparation of this agreement was coordinated with the City Attorney's Office.

FISCAL IMPACT

Shared funding for this agreement is included in the approved City Clerk's Office and Police Department FY22-23 budget.

H.13., File # 22-4570 Meeting Date: 8/2/2022

ATTACHMENTS

First Amendment and Original Agreement Insurance Documentation

FIRST AMENDMENT TO THE COMPLETE PAPERLESS SOLUTIONS MAINTENANCE AND SUPPORT AGREEMENT BETWEEN THE CITY OF REDONDO BEACH AND COMPLETE PAPERLESS SOLUTIONS, LLC

THIS FIRST AMENDMENT TO THE COMPLETE PAPERLESS SOLUTIONS MAINTENANCE AND SUPPORT AGREEMENT ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Complete Paperless Solutions, LLC, a California limited liability company ("CPS").

WHEREAS, on August 6, 2019, the parties entered into the Complete Paperless Solutions Maintenance and Support Agreement between the City and CPS (the "Agreement"); and

WHEREAS, the Agreement is set to expire on September 3, 2022; and

WHEREAS, the parties desire to extend the Agreement.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendment to the Agreement:

- 1. <u>Term</u>. Exhibit "B" of the Agreement is hereby amended to extend the Agreement to September 3, 2023.
- 2. <u>No Other Amendments</u>. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 2nd day of August, 2022.

CITY OF REDONDO BEACH, a chartered municipal corporation	COMPLETE PAPERLESS SOLUTIONS, LLC, a California limited liability company
William C. Brand, Mayor	By:
ATTEST:	APPROVED:
	Diane Strictation
Eleanor Manzano, City Clerk	Diane Strickfaden, Risk Manager
APPROVED AS TO FORM:	
Michael W. Webb, City Attorney	



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/08/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on

uns ceruncate does not comer no	files to the certificate holder in hed or s	such endorsement(s).		
PRODUCER		CONTACT Arlene Rhodes		
Robert Harris Insurance Agency, Inc.		PHONE (A/C, No, Ext): (714) 619-4480	FAX (A/C, No): (714) 61	19-4481
Lic. #0216736		E-MAIL arlene@reharris.com		
3150 Bristol St., Suite 200		INSURER(S) AFFORDING COVER	RAGE	NAIC #
Costa Mesa	CA 92626	INSURER A: Travelers Casualty Insurance Co o	f America	19046
INSURED		INSURER B: Hartford Casualty Ins. Co.		29424
Complete Paperless Sol	utions	INSURER C: Lloyds of London		
5130 E La Palma Ave		INSURER D :		
Ste 206		INSURER E :		
Anaheim	CA 92807-207	8 INSURER F:		
COVERAGES	CERTIFICATE NUMBER: 22-23 Ma	ster Cert REVISION	I NUMBER:	

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	R TYPE OF INSURANCE			SUBR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	S
	×	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	\$ 2,000,000
		CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
								MED EXP (Any one person)	\$ 5,000
Α			Υ		6808B847614	06/23/2022	06/23/2023	PERSONAL & ADV INJURY	\$ 2,000,000
	GEN	I'L AGGRE <u>GATE</u> LIMIT APP <u>LIES</u> PER:						GENERAL AGGREGATE	\$ 4,000,000
		POLICY PRO- JECT LOC						PRODUCTS - COMP/OP AGG	\$ 4,000,000
		OTHER:						DEENC	\$
	AUT	OMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
		ANY AUTO						BODILY INJURY (Per person)	\$
Α		OWNED SCHEDULED AUTOS ONLY AUTOS			6808B847614	06/23/2022	06/23/2023	BODILY INJURY (Per accident)	\$
	X	HIRED AUTOS ONLY NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
									\$
		UMBRELLA LIAB OCCUR						EACH OCCURRENCE	\$
	EXCESS LIAB CLAIMS-MADE							AGGREGATE	\$
		DED RETENTION \$							\$
	-	KERS COMPENSATION EMPLOYERS' LIABILITY						➤ PER OTH-ER	
В	ANY	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)			72WECZX9262	06/23/2022	06/23/2023	E.L. EACH ACCIDENT	\$ 1,000,000
"	(Man				121120270202	00/20/2022	00/20/2020	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	If yes	s, describe under CRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
	Pro	fessional Liability						Each Claim	\$2,000,000
С		ims Made Policy			TBD	06/23/2022	06/23/2023	Aggregate	\$2,000,000
		-						Each Claim Deductible	\$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Coverage Afforded by Carrier C: Lloyds of London -

Cyber Liability Limit \$2,000,000, subject to a \$10,000 deductible.

OEKTII IOATE TIOEBEK			GANGELLANON
	City of Redondo Beach Department of Engineering and Building 415 Diamond Street		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
			AUTHORIZED REPRESENTATIVE
1	Redondo Beach	CA 90277	Trave Jums

CANCELL ATION

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CEDTIEICATE HOLDED



c. any other law, regulation or statute relating to unsolicited communication, distribution, sending or transmitting of any communication via telephone or any other electronic or telecommunications device.

However, this Exclusion will not apply to INSURING CLAUSE 1 (SECTION F only).

62. Vacant premises

in respect of INSURING CLAUSES 4 and 5, resulting from premises left vacant for more than 60 consecutive days.

63. War

arising directly or indirectly out of:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or mounting to an uprising, military or usurped power; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

64. Website content accessibility

arising directly or indirectly out of the actual or alleged violation of any laws, regulations or guidelines relating to the accessibility of **your** website content.

65. Willful or dishonest acts of senior executive officers

arising directly or indirectly out of any willful, criminal, malicious or dishonest act, error or omission by a **senior executive officer** as determined by final adjudication, arbitral tribunal or written admission.

CONDITIONS

1. What you must do in the event of a claim or cyber incident

If any **senior executive officer** becomes aware of any incident which may reasonably be expected to give rise to a claim under this Policy **you** must:

- a. notify the claims managers (in respect of cyber incidents, a telephone call to our cyber incident response line will constitute notification) as soon as is reasonably practicable and follow their directions. However, in respect of INSURING CLAUSES 1 (SECTIONS A, B, C, D, E, G and H only) and 3 (SECTION G only) this notification must be made no later than the end of any applicable extended reporting period; and
- b. not admit liability for or settle or make or promise any payment or incur any **costs and expenses** without **our** prior written agreement (which will not be unreasonably withheld).

If you discover a **cyber event you** may only incur costs without **our** prior written consent within the first 72 hours following the discovery and any **third party** costs incurred must be with a company forming part of the **approved claims panel providers**. All other costs may only be incurred with the prior written consent of the **claims managers** (which will not be unreasonably withheld).



2. Additional insureds

We will indemnify any **third party** as an additional insured under this Policy, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of a **claim** arising solely out of an act committed by **you**, provided that:

- a. **you** contracted in writing to indemnify the **third party** for the **claim** prior to it first being made against them; and
- b. had the claim been made against you, then you would be entitled to indemnity under this Policy.

Before we indemnify any additional insured they must:

- a. prove to us that the claim arose solely out of an act committed by you; and
- b. fully comply with **CONDITION 1** as if they were **you**.

Where **we** indemnify a **third party** as an additional insured under this Policy, this Policy will be primary and non-contributory to the **third party**'s own insurance, but only if **you** and the **third party** have entered into a contract that contains a provision requiring this.

Where a **third party** is treated as an additional insured as a result of this Condition, any **claim** made by that **third party** against **you** will be treated by **us** as if they were a **third party** and not as an insured.

3. Agreement to pay claims (duty to defend)

We have the right and duty to take control of and conduct in your name the investigation, settlement or defense of any claim. We will not have any duty to pay costs and expenses for any part of a claim that is not covered by this Policy.

You may ask the claims managers to consider appointing your own lawyer to defend the claim on your behalf and the claims managers may grant your request if they consider your lawyer is suitably qualified by experience, taking into account the subject matter of the claim, and the cost to provide a defense.

We will endeavor to settle any claim through negotiation, mediation or some other form of alternative dispute resolution and will pay on your behalf the amount we agree with the claimant. If we cannot settle using these means, we will pay the amount which you are found liable to pay either in court or through arbitration proceedings, subject to the limit of liability.

We will not settle any claim without your consent. If you refuse to provide your consent to a settlement recommended by us and elect to continue legal proceedings in connection with the claim, any further costs and expenses incurred will be paid by you and us on a proportional basis, with 50% payable by us and 50% payable by you. As a consequence of your refusal, our liability for the claim, excluding costs and expenses, will not be more than the amount for which the claim could have been settled.

4. Calculation of business interruption losses

In respect of **INSURING CLAUSES 2** (**SECTION G** only) and **5**, in the event of a claim for any financial loss sustained by **you**, **you** must provide the **claims managers** with **your** calculation of the financial loss including.

a. how the loss has been calculated and what assumptions have been made; and



b. supporting documents including account statements, sales projections and invoices.

If we are unable to agree with your calculation of the financial loss, we will appoint an independent expert agreed between you and us which will be paid for by us. If an independent expert cannot be agreed upon, one will be appointed by an arbitrator mutually agreed between you and us whose decision will be final and binding.

Once an independent expert has been appointed, their calculation of any financial loss sustained by **you** will be final and binding.

5. Cancellation

This Policy may be canceled with 30 days written notice by either you or us.

If **you** give **us** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect. However, if **you** have made a claim under this Policy there will be no return **premium**.

If we give you notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect.

We also reserve the right of cancellation in the event that any amount due to us by you remains unpaid more than 60 days beyond the **inception date**. If we exercise this right of cancellation it will take effect from 14 days after the date the written notice of cancellation is issued.

The Policy Administration Fee will be deemed fully earned upon inception of the Policy.

6. Continuous cover

If **you** have neglected, through error or oversight only, to report an incident discovered by **you** that might give rise to a claim under this Policy during the period of a previous renewal of this Policy issued to **you** by **us**, then provided that **you** have maintained uninterrupted insurance of the same type with **us** since the expiry of that earlier Policy, **we** will permit the matter to be reported under this Policy and **we** will indemnify **you**, provided that:

- a. the indemnity will be subject to the applicable limit of liability of the earlier Policy under which the matter should have been reported or the **limit of liability**, whichever is the lower;
- b. **we** may reduce the indemnity entitlement by the monetary equivalent of any prejudice which has been suffered as a result of the delayed notification; and
- c. the indemnity will be subject to all of the terms and conditions of this Policy, other than a. above.

7. Cross liability and severability

In respect of **INSURING CLAUSE 3** only, where there is more than one entity insured under this Policy, and subject to the **limit of liability**, any **claim** made by one insured entity against another insured entity will be treated as if they are a **third party** and knowledge possessed by one insured entity will not be imputed to any other insured entity.

8. Establishing loss of contents

If **you** make a claim under this Policy for loss of **contents**, **you** must reasonably establish how and when the incident took place. This may include confirmation that the incident was reported to the appropriate law enforcement authorities and details of any investigation they undertook.



9. Extended reporting period

In respect of **INSURING CLAUSES 1** (**SECTIONS A**, **B**, **C**, **D**, **E**, **G** and **H** only) and **3** (**SECTION G** only), an extended reporting period of 60 days following the **expiry date** will be automatically granted at no additional premium. This extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy, **claims** first made against **you** during the **period of the policy** and reported to **us** during this extended reporting period.

No claim will be accepted by **us** in this 60 day extended reporting period if **you** are entitled to indemnity under any other insurance, or would be entitled to indemnity under such insurance if its limit of liability was not exhausted.

10. Optional extended reporting period

In respect of **INSURING CLAUSES 1** (**SECTIONS A**, **B**, **C**, **D**, **E**, **G** and **H** only) and **3** (**SECTION G** only), if **we** or **you** decline to renew or cancel this Policy then **you** will have the right to have issued an endorsement providing an optional extended reporting period for the duration stated in the Declarations page which will be effective from the cancellation or non-renewal date. This optional extended reporting period will cover **claims** first made against **you** and reported to **us** during this optional extended reporting period but only in respect of any **claim** arising out of any act, error or omission committed prior to the date of cancellation or non-renewal and subject to all others terms, conditions and exclusions of this Policy.

If **you** would like to purchase the optional extended reporting period **you** must notify **us** and pay **us** the optional extended reporting period premium stated in the Declarations page within 30 days of cancellation or non-renewal.

The right to the optional extended reporting period will not be available to **you** where cancellation or non-renewal by **us** is due to non-payment of the **premium** or **your** failure to pay any amounts in excess of the applicable **limit of liability** or within the amount of the applicable **deductible** as is required by this Policy in the payment of claims.

At the renewal of this Policy, **our** quotation of different **premium**, **deductible**, limits of liability or changes in policy language will not constitute non-renewal by **us**.

11. Fraudulent claims

If it is determined by final adjudication, arbitral tribunal or written admission by **you**, that **you** notified **us** of any claim knowing it to be false or fraudulent in any way, **we** will have no responsibility to pay that claim, **we** may recover from **you** any sums paid in respect of that claim and **we** reserve the right to terminate this Policy from the date of the fraudulent act. If **we** exercise this right **we** will not be liable to return any **premium** to **you**. However, this will not affect any claim under this Policy which has been previously notified to **us**.

12. Innocent non-disclosure

We will not seek to avoid the Policy or reject any claim on the grounds of non-disclosure or misrepresentation except where the non-disclosure or misrepresentation was reckless or deliberate.

13. Maintenance of employee automobile liability insurance

It is a condition precedent to indemnity under **INSURING CLAUSE 3** (**SECTIONS H** and **I** only) that all **employees** who operate an automobile in the course of **your** business activities will maintain in full force and effect for the **period of the policy** primary automobile liability insurance in an amount equal to, or greater than, the minimum primary automobile liability limits required in the state of registration of the automobile. If **you** make a **claim** under **INSURING CLAUSE 3** (**SECTIONS H** and **I** only) and the **employee** has failed to meet these requirements then this Policy will only



respond to provide excess coverage as though the requirements had been met, whereby **you** agree to pay all sums within and up to the required minimum limit.

14. Mergers and acquisitions

If you acquire an entity during the **period of the policy** whose annual revenue does not exceed 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary**.

If **you** acquire an entity during the **period of the policy** whose annual revenue exceeds 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary** for a period of 45 days.

We will consider providing cover for the acquired entity after the period of 45 days if:

- a. you give us full details of the entity within 45 days of its acquisition; and
- b. **you** accept any amendment to the terms and conditions of this Policy or agree to pay any additional **premium** required by **us**.

In the event **you** do not comply with a. or b. above, cover will automatically terminate for the entity 45 days after the date of its acquisition.

Cover for any acquired entity is only provided under this Policy for any act, error or omission committed on or after the date of its acquisition.

No cover will be automatically provided under this Policy for any acquired entity:

- a. whose business activities are materially different from your business activities;
- b. that has been the subject of any lawsuit, disciplinary action or regulatory investigation in the 3 year period prior to its acquisition; or
- c. that has experienced a **cyber event** in the 3 year period prior to its acquisition, if the **cyber event** cost more than the highest **deductible** of this Policy.

If during the **period of the policy you** consolidate, merge with or are acquired by another entity then all coverage under this Policy will terminate at the date of the consolidation, merger or acquisition unless **we** have issued an endorsement extending coverage, and **you** have agreed to any additional **premium** and terms of coverage required by **us**.

15. Our rights of recovery

If we make any payment under this Policy then you must maintain all of your rights of recovery in respect of this payment against any third party and make these available to us where possible.

We will not exercise any rights of recovery against **employees** or the estates, heirs, legal representatives or assigns of any **employee** in the event of their death, incapacity, insolvency or bankruptcy unless this is in respect of any fraudulent or dishonest acts or omissions as proven by final adjudication, arbitral tribunal or written admission by **you**.



Any recoveries will be applied in proportion to the amounts paid by **you** and **us** in relation to the claim under this Policy.

16. Prior subsidiaries

Should an entity cease to be a **subsidiary** after the **inception date**, cover in respect of the entity will continue as if it was still a **subsidiary** during the **period of the policy**, but only in respect of an act, error, omission or event occurring prior to the date that it ceased to be a **subsidiary**.

17. Process for paying privacy breach notification costs

Any **privacy breach** notification transmitted by **you** or on **your** behalf must be done with **our** prior written consent. **We** will ensure that notification is compliant with any legal or regulatory requirements and contractual obligations. No offer must be made for financial incentives, gifts, coupons, credits or services unless with **our** prior written consent which will only be provided if the offer is commensurate with the risk of harm.

We will not be liable for any portion of the costs you incur under INSURING CLAUSE 2 (SECTION B only) that exceed the costs that you would have incurred had you gained our prior written consent. In the absence of our prior written consent we will only be liable to pay you the equivalent cost of a notification made using the most cost effective means permissible under the governing law.

18. Waiver of subrogation

Notwithstanding **CONDITION 15**, **we** agree to waive **our** rights of recovery against any **third party** if, prior to the claim or incident which **you** reasonably expected to give rise to a claim, **you** entered into a contract that contains a provision requiring **you** to do this.

19. Choice of law and service of suit

In the event of a dispute between **you** and **us** regarding this Policy, the dispute will be governed by the laws of the State of the United States of America shown as the choice of law stated in the Declarations page. **We** agree, at **your** request, to submit to the jurisdiction of a court of competent jurisdiction within the United States of America.

Nothing in this Condition constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in the United States of America, to move an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States of America or the laws of any State of the United States of America.

It is further agreed that service of process in such suit may be made upon the law firm stated in the Declarations page and that in any suit instituted against **us**, **we** will abide by the final decision of such court or of any appellate court in the event of an appeal. The law firm stated in the Declarations page is authorized and directed to accept service of process on **our** behalf in any such suit and, at **your** request, to give a written undertaking to **you** that they will enter a general appearance on **our** behalf in the event such suit is instituted.

Additionally, in accordance with the statute of any state, territory or district of the United States which makes such a provision, **we** hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as **our** true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by **you** arising out of this Policy. The law



firm stated in the Declarations page is hereby designated as the firm to whom the above mentioned officer is authorized to mail such process or a copy thereof.

TABLE OF CONTENTS

COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG T1 00 02 19

SECTION I COVERAGES		Beginning on Page
Coverage A –		
Bodily Injury and Property Damage Liability	Insuring Agreement	1
	Exclusions	2
Coverage B –		
Personal and Advertising Injury Liability	Insuring Agreement	6
	Exclusions	6
Coverage C –		
Medical Payments	Insuring Agreement	9
	Exclusions	9
Supplementary Payments		10
SECTION II - WHO IS AN INSURED		11
SECTION III - LIMITS OF INSURANCE		13
SECTION IV - COMMERCIAL GENER	RAL LIABILITY CONDITIONS	13
Bankruptcy		13
Duties in The Event Of Occurrence	e, Offense, Claim Or Suit	13
•	gainst Others To Us	
SECTION V - DEFINITIONS		16

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section \mathbf{V} – Definitions.

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that

- is used to heat, cool or dehumidify the building, or produced by or originating from equipment that is used to heat water for personal use by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured: or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire":
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) If such "pollutants" are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed

- to perform the normal electrical. hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by insured. contractor or subcontractor:
- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire": or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are or were at any time performing operations to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) 50 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify as "mobile equipment" under the definition of "mobile equipment" if such land vehicle were not subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged; or

- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft that is:
 - (a) Chartered with a pilot to any insured;
 - (b) Not owned by any insured; and
 - **(c)** Not being used to carry any person or property for a charge.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity

i. War

"Bodily injury" or "property damage" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you:
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

I. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "productscompleted operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and

accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

However, this exclusion does not apply to liability for damages because of "bodily injury".

q. Unsolicited Communication

"Bodily injury" or "property damage" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

r. Access Or Disclosure Of Conidfenital Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

s. Asbestos

(1) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "bodily injury" or "property damage" is caused or contributed to by the hazardous properties of asbestos.

- (2) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "bodily injury" or "property damage" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
 - (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

t. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline. failure to promote advance. harassment, humiliation. discrimination, libel, slander, violation of the person's right of privacy. malicious prosecution or false arrest. detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the

employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury".

Exclusions **c.** through **n.** do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph **6.** of Section **III** – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury". This exclusion does not apply to "personal injury" caused by malicious prosecution.

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Or Used Prior To Policy Period

- (1) "Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or
- (2) "Advertising injury" arising out of infringement of copyright, "title" or "slogan" in your "advertisement" whose first infringement in your "advertisement" was committed before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Because of "personal injury" assumed by you in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "personal injury", provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party

against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

f. Breach Of Contract

"Advertising injury" arising out of a breach of contract.

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Intellectual Property

"Personal and advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress:
- (4) Trade name:
- (5) Trademark:
- (6) Trade secret; or
- (7) Other intellectual property rights or laws.

This exclusion does not apply to:

- (1) "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or
- (2) Any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

j. Insureds in Media And Internet Type Businesses

"Personal and advertising injury" caused by an offense committed by an insured whose business is:

(1) Advertising, "broadcasting" or publishing;

- (2) Designing or determining content of websites for others: or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a.(1), (2) and (3) of the definition of "personal injury".

For the purposes of this exclusion:

- (1) Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- (2) The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, "broadcasting" or publishing.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts or owns, or over which the insured exercises control.

I. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or

neutralizing, or in any way responding to,or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Unsolicited Communication

"Personal and advertising injury" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

q. Access Or Disclosure Of Confidenital Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

r. Asbestos

- (1) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "personal and advertising injury" is caused or contributed to by the hazardous properties of asbestos.
- (2) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "personal and advertising injury" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or

- assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
- (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

s. Employment-Related Practices

"Personal injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - **(b)** Termination of that person's employment; or
 - (c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote advance, harassment, humiliation. discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest. detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "personal injury".

COVERAGE C - MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or

- **(3)** Because of your operations; provided that:
- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS

- We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - **b.** This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

- assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee:
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I — Coverages — Coverage A — Bodily Injury And Property Damage Liability or Paragraph 2.e. of Section I — Coverages — Coverage B — Personal And Advertising Injury Liability, such payments will not be deemed to be damages for "bodily injury", "property damage" or "personal injury", and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- **a.** We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
- **b.** The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II - WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - **b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- 2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer

- workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- (2) "Property damage" to property:
 - (a) Owned, occupied or used by;
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- **b.** Any person (other than your "employee" or "volunteer worker"), or any organization, while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- e. Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:
 - (1) 50 feet long or less; and
 - (2) Not being used to carry any person or property for a charge.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - **b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- **a.** An organization, other than a partnership, joint venture or limited liability company; or
- b. A trust;

as indicated in its name or the documents that govern its structure.

- 4. Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that:
 - a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and

b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- premises owner, manager or lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such premises owner, manager or lessor does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.
- 5. Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" that:
 - a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
 - b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after the equipment lease expires.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds:
 - b. Claims made or "suits" brought; or
 - Persons or organizations making claims or bringing "suits".
- The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard": and
 - c. Damages under Coverage B.
- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and "advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part; or
- **b.** \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part.
- Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses: and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- **b.** If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable. You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit":

- (2) Authorize us to obtain records and other information:
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II Who Is An Insured:
 - (1) Notice to us of such "occurrence" or offense must be given as soon practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" 3. authorized by you to give notice of an "occurrence" or offense.
 - (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
 - (a) Any individual who is:
 - (i) A partner or member of any partnership or joint venture;
 - (ii) A manager of any limited liability company;

- (iii) An executive officer or director of any other organization; or
- (iv) A trustee of any trust;
- that is your partner, joint venture member, manager or trustee; or
- (b) Any employee authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.
- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraph e.(1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

Legal Action Against Us

No person or organization has a right under this Coverage Part:

- To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- **b.** To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as described in Paragraphs a. and b. below. As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit provision of Paragraph 5. of Section III Limits Of Insurance or the Non cumulation of Personal and Advertising Injury Limit provision of Paragraph 4. of Section III Limits of Insurance applies because the Amendment Non Cumulation Of Each Occurrence Limit Of Liability And Non Cumulation Of Personal And Advertising Injury Limit endorsement is included in this policy;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **c.** below, insurer means a provider of insurance.

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below, except when Paragraph **d.** below applies.

b. Excess Insurance

- (1) This insurance is excess over:
 - (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

- (ii) That is insurance for "premises damage":
- (iii) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to any exclusion in this Coverage Part that applies to aircraft, "autos" or watercraft;
- (iv) That is insurance available to a premises owner, manager or lessor that qualifies as an insured under Paragraph 4. of Section II – Who Is An Insured, except when Paragraph d. below applies; or
- (v) That is insurance available to an equipment lessor that qualifies as an insured under Paragraph 5. of Section II Who Is An Insured, except when Paragraph d. below applies.
- (b) Any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.
- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
 - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (b) The total of all deductible and selfinsured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

d. Primary And Non-Contributory Insurance If Required By Written Contract

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured which covers such insured as a named insured, and we will not share with that other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

5. Premium Audit

- We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- **a.** The statements in the Declarations are accurate and complete;
- **b.** Those statements are based upon representations you made to us; and
- **c.** We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- **b.** Separately to each insured against whom claim is made or "suit" is brought.

B. Transfer Of Rights Of Recovery Against OthersTo Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

- "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - **b.** Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

2. "Advertising injury":

- **a.** Means injury caused by one or more of the following offenses:
 - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
 - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light; or
 - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".
- **b.** Includes "bodily injury" caused by one or more of the offenses described in Paragraph **a.** above.

3. "Auto" means:

- A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

4. "Bodily injury" means:

- **a.** Physical harm, including sickness or disease, sustained by a person; or
- **b.** Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.
- **5.** "Broadcasting" means transmitting any audio or visual material for any purpose:
 - a. By radio or television; or

- **b.** In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
 - Radio or television programming being transmitted;
 - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
 - (3) Advertising transmitted with any of such programming.

6. "Coverage territory" means:

- The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- **c.** All other parts of the world if the injury or damage arises out of:
 - Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits in the territory described in Paragraph a. above, or in a settlement we agree to.

- 7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- 8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

- "Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.
- **11.** "Hostile fire" means a fire which becomes uncontrollable or breaks out from where it was intended to be.
- **12.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - **b.** You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

13. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract":
- b. A sidetrack agreement;
- **c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- **d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- **e.** An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle,

- tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities.
- 14. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- **15.** "Loading or unloading" means the handling of property:
 - After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

- **16.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - **b.** Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads:

- **d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - **(b)** Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged. Such land vehicles are considered "autos".

17. "Occurrence" means:

 An accident, including continuous or repeated exposure to substantially the same general harmful conditions; or

- b. An act or omission committed in providing or failing to provide first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.
- **18.** "Personal and advertising injury" means "personal injury" or "advertising injury".
- 19. "Personal injury":
 - a. Means injury, other than "advertising injury", caused by one or more of the following offenses:
 - (1) False arrest, detention or imprisonment;
 - (2) Malicious prosecution;
 - (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
 - (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or
 - (5) Oral or written publication, including publication by electronic means, of material that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - **(b)** Unreasonably places a person in a false light.
 - b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
- 20. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

21. "Premises damage" means:

- a. With respect to the first paragraph of the exceptions in Exclusion j. of Section I Coverage A Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of seven or fewer consecutive days, including the contents of such premises; or
- b. With respect to the exception to Exclusions c. through n. in the last paragraph of Paragraph 2. of Section I Coverage A Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of more than seven consecutive days, or while temporarily occupied by you with permission of the owner, caused by:
 - (1) Fire:
 - (2) Explosion;
 - (3) Lightning;
 - (4) Smoke resulting from fire, explosion or lightning; or
 - (5) Water.

b. does not include "property damage" to any premises caused by:

- (1) Rupture, bursting, or operation of pressure relief devices;
- (2) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water; or
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines.

22. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your

- contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- **b.** Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured:
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that productscompleted operations are subject to the General Aggregate Limit.

23. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

24. "Slogan":

- **a.** Means a phrase that others use for the purpose of attracting attention in their advertising.
- b. Does not include a phrase used as, or in, the name of:
 - Any person or organization, other than you; or
 - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.

- **25.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
 - An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- **26.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 27. "Title" means a name of a literary or artistic work.
- 28. "Unsolicited communication" means any communication, in any form, that the recipient of such communication did not specifically request to receive.
- 29. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
- 30. "Your product":
 - a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
- (b) Others trading under your name; or
- (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

31. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR TECHNOLOGY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Non-Owned Watercraft 75 Feet Long Or Less
- B. Who Is An Insured Unnamed Subsidiaries
- C. Who Is An Insured Employees Supervisory Positions
- D. Who Is An Insured Newly Acquired Or Formed Limited Liability Companies
- E. Who Is An Insured Liability For Conduct Of Unnamed Partnerships Or Joint Ventures
- F. Blanket Additional Insured Persons Or Organizations For Your Ongoing Operations As Required By Written Contract Or Agreement
- G. Blanket Additional Insured Broad Form Vendors
- H. Blanket Additional Insured Controlling Interest

PROVISIONS

- A. NON-OWNED WATER CRAFT -- 75 FEET LONG OR LESS
 - The following replaces Paragraph (2) of Exclusion g., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION ! — COVERAGES — COVERAGE A — BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
 - (2) A watercraft you do not own that is:
 - (a) 75 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
 - 2. The following replaces Paragraph 2.e. of SECTION II WHO IS AN INSURED:
 - e. Any person or organization that, with your express or implied consent, either uses or

- Blanket Additional Insured Mortgagees, Assignees, Successors Or Receivers
- J. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Premises
- K. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Operations
- L.. Medical Payments Increased Limit
- M. Blanket Waiver Of Subrogation
- N. Contractual Liability Railroads
- O. Damage To Premises Rented To You

is responsible for the use of a watercraft that you do not own that is:

- (1) 75 feet long or less; and
- (2) Not being used to carry any person or property for a charge.
- B. WHO IS AN INSURED UNNAMED SUBSIDIARIES

The following is added to **SECTION 11 -- WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- **b.** Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II — Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- **b.** An organization other than a partnership, joint venture or limited liability company; or
- c. A trust:

as indicated in its name or the documents that govern its structure.

C. WHO IS AN INSURED - EMPLOYEES - SUPERVISORY POSITIONS

The following is added to Paragraph 2.a.(1) of SECTIO N II - WHO IS AN INSURED:

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" to a co-"employee" while in the course of the co-"employee's" employment by you arising out of work by any of your "employees" who hold a supervisory position.

- D. WHO IS AN INSURED NEWLY ACQUIRED OR FOR MED LIMITED LAIBILITY COMPANIES The following replaces Paragraph 3. of SECTION II WHO IS AN INSURED:
 - 3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only:
 - (1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or
 - (2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such

organization in writing to us within 180 days after you acquire or form it;

- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II — Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- An organization, other than a partnership, joint venture or limited liability company; or
- c. A trust:

as indicated in its name or the documents that govern its structure.

E. WHO IS AN INSURED – LAIBILTY FOR CONDUCT OF UNNAMED PARTNERSHIP SO R JOINT VENTURES

The following replaces the last paragraph of **SECTION II – WHO IS AN INSURED**:

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership or joint venture that otherwise qualifies as an insured under Section II – Who Is An Insured.

F. BLANKET ADDITIONAL INSURED – PERSONS OR ORGANIZATIONS FOR YOUR ONGOING OPERATIONS AS REQUIRED BY WRITTEN CONTRACT OR AGREEMENT

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is not otherwise an insured under this Coverage Part and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Occurs subsequent to the signing of that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the performance of your ongoing operations to which that contract or

agreement applies or the acts or omissions of any person or organization performing such operations on your behalf.

The limits of insurance provided to such insured will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

G. BLANKET ADDITIONAL INSURED - BROAD FORM VENDORS

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- Occurs subsequent to the signing of that contract or agreement; and
- b. Arises out of "your products" that are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of insurance provided to such vendor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such vendor does not apply to:
 - (1) Any express warranty not authorized by you or any distribution or sale for a purpose not authorized by you;
 - (2) Any change in "your products" made by such vendor;
 - (3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";
 - (5) Demonstration, installation, servicing or repair operations, except such operations

performed at such vendor's premises in connection with the sale of "your products"; or

(6) "Your products" that, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

H. BLANKET ADDITIONAL INSURED CONTROLLING INTEREST

The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

- a. Such financial control; or
- Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

The following is added to Paragraph 4. of SECTION II – WHO IS AN INSURED:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

I. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its

liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

- a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such person or organization does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or
 - (2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.
- J. BLANKET ADDITIONAL INSURED GOVERNMENTAL ENTITIES PERMITS OR
 AUTHORIZATIONS RELATING TO PREMISES

The following is added to SECTION II – WHO IS AN INSURED:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair,

construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

K. BLANKET ADDITIONAL INSURED — GOVERNMENTAL ENTITIES — PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to SECTION II – WHO IS AN INSURED:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- **b.** Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

L. MEDICAL PAYMENTS - INCREASED LIMIT

The following replaces Paragraph 7. of SECTION III - LIMITS OF INSURANCE:

- 7. Subject to Paragraph 5, above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:
 - a. \$10,000; or
 - The amount shown in the Declarations of this Coverage Part for Medical Expense Limit

M. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs: or
- **b.** "Personal and advertising injury" caused by an offense that is committed:

subsequent to the execution of the contract or agreement.

N. CONTRACTUAL LIABILITY - RAILROADS

- The following replaces Paragraph c. of the definition of "insured contract" in the DEFINITIONS Section:
 - c. Any easement or license agreement;

Paragraph f.(1) of the definition of "insured contract" in the DEFINITIONS Section is deleted.

O. DAMAGE TO PREMISES RENTED TO YOU

The following replaces the definition of "premises damage" in the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 72 WEC ZX9262 Endorsement Number:

Effective Date: 06/23/21 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: COMPLETE PAPERLESS SOLUTIONS LLC

4025 E LA PALMA AVE STE 201

ANAHEIM CA 92807

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization

Job Description

Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us

Countersigned by ______ Authorized Representative

Form WC 04 03 06 (1) Printed in U.S.A.

Process Date: 05/14/21 Policy Expiration Date: 06/23/22



390

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

Policy Number: 72 WEC ZX9262 Endorsement Number:

Effective Date: 06/23/21 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: COMPLETE PAPERLESS SOLUTIONS LLC

4025 E LA PALMA AVE STE 201

ANAHEIM CA 92807

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within ten (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

Form WC 99 03 94 Printed in U.S.A.

Process Date: 05/14/21 Policy Expiration Date: 06/23/22 © 2011, The Hartford

Complete Paperless Solutions Maintenance and Support Agreement

This Agreement entered into between **Complete Paperless Solutions**, a **California Limited Liability Company**, ("CPS" or "Consultant") at 4025 E. La Palma Avenue, Suite 204 Anaheim, California, 92807, and the **City of Redondo Beach** ("City") at 415 Diamond Street, Redondo Beach, CA 90277 is for the Period of September 4, 2019 to September 3, 2022.

CPS shall provide maintenance and support services ("Services") to the City as defined in this Agreement for the following Software and Hardware described as follows:

No.	Description	Qty
1.	Laserfiche Enterprise Server Diamond LSAP	1
2.	Laserfiche Full User Diamond LSAP	25
3.	Laserfiche Read Only User Diamond LSAP	50
4.	Laserfiche Snapshot Diamond LSAP	25
5	Laserfiche Email Plug-In Diamond LSAP	25
6.	Laserfiche WebLink Enterprise Diamond LSAP	1
7.	Weblink Customization	1
8	Laserfiche Advanced Audit Trail-Advanced Diamond LSAP	1
9.	Laserfiche Workflow Diamond LSAP	. 1
10.	Laserfiche Workflow add. User Diamond LSAP	15
11.	Laserfiche Plus Plug In User Diamond LSAP	2
12.	Diamond Support for Bates Stamping	1
13.	Laserfiche LSAP Import Agent	1
14.	CPS Diamond On-Site Support	1

Refer to Exhibit "A" for Project Description of Services

- 1. Annual Fee. City agrees to pay CPS in accordance with Exhibit "C" Compensation and Attachment 1 (Software Items, Details and Costs).
- 2. Period of Performance. CPS shall provide maintenance and support services to City, upon payment by City of the annual fee, for a period of one (1) year, starting with the date of this Agreement. This annual term may be extended each year, upon payment by City for the subsequent year as provided in Exhibit "B" Contract Term and Exhibit "C" Compensation.
- 3. **Maintenance**. **CPS** shall use commercially reasonable best efforts to identify and resolve bugs, errors and other problems with the Product, whether discovered by **CPS** or reported by customers or from any other credible source. **CPS** may also elect to provide enhancements, updates or other changes to the Product at **CPS**' sole discretion. **CPS** shall publish maintenance updates for Product at least annually to City, along with release notes, itemization of known problems or system errors, updates to product documentation and other data necessary for City to implement the update.
- 4. **Support**. **CPS** shall provide phone support to City from 8:00 AM to 5:30 PM PST on normal business days, excluding normal and customary holidays. **CPS** shall respond to



City within 4 hours for Diamond support or next business for Bronze support. **CPS** shall use commercial reasonable best efforts to answer questions, identify and resolve problems with the Product, and assist with operational procedures or work-arounds. **CPS** may provide patches or other fixes outside the normal Laserfiche Product Maintenance updates provided by Laserfiche such as the scanning engine, barcode, bates stamping and WebLink customization. It will be to the sole discretion of **CPS** to provide these updates and patches.

- 5. **Service Limitations. CPS** shall be under no obligation to provide Services as a result of (a) the operation of Product outside normal configurations described in Product documentation; (b) City's material failure to maintain Product according to industry standards and conventions or as required by Product documentation; (c) customization of Product by anyone other than **CPS**.
- 6. Brokers. CPS acknowledges, represents and warrants that CPS has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 7. **Termination**. Any discretionary or vested right of renewal notwithstanding, this Agreement may be terminated upon ninety (90) days written notice by the City. However, **CPS** shall be compensated for all authorized work satisfactorily performed prior to the effective date of termination. **CPS** shall remit a prorated refund of the annual payment within thirty (30) days of the date of termination.
- 8. Conflict of Interest. CPS acknowledges, represents and warrants that CPS shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. CPS further acknowledges, represents and warrants that CPS has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. CPS acknowledges that in the event that CPS shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
- 9. **Non Liability of Officials and Employees of the City.** No official or employee of the City shall be personally liable for any default or liability under this Agreement.
- 10. Compliance with Laws. CPS shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement.
- 11. Subcontracting and Assignment. Neither party shall assign its rights without the written consent of the other party. The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty five percent (25%) or more of the ownership interest in CPS or twenty five percent (25%) or more the voting control of CPS shall constitute an assignment for purposes of this Agreement.
- 12. **Amendment**. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
- 13. Confidentiality. To the extent permissible under law, CPS shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.



- 14. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
- 15. **Attorneys' Fees.** In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
- 16. **Claims**. Any claim by **CPS** against City hereunder shall be subject to Government Code §§ 800 et seq. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
- 17. **Severance**. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
- 18. Limitation of Liability. CPS' sole liability under this Agreement shall be limited to direct, objectively measured damages. In no event shall either party have any liability to the other for any indirect, consequential, special, incidental or speculative damages whether arising under contract, tort or statute, including without limitation, loss of use, business interruptions, loss or corruption of data, claims of infringement, loss of good will and loss of profits.
- 19. **License.** The support and maintenance services provided under this Agreement are subject to the software license agreement for Product.
- 20. **Exhibits**. All exhibits hereto are made a part hereof and incorporated herein by reference.
- 21. **Insurance. CPS** shall maintain Insurance in accordance with the requirements set forth in **Exhibit "D".**
- 22. Certificate of Insurance. See Exhibit "E".
- 23. Invoice. See Exhibit "F".
- 24. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of CPS warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of CPS, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of CPS.

SIGNATURES ON NEXT PAGE





IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 6^{th} day of August, 2019.

AUTHORIZED SIGNATURES

Complete Paperless Solutions:	City of Redondo Beach
Tom Ziencina Signature	Signature
Thomas Ziencina, CEO Name	William C. Brand Name
Chief Executive Officer Title	<u>Mayor</u> Title
	APPROVED:
	Jill Buchholz, Risk Manager
	ATTEST:
	Eleanor Manzano, City Clerk
	APPROVED AS TO FORM:
	Michael W. Webb, City Attorney

ATTEST:

ELEANOR MANZANO, CLEY CLERK



Exhibit "A"

Project Description of Services

CPS agrees to provide the maintenance and support services described below with respect to the following items

No.	Description	Qty
1.	Laserfiche Enterprise Server Diamond LSAP	1
2.	Laserfiche Full User Diamond LSAP	25
3	Laserfiche Read Only User Diamond LSAP	50
4.	Laserfiche Snapshot Diamond LSAP	25
5.	Laserfiche Email Plug-In Diamond LSAP	25
6.	Laserfiche WebLink Enterprise Diamond LSAP	1
7.	Weblink Customization	1
8.	Laserfiche Advanced Audit Trail-Advanced Diamond LSAP	1
9.	Laserfiche Workflow Diamond LSAP	1
10.	Laserfiche Workflow add. User Diamond LSAP	. 15
11.	Laserfiche Plus Plug In User Diamond LSAP	2
12.	Diamond Support for Bates Stamping	1
13.	Laserfiche LSAP Import Agent	1
14.	CPS Diamond On-Site Support	1

CPS shall promptly notify City of any material defects or malfunctions in the Software or documentation which it learns from any source.

CPS shall provide City with copies of the software and documentation revised to reflect any and all updates and enhancements if any to the software made by **CPS** during the maintenance and support period. Such enhancements shall include all modifications to the Software which increase the speed efficiency or ease of operation of the Software or add capabilities to or otherwise improve the functions of the Software.

Support shall include the correction of material errors within a reasonable time and with reasonable effort. Support does not include correction of errors caused by unauthorized modification made to the Software. **CPS** is not obligated by this Agreement to undertake any such updates or infringements.

Software and documentation for updates and enhancements shall be provided to the City for installation in diskette form, CD -ROM or DVD for installation by City and shall be installed by **CPS** only if necessary and requested in writing by City.

CPS shall provide telephone support on a reasonable and necessary basis between the hours of 8:00AM and 5:30PM Monday through Friday excluding bank holidays, or through written correspondence unless otherwise specified.





CPS shall use best efforts to respond to City's requests and problems within a time frame that reasonably reflects the urgency of the resolution of the request. **CPS** shall use reasonable efforts to give the most appropriate advice but the responsibility for acting on or implementing such advice shall remain with City.

CPS shall provide on -site support within 24 hours or within a mutually agreed time frame.





Exhibit "B"

Contract Term

The term of this Agreement shall commence on September 4, 2019 and continue through to September 3, 2022 ("Term") unless otherwise terminated as herein provided. The Agreement may be renewed for a subsequent annual term by a written mutual amendment executed by both the City and CPS, and approved by City Council.



Exhibit "C"

Compensation

Provided **CPS** is not in default under this Agreement, **CPS** shall be compensated as provided below.

1. Payment:

- a. <u>Annual Payment</u>: CPS shall be paid in the amount of \$34,709.00 annually in accordance with Exhibit "F" and subject to Section 2 of this Exhibit "C" within forty-five days (45) after the commencement date of the Agreement and the annual anniversary date thereafter. In no event shall the total compensation exceed \$104,127.00 during the term of the Agreement.
- b. <u>Subsequent Years</u>: In the event this Agreement is renewed in accordance with Exhibit "B", CPS may request reasonable price adjustments to the annual fee for the renewed term. However, no price adjustments shall be effective unless a written amendment to this Agreement is executed by both parties, and approved by the City Council.
- c. <u>Additional Fees</u>: The City shall receive eight days (or 64 hours) of on-site support at no additional cost
 - i. <u>Hourly Rate</u>: The hourly rate for on-site support beyond nine days of service shall be \$150 per hour.
 - ii. <u>Daily Rate</u>: The daily rate beyond sixteen days shall be \$1,000 per day.
 - iii. All charges shall be executed by a subsequent amendment prior to commencement of any additional on-site support.
- Schedule for Payment: CPS shall invoice City for the annual maintenance and support
 fee each following year no later than 30 days before the annual anniversary of the
 commencement date for the subsequent term. City may accept or decline the payment.
 If City elects not to pay the annual fee, CPS shall have no obligation under this
 Agreement for the subsequent year.
- 3. Method of Payment: CPS shall provide invoices to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, an in a form reasonably satisfactory to City. CPS may be required to provide back-up material upon request.





Exhibit "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

<u>Deductibles and Self-Insured Retentions</u>

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:





<u>Additional Insured Endorsement:</u>

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.





Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.





Exhibit "E"

Certificate of Insurance

See attached.



Exhibit "F"

Invoice



Complete Paperless Solutions Complete Paperless Solutions 4025 E. La Palma Ave. Ste. 204 Anaheim, CA 92807 (866)661-2425 cschott@cps247.com

Invoice

BILL TO
City Clerk
City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277
USA

SHIP TO
City Clerk
City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277

INVOICE # 2919

DATE	DESCRIPTION	QTY	RATE	AMOUNT
	S4D Laserfiche Enterprise Server Diamond LSAP	1	6,300.00	6,300.00
	FD Laserfiche Full User Diamond LSAP	25	195.00	4,875.00
	RD Laserfiche Read Only User Diamond LSAP	50	75.00	3,750.00
	PSD Laserfiche Snapshot Diamond LSAP	25	30.00	750.00
	PMD Laserfiche Email Plug-In Diamond LSAP	25	24.00	600.00
	97831UD Laserfiche WebLink Enterprise Diamond LSAP	1	4,790:00	4,790.00
	CPS-WLD Weblink Customization	1	1,000.00	1,000.00
	97871UD Laserfiche Advanced Audit Trail Diamond LSAP	đ [‡]	2,399.00	2,399.00
	WFSD Laserfiche Workflow Diamond LSAP	1	4,500.00	4,500.00
	WFAD Laserfiche Workflow add. User Diamond LSAP	15	90.00	1,350.00
	97840UD Laserfiche Plus Plug In User Diamond LSAP	2	1,898.00	3,796:00
	BSD Diamond support for Bates Stamping	1	150.00	150.00
	PIP Laserfiche LSAP Import Agent	1	449.00	449.00

Tax ID: 27-0926551 | Please Make Checks Payable to: Complete Paperless Solutions | Please Make Checks Payable to: Complete Paperless Solutions





DATE	DESCRIPTION	QTY	RATE	AMOUNT
07/15/2019	On-Site Support CPS Diamond On-Site Support -Guaranteed Next Business Day if to fix remotely	1 unable	0.00	0.00
No tangible softwar	e item will be delivered - electronic download	BALANCE DUE	\$34,	709.00



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 6/3/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the

COVERAGES	CERTIFICATE NUMBER-19/20	DEVISION NIII	MRED.	
Anaheim CA	92807	INSURER F:	·	
		INSURER E :		
4025 E. La Palma Ave #204		INSURER D :		
Complete Paperless Solution	ns LLC	INSURER C: Lloyds of London		
INSURED		INSURER B: Hartford Casualty Ins. Co.		29424
Costa Mesa CA	92626	INSURERA: Travelers Cas Ins Co of Ame:	rica	19046
3150 Bristol St., Suite 200)	INSURER(S) AFFORDING COVERAGE		NAIC #
Lic. #0216736		E-MAIL ADDRESS: van@reharris.com		
Robert Harris Insurance Age	ency, Inc.	PHONE (714) 619-4493	FAX (A/C, No): (714) 619	-4481
PRODUCER		CONTACT Van Dang		
certificate floract in flea of such e	naoraementjaj.			

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

LTR		TYPE OF INSURANCE	INSD		(MM/DD/YYYY)	(MM/DD/YYYY)	LIMIT	S	
	Х	COMMERCIAL GENERAL LIABILITY					EACH OCCURRENCE	\$	2,000,000
A		CLAIMS-MADE X OCCUR					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$	300,000
			x	6808B847614-19	6/23/2019	6/23/2020	MED EXP (Any one person)	\$	5,000
İ	Ш						PERSONAL & ADV INJURY	\$	2,000,000
	GEN	LAGGREGATE LIMIT APPLIES PER:		·			GENERAL AGGREGATE	\$	4,000,000
	х	POLICY PRO- LOC					PRODUCTS - COMP/OP AGG	\$	4,000,000
		OTHER:				1		\$	
	AUT	OMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident)	\$	1,000,000
A		ANY AUTO					BODILY INJURY (Per person)	\$	
^		ALL OWNED SCHEDULED AUTOS		6808B847614-19	6/23/2019	6/23/2020	BODILY INJURY (Per accident)	\$	
	х	HIRED AUTOS X NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident)	\$	
								\$	
		UMBRELLA LIAB OCCUR					EACH OCCURRENCE	\$	
		EXCESS LIAB CLAIMS-MADE					AGGREGATE	\$	
		DED RETENTION \$		· ·	,			\$	
		KERS COMPENSATION EMPLOYERS' LIABILITY					X PER OTH- STATUTE ER		
	ANY	PROPRIETOR/PARTNER/EXECUTIVE CER/MEMBER EXCLUDED?	N/A				E.L. EACH ACCIDENT	\$	1,000,000
В	(Man	datory in NH)		72WECZX9262	6/23/2019	6/23/2020	E.L. DISEASE - EA EMPLOYEE	\$	1,000,000
	DES	, describe under CRIPTION OF OPERATIONS below		 			E.L. DISEASE - POLICY LIMIT	\$	1,000,000
С	Pro	ofessonial Liability		ESH051163944	6/23/2019	6/23/2020	Each Claim:		1,000,000
	Cla	ims-Made Policy		Each Claim DED: \$10,000			Aggregate		2,000,000
<u> </u>	<u> </u>			 	l	l			

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERT	IFIC	ATF	HOL	DEB

CANCELLATION

City of Redondo Beach Department of Engineering and Building Services 415 Diamond Street Redondo Beach, CA 90277

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Steve Harris/VAND



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 6/3/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

certificate holder in lie	u of such end	orsement(s).						
PRODUCER			CONTACT Van Dang					
Robert Harris Insu	rance Agen	cy, Inc.	PHONE (A/C, No. Ext): (714) 619-4493	FAX (A/C, No): (714) 615	-4481			
Lic. #0216736			E-MAIL ADDRESS: van@reharris.com					
3150 Bristol St.,	Suite 200		INSURER(S) AFFORDING COVERAG	 E	NAIC #			
Costa Mesa	CA	92626	INSURERA: Travelers Cas Ins Co of An	erica	19046			
INSURED			INSURER B: Hartford Casualty Ins. Co. 29424					
Complete Paperless	Solutions	LLC	INSURER C: Lloyds of London					
4025 E. La Palma A	ve .#204		INSURER D:					
			INSURER E:					
Anaheim	CA	92807	INSURER F:					
COVERAGES	(CERTIFICATE NUMBER: 19/20	REVISION N	UMBER:				
	THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS							

C	CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADDL		POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP	LIMIT	s
	X COMMERCIAL GENERAL LIABILITY		1110		(MININGON T.T.T.)	Tanan Dest 1.11)	EACH OCCURRENCE	\$ 2,000,000
A	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
		х	İ	6808B847614-19	6/23/2019	6/23/2020	MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERALAGGREGATE	\$ 4,000,000
	X POLICY PRO-						PRODUCTS - COMP/OP AGG	\$ 4,000,000
	OTHER:			<u> </u>				. \$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
A	ANY AUTO	:		-			BODILY INJURY (Per person)	\$
	ALL OWNED SCHEDULED AUTOS			6808B847614-19	6/23/2019	6/23/2020	BODILY INJURY (Per accident)	\$
	X HIRED AUTOS X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	\$
			<u> </u>		:			\$
	UMBRELLA LIAB OCCUR	}					EACH OCCURRENCE	\$
	EXCESS LIAB CLAIMS-MADE		ŀ				AGGREGATE	\$.
	DED RETENTION \$:\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						X PER OTH- STATUTE ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N/A].	. *		E.L. EACH ACCIDENT	\$ 1,000,000
В	(Mandatory in NH)			72WECZX9262	6/23/2019	6/23/2020	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	DESCRIPTION OF OPERATIONS below	ļ					E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
С	Professonial Liability			ESH051163944	6/23/2019	11/23/2020	Each Claim:	1,000,000
	Claims-Made Policy			Each Claim DED: \$10,000			Aggregate	2,000,000
DES	CRIPTION OF OPERATIONS / LOCATIONS / VEHICLE	S (AC	 	1 Additional Remarks Schedule, may be atta	sched if more soa	co is required)	<u> </u>	
	ESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)							

CERTIFICATE HOLDER	CANCELLATION

City of Redondo Beach Department of Engineering and Building Services 415 Diamond Street Redondo Beach, CA 90277 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Steve Harris/VAND

True America

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 72 WEC ZX9262

Endorsement Number:

Effective Date: 06/23/19

Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: COMPLETE PAPERLESS SOLUTIONS LLC

4025 E LA PALMA AVE STE 201

ANAHEIM CA 92807

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization

Job Description

Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us

Countersigned by		
-		Authorized Representative

Form WC 04 03 06

(1) Printed in U.S.A.

Process Date: 05/14/19

Policy Expiration Date: 06/23/20



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

Policy Number: 72 WEC ZX9262

Endorsement Number:

Effective Date: 06/23/19

Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: COMPLETE PAPERLESS SOLUTIONS LLC

4025 E LA PALMA AVE STE 201

ANAHEIM CA 92807

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such. cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within ten (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

Form WC 99 03 94 Printed in U.S.A.

Process Date: 05/14/19.

Policy Expiration Date: 06/23/20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR TECHNOLOGY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Non-Owned Watercraft 75 Feet Long Or Less
- B. Who Is An Insured Unnamed Subsidiaries
- C. Who Is An Insured Employees Supervisory Positions
- D. Who Is An Insured Newly Acquired Or Formed Limited Liability Companies
- E. Who Is An Insured Liability For Conduct Of Unnamed Partnerships Or Joint Ventures
- F. Blanket Additional Insured Persons Or Organizations For Your Ongoing Operations As Required By Written Contract Or Agreement
- G. Blanket Additional Insured Broad Form Vendors
- H. Blanket Additional Insured Controlling Interest

PROVISIONS

- A. NON-OWNED WATER CRAFT 75 FEET LONG OR LESS
 - The following replaces Paragraph (2) of Exclusion g., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
 - (2) A watercraft you do not own that is:
 - (a) 75 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
 - 2. The following replaces Paragraph 2.e. of SECTION II WHO IS AN INSURED:
 - Any person or organization that, with your express or implied consent, either uses or

- Blanket Additional Insured Mortgagees, Assignees, Successors Or Receivers
- J. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Premises
- K. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Operations
- L.. Medical Payments Increased Limit
- M. Blanket Waiver Of Subrogation
- N. Contractual Liability Railroads
- O. Damage To Premises Rented To You

is responsible for the use of a watercraft that you do not own that is:

- (1) 75 feet long or less; and
- (2) Not being used to carry any person or property for a charge.
- B. WHO IS AN INSURED UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- **b.** Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- **b.** An organization other than a partnership, joint venture or limited liability company; or
- c. A trust:

as indicated in its name or the documents that govern its structure.

C. WHO IS AN INSURED - EMPLOYEES - SUPERVISORY POSITIONS

The following is added to Paragraph 2.a.(1) of SECTIO N II – WHO IS AN INSURED:

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" to a co-"employee" while in the course of the co-"employee's" employment by you arising out of work by any of your "employees" who hold a supervisory position.

- D. WHO IS AN INSURED NEWLY ACQUIRED OR FOR MED LIMITED LAIBILITY COMPANIES The following replaces Paragraph 3. of SECTION II WHO IS AN INSURED:
 - 3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - **a.** Coverage under this provision is afforded only:
 - (1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or
 - (2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such

organization in writing to us within 180 days after you acquire or form it;

- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II — Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- An organization, other than a partnership, joint venture or limited liability company; or
- c. A trust;

as indicated in its name or the documents that govern its structure.

E. WHO IS AN INSURED - LAIBILTY FOR CONDUCT OF UNNAMED PARTNERSHIP SO R JOINT VENTURES

The following replaces the last paragraph of **SECTION II – WHO IS AN INSURED**:

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership or joint venture that otherwise qualifies as an insured under Section II – Who Is An Insured.

F. BLANKET ADDITIONAL INSURED – PERSONS OR ORGANIZATIONS FOR YOUR ONGOING OPERATIONS AS REQUIRED BY WRITTEN CONTRACT OR AGREEMENT

The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that is not otherwise an insured under this Coverage Part and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- **a.** Occurs subsequent to the signing of that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the performance of your ongoing operations to which that contract or

agreement applies or the acts or omissions of any person or organization performing such operations on your behalf.

The limits of insurance provided to such insured will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

G. BLANKET ADDITIONAL INSURED — BROAD FORM VENDORS

The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- **a.** Occurs subsequent to the signing of that contract or agreement; and
- **b.** Arises out of "your products" that are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of insurance provided to such vendor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such vendor does not apply to:
 - (1) Any express warranty not authorized by you or any distribution or sale for a purpose not authorized by you;
 - (2) Any change in "your products" made by such vendor;
 - (3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";
 - (5) Demonstration, installation, servicing or repair operations, except such operations

performed at such vendor's premises in connection with the sale of "your products"; or

(6) "Your products" that, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

H. BLANKET ADDITIONAL INSURED - CONTROLLING INTEREST

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

- a. Such financial control: or
- **b.** Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

2. The following is added to Paragraph 4. of SECTION II – WHO IS AN INSURED:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

I. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its

liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
- **b.** Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

- a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement. or the limits shown in the Declarations. whichever are less.
- **b.** The insurance provided to such person or organization does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or
 - (2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.
- J. BLANKET ADDITIONAL INSURED GOVERNMENTAL ENTITIES - PERMITS OR **AUTHORIZATIONS RELATING TO PREMISES**

The following is added to SECTION II - WHO IS AN INSURED:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair.

construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

K. BLANKET **ADDITIONAL** INSURED GOVERNMENTAL ENTITIES - PERMITS OR AUTHORIZATIONS RELATING TO OPER-**ATIONS**

The following is added to SECTION II - WHO IS AN INSURED:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity: or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

L. MEDICAL PAYMENTS - INCREASED LIMIT

The following replaces Paragraph 7. of SECTION III - LIMITS OF INSURANCE:

- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:
 - a. \$10,000; or
 - **b.** The amount shown in the Declarations of this Coverage Part for Medical Expense Limit.

M. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us. of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- **a.** "Bodily injury" or "property damage" that occurs; or
- **b.** "Personal and advertising injury" caused by an offense that is committed:

subsequent to the execution of the contract or agreement.

N. CONTRACTUAL LIABILITY - RAILROADS

- The following replaces Paragraph c. of the definition of "insured contract" in the DEFINITIONS Section:
 - c. Any easement or license agreement;

2. Paragraph **f.(1)** of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

O. DAMAGE TO PREMISES RENTED TO YOU

The following replaces the definition of "premises damage" in the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- **a.** Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/17/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

this certificate does not confe	rights to the certificate holde	r in lieu of such	n endorsem	ent(s).			
PRODUCER			CONTACT NAME:	Carla Garcia			
Robert Harris Insurance Agency, Inc.			PHONE (A/C, No, Ext):	(714) 619-4480	FAX (A/C, No):	(714) 6	19-4481
Lic. #0216736				carla@reharris.com			
3150 Bristol St., Suite 200				INSURER(S) AFFORDING COVERAGE			NAIC#
Costa Mesa	CA	92626	INSURER A:	Travelers Casualty Insurance Co of Amer	rica		19046
INSURED			INSURER B:	Hartford Casualty Ins. Co.			29424
Complete Paperless	Solutions		INSURER C:	Lloyds of London			
5130 E La Palma Ave	e		INSURER D :				
Ste 206			INSURER E :				
Anaheim	CA	92807-2078	INSURER F:				
COVERAGES	CEDTIFICATE NUMBER	21-22 GL Auto	WC F&O	DEVISION NUM	DED.		

COVERAGES CERTIFICATE NUMBER: 21-22 GL Auto WC E&O REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR		TYPE OF INSURANCE	INSD	SUBR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	s
	×	COMMERCIAL GENERAL LIABILITY				Í	,	EACH OCCURRENCE	\$ 2,000,000
		CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
								MED EXP (Any one person)	\$ 5,000
Α			Y		6808B847614-21	06/23/2021	06/23/2022	PERSONAL & ADV INJURY	\$ 2,000,000
	GEN	I'L AGGRE <u>GATE</u> LIMIT APP <u>LIES P</u> ER:						GENERAL AGGREGATE	\$ 4,000,000
		POLICY PRO- JECT LOC						PRODUCTS - COMP/OP AGG	\$ 4,000,000
		OTHER:							\$
	AUT	OMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		ANY AUTO						BODILY INJURY (Per person)	\$
Α		OWNED SCHEDULED AUTOS ONLY AUTOS			6808B847614-20	06/23/2021	06/23/2022	BODILY INJURY (Per accident)	\$
	×	HIRED NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
									\$
		UMBRELLA LIAB OCCUR						EACH OCCURRENCE	\$
		EXCESS LIAB CLAIMS-MADE						AGGREGATE	\$
		DED RETENTION \$							\$
		KERS COMPENSATION EMPLOYERS' LIABILITY						➤ PER STATUTE OTH-ER	
В	ANY	PROPRIETOR/PARTNER/EXECUTIVE	N/A		72WECZX9262	06/23/2021	06/23/2022	E.L. EACH ACCIDENT	\$ 1,000,000
	(Man	CER/MEMBER EXCLUDED?	,,,,			00/20/2021	00/20/2022	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	If yes	i, describe under CRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
	Pro	fessional Liability						Each Claim	\$2,000,000
С		ims Made Policy			ESJ0731989025	06/23/2021	06/23/2022	Aggregate	\$2,000,000
		100						Each Claim Ded.	\$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Coverage Afforded by Carrier C: Lloyds of London -

Cyber Liability Limit \$2,000,000, subject to a \$10,000 deductible.

CERTIFICATE	HOLDER		CANCELLATION
	City of Redondo Beach Department of Engineering	g and Building	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	4 to Blamona Guest		AUTHORIZED REPRESENTATIVE
1	Redondo Beach	CA 90277	Frank Jums

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Additional Named Insureds						
Other Named Insureds						
LLC	Other, Insured Multiple Names					
OFAPPINF (02/2007)	COPYRIGHT 2007, AMS SERVICES INC					
	415					

			ΑI	DITIONAL COVE	RAG	ES		
Ref#	Descript CNTSC					Coverage Code CNTSC	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium	
Ref#	Descript Non-owr					Coverage Code NOWND	Form No.	Edition Date
Limit 1 2,000,0	00	Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium	
Ref#		Description Coverage Code Hired/borrowed HRDBD						Edition Date
Limit 1 2,000,0	00	Limit 2	Limit 3	Deductible Amount	Dedu	tible Type	Premium	
Ref#	Description Coverage Code OSHF OSHF				Coverage Code OSHF	Form No.	Edition Date	
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium \$3.00	
Ref#	Descript LECF	ion				Coverage Code LECF	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium \$2.00	
Ref#	Descript SIBT	ion				Coverage Code SIBT	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium \$6.00	
Ref#	Description Waiver of Subrogation				Coverage Code WVSUB	Form No. Edition Date		
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium \$250.00	
Ref#		Description Coverage Cod New Small Employer Credit NSEC			Coverage Code NSEC	Form No.	Edition Date	
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium -\$197.00	
Ref#	Descript Territory	ion Differential Prem	1			Coverage Code TDP01	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium -\$7.00	
Ref#	Descript Expense	ion e constant				Coverage Code EXCNT	Form No.	Edition Date
Limit 1 Limit 2		Limit 3	Deductible Amount	Deductible Type		Premium \$200.00		
Ref#	Descript Assessn	ion nent Fund				Coverage Code ASMNT	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Dedu	ctible Type	Premium \$22	.00
OFADT	LCV	<u> </u>		•	,		Copyright 2001,	AMS Services, Inc.

ADDITIONAL COVERAGES								
Ref#	Description UEBTF					Coverage Code UEBTF	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deduc	Premium \$1.00		
Ref#	Description	1				Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deduc	ctible Type	Premium	
Ref#	Description					Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deduc	ctible Type	Premium	
Ref#	Description						Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deductible Type		Premium	
Ref#	Description	1				Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deductible Type		Premium	
Ref#	Description	1				Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deductible Type		Premium	
Ref#	Description					Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deduc	tible Type	Premium	
Ref#	Description					Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deductible Type		Premium	
Ref#	Description Coverage			Coverage Code	Form No.	Edition Date		
Limit 1		Limit 2	Limit 3	Deductible Amount	Deduc	tible Type	Premium	
Ref#	Description					Coverage Code	Form No.	Edition Date
Limit 1	mit 1 Limit 2 Limit 3 Deductible Amount Deductible Type				ctible Type	Premium		
Ref#	Description	1				Coverage Code	Form No.	Edition Date
Limit 1		Limit 2	Limit 3	Deductible Amount	Deduc	tible Type	Premium	
OFADTI	LCV						Copyright 2001, AM	IS Services, Inc.



c. any other law, regulation or statute relating to unsolicited communication, distribution, sending or transmitting of any communication via telephone or any other electronic or telecommunications device.

However, this Exclusion will not apply to INSURING CLAUSE 1 (SECTION F only).

62. Vacant premises

in respect of INSURING CLAUSES 4 and 5, resulting from premises left vacant for more than 60 consecutive days.

63. War

arising directly or indirectly out of:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or mounting to an uprising, military or usurped power; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

64. Website content accessibility

arising directly or indirectly out of the actual or alleged violation of any laws, regulations or guidelines relating to the accessibility of **your** website content.

65. Willful or dishonest acts of senior executive officers

arising directly or indirectly out of any willful, criminal, malicious or dishonest act, error or omission by a **senior executive officer** as determined by final adjudication, arbitral tribunal or written admission.

CONDITIONS

1. What you must do in the event of a claim or cyber incident

If any **senior executive officer** becomes aware of any incident which may reasonably be expected to give rise to a claim under this Policy **you** must:

- a. notify the claims managers (in respect of cyber incidents, a telephone call to our cyber incident response line will constitute notification) as soon as is reasonably practicable and follow their directions. However, in respect of INSURING CLAUSES 1 (SECTIONS A, B, C, D, E, G and H only) and 3 (SECTION G only) this notification must be made no later than the end of any applicable extended reporting period; and
- b. not admit liability for or settle or make or promise any payment or incur any **costs and expenses** without **our** prior written agreement (which will not be unreasonably withheld).

If you discover a cyber event you may only incur costs without our prior written consent within the first 72 hours following the discovery and any third party costs incurred must be with a company forming part of the approved claims panel providers. All other costs may only be incurred with the prior written consent of the claims managers (which will not be unreasonably withheld).



2. Additional insureds

We will indemnify any **third party** as an additional insured under this Policy, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of a **claim** arising solely out of an act committed by **you**, provided that:

- a. **you** contracted in writing to indemnify the **third party** for the **claim** prior to it first being made against them; and
- b. had the claim been made against you, then you would be entitled to indemnity under this Policy.

Before we indemnify any additional insured they must:

- a. prove to us that the claim arose solely out of an act committed by you; and
- b. fully comply with **CONDITION 1** as if they were **you**.

Where **we** indemnify a **third party** as an additional insured under this Policy, this Policy will be primary and non-contributory to the **third party**'s own insurance, but only if **you** and the **third party** have entered into a contract that contains a provision requiring this.

Where a **third party** is treated as an additional insured as a result of this Condition, any **claim** made by that **third party** against **you** will be treated by **us** as if they were a **third party** and not as an insured.

3. Agreement to pay claims (duty to defend)

We have the right and duty to take control of and conduct in **your** name the investigation, settlement or defense of any **claim**. We will not have any duty to pay **costs and expenses** for any part of a **claim** that is not covered by this Policy.

You may ask the claims managers to consider appointing your own lawyer to defend the claim on your behalf and the claims managers may grant your request if they consider your lawyer is suitably qualified by experience, taking into account the subject matter of the claim, and the cost to provide a defense.

We will endeavor to settle any claim through negotiation, mediation or some other form of alternative dispute resolution and will pay on your behalf the amount we agree with the claimant. If we cannot settle using these means, we will pay the amount which you are found liable to pay either in court or through arbitration proceedings, subject to the limit of liability.

We will not settle any claim without your consent. If you refuse to provide your consent to a settlement recommended by us and elect to continue legal proceedings in connection with the claim, any further costs and expenses incurred will be paid by you and us on a proportional basis, with 50% payable by us and 50% payable by you. As a consequence of your refusal, our liability for the claim, excluding costs and expenses, will not be more than the amount for which the claim could have been settled.

4. Calculation of business interruption losses

In respect of **INSURING CLAUSES 2** (**SECTION G** only) and **5**, in the event of a claim for any financial loss sustained by **you**, **you** must provide the **claims managers** with **your** calculation of the financial loss including.

a. how the loss has been calculated and what assumptions have been made; and



b. supporting documents including account statements, sales projections and invoices.

If **we** are unable to agree with **your** calculation of the financial loss, **we** will appoint an independent expert agreed between **you** and **us** which will be paid for by **us**. If an independent expert cannot be agreed upon, one will be appointed by an arbitrator mutually agreed between **you** and **us** whose decision will be final and binding.

Once an independent expert has been appointed, their calculation of any financial loss sustained by **you** will be final and binding.

5. Cancellation

This Policy may be canceled with 30 days written notice by either **you** or **us**.

If **you** give **us** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect. However, if **you** have made a claim under this Policy there will be no return **premium**.

If we give you notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect.

We also reserve the right of cancellation in the event that any amount due to us by you remains unpaid more than 60 days beyond the inception date. If we exercise this right of cancellation it will take effect from 14 days after the date the written notice of cancellation is issued.

The Policy Administration Fee will be deemed fully earned upon inception of the Policy.

6. Continuous cover

If **you** have neglected, through error or oversight only, to report an incident discovered by **you** that might give rise to a claim under this Policy during the period of a previous renewal of this Policy issued to **you** by **us**, then provided that **you** have maintained uninterrupted insurance of the same type with **us** since the expiry of that earlier Policy, **we** will permit the matter to be reported under this Policy and **we** will indemnify **you**, provided that:

- a. the indemnity will be subject to the applicable limit of liability of the earlier Policy under which the matter should have been reported or the **limit of liability**, whichever is the lower;
- b. **we** may reduce the indemnity entitlement by the monetary equivalent of any prejudice which has been suffered as a result of the delayed notification; and
- c. the indemnity will be subject to all of the terms and conditions of this Policy, other than a. above.

7. Cross liability and severability

In respect of **INSURING CLAUSE 3** only, where there is more than one entity insured under this Policy, and subject to the **limit of liability**, any **claim** made by one insured entity against another insured entity will be treated as if they are a **third party** and knowledge possessed by one insured entity will not be imputed to any other insured entity.

8. Establishing loss of contents

If **you** make a claim under this Policy for loss of **contents**, **you** must reasonably establish how and when the incident took place. This may include confirmation that the incident was reported to the appropriate law enforcement authorities and details of any investigation they undertook.



9. Extended reporting period

In respect of **INSURING CLAUSES 1** (**SECTIONS A**, **B**, **C**, **D**, **E**, **G** and **H** only) and **3** (**SECTION G** only), an extended reporting period of 60 days following the **expiry date** will be automatically granted at no additional premium. This extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy, **claims** first made against **you** during the **period of the policy** and reported to **us** during this extended reporting period.

No claim will be accepted by **us** in this 60 day extended reporting period if **you** are entitled to indemnity under any other insurance, or would be entitled to indemnity under such insurance if its limit of liability was not exhausted.

10. Optional extended reporting period

In respect of **INSURING CLAUSES 1** (**SECTIONS A**, **B**, **C**, **D**, **E**, **G** and **H** only) and **3** (**SECTION G** only), if **we** or **you** decline to renew or cancel this Policy then **you** will have the right to have issued an endorsement providing an optional extended reporting period for the duration stated in the Declarations page which will be effective from the cancellation or non-renewal date. This optional extended reporting period will cover **claims** first made against **you** and reported to **us** during this optional extended reporting period but only in respect of any **claim** arising out of any act, error or omission committed prior to the date of cancellation or non-renewal and subject to all others terms, conditions and exclusions of this Policy.

If **you** would like to purchase the optional extended reporting period **you** must notify **us** and pay **us** the optional extended reporting period premium stated in the Declarations page within 30 days of cancellation or non-renewal.

The right to the optional extended reporting period will not be available to **you** where cancellation or non-renewal by **us** is due to non-payment of the **premium** or **your** failure to pay any amounts in excess of the applicable **limit of liability** or within the amount of the applicable **deductible** as is required by this Policy in the payment of claims.

At the renewal of this Policy, **our** quotation of different **premium**, **deductible**, limits of liability or changes in policy language will not constitute non-renewal by **us**.

11. Fraudulent claims

If it is determined by final adjudication, arbitral tribunal or written admission by **you**, that **you** notified **us** of any claim knowing it to be false or fraudulent in any way, **we** will have no responsibility to pay that claim, **we** may recover from **you** any sums paid in respect of that claim and **we** reserve the right to terminate this Policy from the date of the fraudulent act. If **we** exercise this right **we** will not be liable to return any **premium** to **you**. However, this will not affect any claim under this Policy which has been previously notified to **us**.

12. Innocent non-disclosure

We will not seek to avoid the Policy or reject any claim on the grounds of non-disclosure or misrepresentation except where the non-disclosure or misrepresentation was reckless or deliberate.

13. Maintenance of employee automobile liability insurance

It is a condition precedent to indemnity under **INSURING CLAUSE 3** (**SECTIONS H** and **I** only) that all **employees** who operate an automobile in the course of **your** business activities will maintain in full force and effect for the **period of the policy** primary automobile liability insurance in an amount equal to, or greater than, the minimum primary automobile liability limits required in the state of registration of the automobile. If **you** make a **claim** under **INSURING CLAUSE 3** (**SECTIONS H** and **I** only) and the **employee** has failed to meet these requirements then this Policy will only



respond to provide excess coverage as though the requirements had been met, whereby **you** agree to pay all sums within and up to the required minimum limit.

14. Mergers and acquisitions

If you acquire an entity during the **period of the policy** whose annual revenue does not exceed 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary**.

If **you** acquire an entity during the **period of the policy** whose annual revenue exceeds 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary** for a period of 45 days.

We will consider providing cover for the acquired entity after the period of 45 days if:

- a. you give us full details of the entity within 45 days of its acquisition; and
- b. **you** accept any amendment to the terms and conditions of this Policy or agree to pay any additional **premium** required by **us**.

In the event **you** do not comply with a. or b. above, cover will automatically terminate for the entity 45 days after the date of its acquisition.

Cover for any acquired entity is only provided under this Policy for any act, error or omission committed on or after the date of its acquisition.

No cover will be automatically provided under this Policy for any acquired entity:

- a. whose business activities are materially different from your business activities;
- b. that has been the subject of any lawsuit, disciplinary action or regulatory investigation in the 3 year period prior to its acquisition; or
- c. that has experienced a **cyber event** in the 3 year period prior to its acquisition, if the **cyber event** cost more than the highest **deductible** of this Policy.

If during the **period of the policy you** consolidate, merge with or are acquired by another entity then all coverage under this Policy will terminate at the date of the consolidation, merger or acquisition unless **we** have issued an endorsement extending coverage, and **you** have agreed to any additional **premium** and terms of coverage required by **us**.

15. Our rights of recovery

If we make any payment under this Policy then you must maintain all of your rights of recovery in respect of this payment against any third party and make these available to us where possible.

We will not exercise any rights of recovery against **employees** or the estates, heirs, legal representatives or assigns of any **employee** in the event of their death, incapacity, insolvency or bankruptcy unless this is in respect of any fraudulent or dishonest acts or omissions as proven by final adjudication, arbitral tribunal or written admission by **you**.



Any recoveries will be applied in proportion to the amounts paid by **you** and **us** in relation to the claim under this Policy.

16. Prior subsidiaries

Should an entity cease to be a **subsidiary** after the **inception date**, cover in respect of the entity will continue as if it was still a **subsidiary** during the **period of the policy**, but only in respect of an act, error, omission or event occurring prior to the date that it ceased to be a **subsidiary**.

17. Process for paying privacy breach notification costs

Any **privacy breach** notification transmitted by **you** or on **your** behalf must be done with **our** prior written consent. **We** will ensure that notification is compliant with any legal or regulatory requirements and contractual obligations. No offer must be made for financial incentives, gifts, coupons, credits or services unless with **our** prior written consent which will only be provided if the offer is commensurate with the risk of harm.

We will not be liable for any portion of the costs you incur under INSURING CLAUSE 2 (SECTION B only) that exceed the costs that you would have incurred had you gained our prior written consent. In the absence of our prior written consent we will only be liable to pay you the equivalent cost of a notification made using the most cost effective means permissible under the governing law.

18. Waiver of subrogation

Notwithstanding **CONDITION 15**, we agree to waive **our** rights of recovery against any **third party** if, prior to the claim or incident which **you** reasonably expected to give rise to a claim, **you** entered into a contract that contains a provision requiring **you** to do this.

19. Choice of law and service of suit

In the event of a dispute between **you** and **us** regarding this Policy, the dispute will be governed by the laws of the State of the United States of America shown as the choice of law stated in the Declarations page. **We** agree, at **your** request, to submit to the jurisdiction of a court of competent jurisdiction within the United States of America.

Nothing in this Condition constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in the United States of America, to move an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States of America or the laws of any State of the United States of America.

It is further agreed that service of process in such suit may be made upon the law firm stated in the Declarations page and that in any suit instituted against **us**, **we** will abide by the final decision of such court or of any appellate court in the event of an appeal. The law firm stated in the Declarations page is authorized and directed to accept service of process on **our** behalf in any such suit and, at **your** request, to give a written undertaking to **you** that they will enter a general appearance on **our** behalf in the event such suit is instituted.

Additionally, in accordance with the statute of any state, territory or district of the United States which makes such a provision, **we** hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as **our** true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by **you** arising out of this Policy. The law



firm stated in the Declarations page is hereby designated as the firm to whom the above mentioned officer is authorized to mail such process or a copy thereof.

TABLE OF CONTENTS

COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG T1 00 02 19

Bodily Injury and Property Damage Liability

Personal and Advertising Injury Liability

Medical Payments

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section \mathbf{V} – Definitions.

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "bodily injury" and "property damage" only if:

- The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that

is used to heat, cool or dehumidify the building, or produced by or originating from equipment that is used to heat water for personal use by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire":
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) If such "pollutants" are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed

to perform the normal electrical. hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels. lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured. contractor or subcontractor:

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire": or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are or were at any time performing operations to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) 50 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify as "mobile equipment" under the definition of "mobile equipment" if such land vehicle were not subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged; or

- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft that is:
 - (a) Chartered with a pilot to any insured;
 - (b) Not owned by any insured; and
 - (c) Not being used to carry any person or property for a charge.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity

i. War

"Bodily injury" or "property damage" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "productscompleted operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

I. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "productscompleted operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and

accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

However, this exclusion does not apply to liability for damages because of "bodily injury".

q. Unsolicited Communication

"Bodily injury" or "property damage" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

r. Access Or Disclosure Of Conidfenital Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

s. Asbestos

(1) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "bodily injury" or "property damage" is caused or contributed to by the hazardous properties of asbestos.

- (2) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "bodily injury" or "property damage" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
 - (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

t. Employment-Related Practices "Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;(b) Termination of that person
 - (b) Termination of that person's employment; or
 - (c) Employment-related practice, policy, act or omission, such as coercion, demotion. evaluation. reassignment, discipline. failure to promote advance, harassment. humiliation. discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest. detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the

employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury".

Exclusions **c.** through **n.** do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph **6.** of Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury". This exclusion does not apply to "personal injury" caused by malicious prosecution.

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Or Used Prior To Policy Period

- (1) "Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or
- (2) "Advertising injury" arising out of infringement of copyright, "title" or "slogan" in your "advertisement" whose first infringement in your "advertisement" was committed before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Because of "personal injury" assumed by you in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "personal injury", provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party

against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

f. Breach Of Contract

"Advertising injury" arising out of a breach of contract.

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Intellectual Property

"Personal and advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress;
- (4) Trade name;
- (5) Trademark:
- (6) Trade secret; or
- (7) Other intellectual property rights or laws.

This exclusion does not apply to:

- "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or
- (2) Any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

j. Insureds in Media And Internet Type Businesses

"Personal and advertising injury" caused by an offense committed by an insured whose business is:

(1) Advertising, "broadcasting" or publishing:

- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a.(1), (2) and (3) of the definition of "personal injury".

For the purposes of this exclusion:

- (1) Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- (2) The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, "broadcasting" or publishing.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts or owns, or over which the insured exercises control.

I. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or

neutralizing, or in any way responding to,or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Unsolicited Communication

"Personal and advertising injury" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

q. Access Or Disclosure Of Confidenital Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

r. Asbestos

- (1) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "personal and advertising injury" is caused or contributed to by the hazardous properties of asbestos.
- (2) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "personal and advertising injury" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or

- assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
- (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

s. Employment-Related Practices

"Personal injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - **(b)** Termination of that person's employment; or
 - (c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote advance. harassment. humiliation. discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest. detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "personal injury".

COVERAGE C - MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent:
 - (2) On ways next to premises you own or rent; or

- (3) Because of your operations; provided that:
- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS

- We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - **b.** This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

- assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee:
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit":
 - **(b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit":
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit": and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I — Coverages — Coverage A — Bodily Injury And Property Damage Liability or Paragraph 2.e. of Section I — Coverages — Coverage B — Personal And Advertising Injury Liability, such payments will not be deemed to be damages for "bodily injury", "property damage" or "personal injury", and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
 - **a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - **b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- 2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer

- workers" while performing duties related to the conduct of your business:
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- (2) "Property damage" to property:
 - (a) Owned, occupied or used by:
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- **b.** Any person (other than your "employee" or "volunteer worker"), or any organization, while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.

- **d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- e. Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:
 - (1) 50 feet long or less; and
 - (2) Not being used to carry any person or property for a charge.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. An organization, other than a partnership, joint venture or limited liability company; or
- b. A trust;

as indicated in its name or the documents that govern its structure.

- 4. Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that:
 - a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and

b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- a. The limits of insurance provided to such premises owner, manager or lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such premises owner, manager or lessor does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.
- 5. Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" that:
 - a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
 - b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after the equipment lease expires.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds:
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and "advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part; or
- **b.** \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part.
- Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- **b.** If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable. You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit": and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II Who Is An Insured:
 - (1) Notice to us of such "occurrence" offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.
 - (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
 - (a) Any individual who is:
 - (i) A partner or member of any partnership or joint venture;
 - (ii) A manager of any limited liability company;

- (iii) An executive officer or director of any other organization; or
- (iv) A trustee of any trust;

that is your partner, joint venture member, manager or trustee; or

- (b) Any employee authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.
- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraph e.(1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

Legal Action Against Us

No person or organization has a right under this Coverage Part:

- To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- **b.** To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as described in Paragraphs a. and b. below. As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit provision of Paragraph 5. of Section III Limits Of Insurance or the Non cumulation of Personal and Advertising Injury Limit provision of Paragraph 4. of Section III Limits of Insurance applies because the Amendment Non Cumulation Of Each Occurrence Limit Of Liability And Non Cumulation Of Personal And Advertising Injury Limit endorsement is included in this policy;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph c. below, insurer means a provider of insurance.

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below, except when Paragraph **d.** below applies.

b. Excess Insurance

- (1) This insurance is excess over:
 - (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

- (ii) That is insurance for "premises damage";
- (iii) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to any exclusion in this Coverage Part that applies to aircraft, "autos" or watercraft;
- (iv) That is insurance available to a premises owner, manager or lessor that qualifies as an insured under Paragraph 4. of Section II – Who Is An Insured, except when Paragraph d. below applies; or
- (v) That is insurance available to an equipment lessor that qualifies as an insured under Paragraph 5. of Section II Who Is An Insured, except when Paragraph d. below applies.
- (b) Any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.
- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
 - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (b) The total of all deductible and selfinsured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

d. Primary And Non-Contributory Insurance If Required By Written Contract

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured which covers such insured as a named insured, and we will not share with that other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- **a.** The statements in the Declarations are accurate and complete;
- **b.** Those statements are based upon representations you made to us; and
- **c.** We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- **b.** Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

- "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - **b.** Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Advertising injury":

- **a.** Means injury caused by one or more of the following offenses:
 - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
 - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light; or
 - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".
- **b.** Includes "bodily injury" caused by one or more of the offenses described in Paragraph **a.** above.

3. "Auto" means:

- A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- 4. "Bodily injury" means:
 - a. Physical harm, including sickness or disease, sustained by a person; or
 - **b.** Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.
- **5.** "Broadcasting" means transmitting any audio or visual material for any purpose:
 - a. By radio or television; or

- **b.** In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
 - (1) Radio or television programming being transmitted:
 - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
 - (3) Advertising transmitted with any of such programming.

6. "Coverage territory" means:

- The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of;
 - Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication:

provided the insured's responsibility to pay damages is determined in a "suit" on the merits in the territory described in Paragraph a. above, or in a settlement we agree to.

- 7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

- "Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.
- "Hostile fire" means a fire which becomes uncontrollable or breaks out from where it was intended to be.
- **12.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - **b.** You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

13. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";
- b. A sidetrack agreement;
- Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle,

- tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities.
- 14. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- **15.** "Loading or unloading" means the handling of property:
 - After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - While it is in or on an aircraft, watercraft or "auto"; or
 - While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

- **16.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - **b.** Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;

- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers:
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged. Such land vehicles are considered "autos".

17. "Occurrence" means:

 An accident, including continuous or repeated exposure to substantially the same general harmful conditions; or

- b. An act or omission committed in providing or failing to provide first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.
- **18.** "Personal and advertising injury" means "personal injury" or "advertising injury".
- 19. "Personal injury":
 - a. Means injury, other than "advertising injury", caused by one or more of the following offenses:
 - (1) False arrest, detention or imprisonment;
 - (2) Malicious prosecution;
 - (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
 - (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or
 - (5) Oral or written publication, including publication by electronic means, of material that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - **(b)** Unreasonably places a person in a false light.
 - b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
- 20. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

21. "Premises damage" means:

- a. With respect to the first paragraph of the exceptions in Exclusion j. of Section I – Coverage A – Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of seven or fewer consecutive days, including the contents of such premises; or
- b. With respect to the exception to Exclusions c. through n. in the last paragraph of Paragraph 2. of Section i Coverage A Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of more than seven consecutive days, or while temporarily occupied by you with permission of the owner, caused by:
 - (1) Fire;
 - (2) Explosion;
 - (3) Lightning;
 - (4) Smoke resulting from fire, explosion or lightning; or
 - (5) Water.

b. does not include "property damage" to any premises caused by:

- (1) Rupture, bursting, or operation of pressure relief devices;
- (2) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water; or
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines.

22. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your

- contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that productscompleted operations are subject to the General Aggregate Limit.

23. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

24. "Slogan":

- **a.** Means a phrase that others use for the purpose of attracting attention in their advertising.
- b. Does not include a phrase used as, or in, the name of:
 - Any person or organization, other than you; or
 - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.

- **25.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
 - An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 26. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 27. "Title" means a name of a literary or artistic work.
- 28. "Unsolicited communication" means any communication, in any form, that the recipient of such communication did not specifically request to receive.
- 29. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
- 30. "Your product":
 - a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You:
- (b) Others trading under your name; or
- (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

31. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR TECHNOLOGY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Non-Owned Watercraft 75 Feet Long Or Less
- B. Who Is An Insured Unnamed Subsidiaries
- C. Who Is An Insured Employees Supervisory Positions
- D. Who Is An Insured Newly Acquired Or Formed Limited Liability Companies
- E. Who Is An Insured Liability For Conduct Of Unnamed Partnerships Or Joint Ventures
- F. Blanket Additional Insured Persons Or Organizations For Your Ongoing Operations As Required By Written Contract Or Agreement
- G. Blanket Additional Insured Broad Form Vendors
- H. Blanket Additional Insured Controlling Interest

PROVISIONS

- A. NON-OWNED WATER CRAFT -- 75 FEET LONG OR LESS
 - The following replaces Paragraph (2) of Exclusion g., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION! — COVERAGES — COVERAGE A — BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
 - (2) A watercraft you do not own that is:
 - (a) 75 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
 - 2. The following replaces Paragraph 2.e. of SECTION II WHO IS AN INSURED:
 - e. Any person or organization that, with your express or implied consent, either uses or

- Blanket Additional Insured Mortgagees, Assignees, Successors Or Receivers
- J. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Premises
- K. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Operations
- L.. Medical Payments Increased Limit
- M. Blanket Waiver Of Subrogation
- N. Contractual Liability Railroads
- O. Damage To Premises Rented To You

is responsible for the use of a watercraft that you do not own that is:

- (1) 75 feet long or less; and
- (2) Not being used to carry any person or property for a charge.
- B. WHO IS AN INSURED UNNAMED SUBSIDIARIES

The following is added to **SECTION II - WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- **b.** Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II - Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- b. An organization other than a partnership, joint venture or limited liability company; or
- c. A trust:

as indicated in its name or the documents that govern its structure.

C. WHO IS AN INSURED - EMPLOYEES -SUPERVISORY POSITIONS

The following is added to Paragraph 2.a.(1) of **SECTIO N II - WHO IS AN INSURED:**

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" to a co-"employee" while in the course of the co-"employee's" employment by you arising out of work by any of your "employees" who hold a supervisory position.

- D. WHO IS AN INSURED NEWLY ACQUIRED OR FOR MED LIMITED LAIBILITY COMPANIES The following replaces Paragraph 3. of SECTION II - WHO IS AN INSURED:
 - 3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only:
 - (1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or
 - (2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such

organization in writing to us within 180 days after you acquire or form it:

- **b.** Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II - Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- b. An organization, other than a partnership, joint venture or limited liability company; or
- c. A trust:

as indicated in its name or the documents that govern its structure.

E. WHO IS AN INSURED - LAIBILTY FOR CONDUCT OF UNNAMED PARTNERSHIP SO R **JOINT VENTURES**

The following replaces the last paragraph of **SECTION II - WHO IS AN INSURED:**

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership or joint venture that otherwise qualifies as an insured under Section II - Who Is An Insured.

F. BLANKET ADDITIONAL INSURED - PERSONS OR ORGANIZATIONS FOR YOUR ONGOING OPERATIONS AS REQUIRED BY WRITTEN **CONTRACT OR AGREEMENT**

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is not otherwise an insured under this Coverage Part and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Occurs subsequent to the signing of that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the performance of your ongoing operations to which that contract or

agreement applies or the acts or omissions of any person or organization performing such operations on your behalf.

The limits of insurance provided to such insured will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

G. BLANKET ADDITIONAL INSURED - BROAD **FORM VENDORS**

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Occurs subsequent to the signing of that contract or agreement; and
- b. Arises out of "your products" that are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of insurance provided to such vendor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such vendor does not apply to:
 - (1) Any express warranty not authorized by you or any distribution or sale for a purpose not authorized by you;
 - (2) Any change in "your products" made by such vendor:
 - (3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration. testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products":
 - (5) Demonstration, installation, servicing or repair operations, except such operations

performed at such vendor's premises in connection with the sale of "your products"; or

(6) "Your products" that, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products;
- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

H. BLANKET **ADDITIONAL** INSURED CONTROLLING INTEREST

 The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

- a. Such financial control; or
- person's Of organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

2. The following is added to Paragraph 4. of SECTION II - WHO IS AN INSURED:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

I. BLANKET **ADDITIONAL** INSURED MORTGAGEES, ASSIGNEES, SUCCESSORS **OR RECEIVERS**

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its

liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

- a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such person or organization does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or
 - (2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.
- J. BLANKET ADDITIONAL INSURED GOVERNMENTAL ENTITIES PERMITS OR AUTHORIZATIONS RELATING TO PREMISES

The following is added to SECTION II – WHO IS AN INSURED:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair,

construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

K. BLANKET ADDITIONAL INSURED — GOVERNMENTAL ENTITIES — PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to SECTION II – WHO IS AN INSURED:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- **b.** Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

L. MEDICAL PAYMENTS - INCREASED LIMIT

The following replaces Paragraph 7. of SECTION III – LIMITS OF INSURANCE:

- 7. Subject to Paragraph 5, above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:
 - a. \$10,000; or
 - b. The amount shown in the Declarations of this Coverage Part for Medical Expense Limit.

M. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- **b.** "Personal and advertising injury" caused by an offense that is committed:

subsequent to the execution of the contract or agreement.

N. CONTRACTUAL LIABILITY - RAILROADS

- The following replaces Paragraph c. of the definition of "insured contract" in the DEFINITIONS Section:
 - c. Any easement or license agreement;

Paragraph f.(1) of the definition of "insured contract" in the DEFINITIONS Section is deleted.

O. DAMAGE TO PREMISES RENTED TO YOU

The following replaces the definition of "premises damage" in the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 72 WEC ZX9262 Endorsement Number:

Effective Date: 06/23/21 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: COMPLETE PAPERLESS SOLUTIONS LLC

4025 E LA PALMA AVE STE 201

ANAHEIM CA 92807

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization

Job Description

Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us

Countersigned by	
	Authorized Representative

Form WC 04 03 06 (1) Printed in U.S.A.

Process Date: 05/14/21 Policy Expiration Date: 06/23/22



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

Policy Number: 72 WEC ZX9262 Endorsement Number:

Effective Date: 06/23/21 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: COMPLETE PAPERLESS SOLUTIONS LLC

4025 E LA PALMA AVE STE 201

ANAHEIM CA 92807

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within ten (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

Form WC 99 03 94 Printed in U.S.A. Process Date: 05/14/21

Policy Expiration Date: 06/23/22 © 2011, The Hartford



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/08/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

this certificate does not confer rights to the certificate holder in fleu of such endorsement(s).							
PRODUCER			CONTACT NAME:	Arlene Rhodes			
Robert Harris I	nsurance Agency, Inc.		PHONE (A/C, No, Ext)	: (714) 619-4480	FAX (A/C, No):	(714) 6	19-4481
Lic. #0216736			E-MAIL ADDRESS:	arlene@reharris.com			
3150 Bristol St	, Suite 200			INSURER(S) AFFORDING COVERAGE			NAIC#
Costa Mesa		CA 92626	INSURER A:	Travelers Casualty Insurance Co of Amer	rica		19046
INSURED			INSURER B :	Hartford Casualty Ins. Co.			29424
	Complete Paperless Solutions		INSURER C :	Lloyds of London			
	5130 E La Palma Ave		INSURER D :				
	Ste 206		INSURER E :				
	Anaheim	CA 92807-2078	INSURER F:				
00VED 4 0E0	CERTIFICATE NUMBI	ED. 22-23 Master	Cert	DEVICION NUM	DED.		

COVERAGES CERTIFICATE NUMBER: 22-23 Master Cert REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

	INSR IADDLISUBR POLICY EFF POLICY EXP							
INSR LTR	TYPE OF INSURANCE	INSD \	WVD	POLICY NUMBER	(MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY CLAIMS-MADE COCCUR						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$	300 000
				6808B847614	06/23/2022	06/23/2023	MED EXP (Any one person) \$	5,000
Α		Y					PERSONAL & ADV INJURY \$	
	GEN'L AGGREGATE LIMIT APPLIES PER:							4,000,000
	POLICY PRO- JECT LOC							4,000,000
	OTHER:						DEENC \$	3
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$	2,000,000
	ANY AUTO						BODILY INJURY (Per person) \$	3
Α	OWNED SCHEDULED AUTOS ONLY			6808B847614	06/23/2022	06/23/2023	BODILY INJURY (Per accident) \$	3
	HIRED AUTOS ONLY NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$	3
							\$	3
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE \$	3
	EXCESS LIAB CLAIMS-MADE						AGGREGATE \$	3
	DED RETENTION \$							3
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						➤ PER OTH- STATUTE ER	
l _B	ANY PROPRIETOR/PARTNER/EXECUTIVE Y	N/A	72WECZX9262	72WFC7X9262	06/23/2022	06/23/2023	E.L. EACH ACCIDENT \$	1,000,000
-	(Mandatory in NH)						E.L. DISEASE - EA EMPLOYEE \$	1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT \$	1,000,000
	Professional Liability						Each Claim	\$2,000,000
С	Claims Made Policy			TBD	06/23/2022	06/23/2023	Aggregate	\$2,000,000
							Each Claim Deductible	\$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Coverage Afforded by Carrier C: Lloyds of London -

Cyber Liability Limit \$2,000,000, subject to a \$10,000 deductible.

JEKTII IJATE HOEBEK		CANGLELATION
City of Redondo Beach Department of Engineering and Br 415 Diamond Street	uilding	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
TIO DIGITIONS OFFICE		AUTHORIZED REPRESENTATIVE
Redondo Beach CA 9	90277	Trade James
•		

CANCELL ATION

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CERTIFICATE HOLDER



Administrative Report

H.14., File # 22-4599 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE AN AGREEMENT WITH PRO DOCUMENT SOLUTIONS, INC. DBA PROVOTE SOLUTIONS FOR OCTOBER 19, 2022 SPECIAL ELECTION BALLOT PRODUCTION, PRINT AND MAIL SERVICES IN AN AMOUNT NOT TO EXCEED \$87,300.02 FOR THE TERM AUGUST 2, 2022 TO AUGUST 1, 2023

EXECUTIVE SUMMARY

Redondo Beach will be holding a standalone all-mailed ballot Special Election on October 19, 2022 pursuant to City Council action of July 19, 2022 consolidating an Initiative Ballot Measure with a Recall for District 4 Council Member and election of Council District 4 representative in the event the recall prevails.

Per Elections Code Section 13001, it is not required to utilize the purchasing department for election supplies, thus contracts or agreements are not required. However, the City Clerk's Office continues to follow the City's purchasing policies, and has solicited proposals from California Secretary of State-approved election suppliers.

BACKGROUND

The City Council awarded an agreement with ProVote in October 2020 for the successfully conducted standalone all-mailed ballot General Municipal Election in March 2021. Provote provided ballot design, printing and voter information guide (Sample Ballot) design, printing, and mailing and other services. The ProVote ballot design product integrates with the Hart Verity ballot tabulation software and equipment system utilized for the March 2021 election; an agreement will be forthcoming for this award.

The City Clerk's Office will return with an amendment to include like services for the March 7, 2023 General Municipal Election and subsequent Run-off election, if necessary.

COORDINATION

The City Clerk's Office has coordinated with the City Attorney's office.

FISCAL IMPACT

This Special Election is not budgeted for FY2022-2023. The City Clerk's Office will return mid-fiscal year to request funds to cover associated special election costs.

H.14., File # 22-4599 Meeting Date: 8/2/2022

APPROVED BY:

Eleanor Manzano, City Clerk

ATTACHMENTS

Agreement - Pro Document Solutions aka ProVote

AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND PRO DOCUMENT SOLUTIONS, INC. DBA PROVOTESOLUTIONS

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Pro Document Solutions, Inc., a California corporation dba ProVoteSolutions ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. <u>Description of Project or Scope of Services</u>. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. <u>Term and Time of Completion</u>. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. <u>Compensation</u>. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

- 1. <u>Independent Contractor</u>. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. <u>Brokers</u>. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. <u>City Property</u>. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials

shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

- 4. <u>Inspection</u>. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
- 5. <u>Services</u>. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
- 6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
- 7. <u>Changes and Extra Work</u>. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

- 8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
- 9. <u>Professional Ability</u>. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
- 10. <u>Business License</u>. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
- 11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
- 12. <u>Termination in the Event of Default</u>. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons

for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

- 13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
- 14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. <u>Nonwaiver of Rights</u>. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. <u>Waiver of Right of Subrogation</u>. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

- 15. <u>Insurance</u>. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
- 16. <u>Non-Liability of Officials and Employees of the City</u>. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
- 17. <u>Compliance with Laws</u>. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
- 18. <u>Limitations upon Subcontracting and Assignment</u>. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

- 19. <u>Subcontractors</u>. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
- 20. <u>Integration</u>. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or

- written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.
- 21. <u>Amendment</u>. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
- 22. <u>Conflicting Provisions</u>. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
- 23. <u>Non-Exclusivity</u>. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
- 24. <u>Exhibits</u>. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
- 25. Time of Essence. Time is of the essence of this Agreement.
- 26. <u>Confidentiality</u>. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
- 27. <u>Third Parties</u>. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
- 28. <u>Governing Law and Venue</u>. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
- 29. <u>Attorneys' Fees</u>. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
- 30. <u>Claims</u>. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act

- are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
- 31. <u>Interpretation</u>. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
- 32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
- 33. <u>Severance</u>. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
- 34. <u>Authority</u>. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
- 35. <u>Waiver</u>. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this $2^{\rm nd}$ day of August, 2022.

CITY OF REDONDO BEACH, a chartered municipal corporation	PRO DOCUMENT SOLUTIONS, INC., a California corporation dba ProVoteSolutions				
William C. Brand, Mayor	By: Name: <u>Paul Mantey</u> Title: <u>President</u>				
ATTEST:	APPROVED:				
Eleanor Manzano, City Clerk	Diane Strickfaden, Risk Manager				
APPROVED AS TO FORM:					
Michael W. Webb. City Attorney					

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

I. CONTRACTOR'S DUTIES

Contractor shall provide all the labor, materials, equipment, and incidentals to provide ballots, envelope special, insertion & addressing and mailing services as set forth below and described in Exhibit "C".

- A. Print and finish ballots as in accordance with State Law.
- B. Provide ballots in the English language, and Spanish translation for on demand ballots and voter information.
- C. Tint and watermark the Ballot in accordance with the California Secretary of State specifications.
- D. Provide all ballot proofs to the City for approval prior to printing.
- E. Ensure the ballots do not have common backs. Print a unique back for each ballot type.
- F. Print each ballot card with its identifying precinct number and ballot type on the front and back upper right corner.
- G. Ensure ballots provided under this Agreement shall include vote-by-mail ballots, counter and office ballots.
- H. Ensure ballots are two sided 11-inch (11") with stub. Provide cards per each ballot. However, the size and number of cards per ballot will be dependent on the number of candidates, initiatives and measures that must fit on each ballot.
- I. Fold vote-by-mail ballots.
- J. Insert ballots, pamphlets and address envelopes into the Vote by mail envelopes in accordance with the database files provided by the City.
- K. Deliver ballots to USPS for mailing.

- L. In the event additional ballots or test decks are required during the term of this Agreement, provide the materials at the rates described in Exhibit "C".
- M. Print Voter Information Pamphlets in accordance with State Law.
- N. Insert Voter Information Pamphlets into Vote by mail envelopes.
- O. Print, address and mail postcard to households (if voter registration database can be parsed to one residential address) in accordance with the database files provided by the City.
- P. Perform any other duties upon City's request, including performing any services related to a runoff election.

II. CITY RESPONSIBILITIES

City shall perform the following duties.

- A. Provide all ballot layouts for ballot production.
- B. Provide the text for the Voter Information Guide pages.
- C. Provide Spanish translations for Spanish ballot and voter information guide text where required by law.
- D. Incur all postage costs for mailings.
- E. Provide the mailing list database files for the information described in Sections I.J and I.O.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence August 2, 2022 and expire August 1, 2023 ("Term"), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

- A. **AMOUNT.** Contractor shall be paid in accordance with the unit price in the attached schedule as the quantity of items may vary dependent on the number of voters. However, in no event shall Contractor's compensation exceed \$87,300.02.
- B. **METHOD OF PAYMENT.** Contractor shall provide invoices indicating the services performed and materials purchased during the prior month to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.
- C. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within (45) days of receipt and approval of the monthly invoice; provided, however, that services are completed to the City's full satisfaction.
- D. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor: Pro Document Solutions, Inc. dba ProVoteSolutions

90 W. Poplar Avenue Porterville, CA 93257

Attention: Paul Mantey, President

City: City of Redondo Beach

The City Clerk's Office 415 Diamond Street

Redondo Beach, CA 90277 Attention: Eleanor Manzano

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.





July 2022

INVOICE - COST BREAKDOWN

BILL TO: CITY OF REDONDO BEACH
415 DIAMOND ST
REDONDO BEACH, CA 90277

Recall Election City Wide

OFFICIAL BA					\$17,827.55
1	Machine Setup	@	\$450.00 /Lot	\$450.00	
10	Digital Print/ Per Precinct	@	\$80.00 /ea	\$800.00	
49,000	Vote by Mail Ballots English -11" Ballot	@	\$330.00 /M	\$16,170.00	
235	Vote by Mail Ballots Spanish -11" Ballot	@	\$330.00 /M	\$77.55	
1,000	Printing Counter/Office Ballots - 11"	@	\$330.00 /M	\$330.00	
1 SET OF PRE	MARKED TEST DECKS				\$228.00
10	Setup: Total Precincts	@	\$16.00 /ea	\$160.00	
200	11" Ballot	@	\$0.34 /ea	\$68.00	
INKJET ADDR	RESSING AND MAILING				\$22,241.43
	Data Processing and Setup 1st initial				
1	mailing-English	@	\$499.00 /per ea	\$499.00	
1	Data Processing and Setup -Spanish	@	\$499.00 /per ea	\$499.00	
10	Machine Set up - Per Precinct	@	\$14.00 /ea	\$140.00	
49,235	Run Charge - 1 Ballot with Pamphlet	@	\$399.00 per M	\$19,644.77	
1	Data Processing and Setup Supplemental	@	\$248.00 /per ea	\$248.00	
10	Machine Setup -per Precinct	@	\$14.00 /ea	\$140.00	
1,340	Run Charge - 1 Ballot with Pamphlet	@	\$799.00 /M	\$1,070.66	
VOTER INFOR	RMATION PAMPHLETS				\$34,175.64
2	Election Setup-Covers	@	\$950.00 /Lot	\$1,900.00	
2	Ballot Type Changes	@	\$100.00 /ea	\$200.00	
4	Sample Ballot Page Set-up	@	\$105.00 /ea	\$420.00	
	Candidate Statement and Measure Page				
13	Setups	@	\$105.00 /ea	\$1,365.00	
	Candidate Statement and Measure Page				
7	Setups - Spanish	@	\$105.00 /ea	\$735.00	
Electronic Cop					
13	Candidate Statement/Measures	@	\$56.00 /ea	\$728.00	
7	Candidate Statement/Measures-Spanish	@	\$56.00 /ea	\$392.00	

Booklet Run C	harges					
50,000	24 Page (12 Part)	@	\$545.20	/M	\$27,260.00	
400	16 Page (8 Part)	@	\$389.10	/M	\$155.64	
Misc. Book Cha	arges					
5	Fillers Pages and Misc Pages	@	\$102.00	/ea	\$510.00	
5	Fillers Pages and Misc Pages - Spanish	@	\$102.00	/ea	\$510.00	
ELECTION POS	STCARD					\$5,642.00
	Election Postcard - 8.5 x 5.5 Wht					
49,000	cardstock Black ink front and back	@	\$48.00	/M	\$2,352.00	
1	Data Processing & Setup Charge	@	\$350.00	/Lot	\$350.00	
49,000	Pieces Inkjet Address/Mailing	@	\$60.00	/M	\$2,940.00	
					SUBTOTAL	\$80,114.62
					TAXES FREIGHT	\$5,185.40 \$2,000

TOTAL

\$87,300.02

ESTIMATE DOES NOT INCLUDE TRANSLATIONS

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

<u>Additional Insured Endorsement:</u>

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

PRODOCU-01

JJONES



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 7/25/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

CONTACT Janelle Jones				
PHONE (A/C, No, Ext): (805) 543-6887 389 FAX (A/C, No): (805) 5	543-3064			
E-MAIL ADDRESS: jjones@morrisgarritano.com	(805) 543-6887 389 INSURER(S) AFFORDING COVERAGE West American Insurance Company Ohio Security Insurance Company American Fire and Casualty Company Employers Assurance Company 24066 Employers Assurance Company 25402			
INSURER(S) AFFORDING COVERAGE				
INSURER A: West American Insurance Company				
INSURER B : Ohio Security Insurance Company	24082			
INSURER A : West American Insurance Company INSURER B : Ohio Security Insurance Company tions, Inc. INSURER C : American Fire and Casualty Company INSURER C : Employers Assurance Company INSURER D : Employers Assurance Company	24066			
INSURER D : Employers Assurance Company	25402			
INSURER E : Travelers Casualty and Surety Company of America	31194			
INSURER F:				
	PHONE (A/C, No, Ext): (805) 543-6887 389 E-MAIL ADDRESS: jjones@morrisgarritano.com INSURER(S) AFFORDING COVERAGE INSURER A: West American Insurance Company INSURER B: Ohio Security Insurance Company INSURER C: American Fire and Casualty Company INSURER D: Employers Assurance Company INSURER E: Travelers Casualty and Surety Company of America			

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	ADDL S	SUBR WVD POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP	LIMIT	S
X COMMERCIAL GENERAL LIABILITY			(,,	EACH OCCURRENCE	\$ 1,000,000
CLAIMS-MADE X OCCUR	Х	BKW64146377	1/1/2022	1/1/2023	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
					MED EXP (Any one person)	\$ 5,000
					PERSONAL & ADV INJURY	\$ 1,000,000
GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE	\$ 2,000,000
X POLICY PRO- JECT LOC					PRODUCTS - COMP/OP AGG	\$ 2,000,000
OTHER:						\$
AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
X ANY AUTO	Х	BAS64146377	1/1/2022	1/1/2023	BODILY INJURY (Per person)	\$
OWNED SCHEDULED AUTOS					BODILY INJURY (Per accident)	\$
HIRED NON-OWNED AUTOS ONLY					PROPERTY DAMAGE (Per accident)	\$
						\$
X UMBRELLA LIAB X OCCUR					EACH OCCURRENCE	\$ 2,000,000
EXCESS LIAB CLAIMS-MADE		ESA64146377	1/1/2022	1/1/2023	AGGREGATE	\$ 2,000,000
DED X RETENTION\$						\$
D WORKERS COMPENSATION AND EMPLOYERS LIABILITY					X PER OTH-ER	
ANY PROPRIETOR/PARTNER/EXECUTIVE	PRIETOR/PARTNER/EXECUTIVE Y/N EIG293964602 1/1/2022 1/1/202		1/1/2023	E.L. EACH ACCIDENT	\$ 1,000,000	
(Mandatory in NH)	N/A				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
Professional Liabili		106332002	1/1/2022	1/1/2023	Claim 1,000,000/Aggr	3,000,000
	TYPE OF INSURANCE X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO- OTHER: AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY AUTOS ONLY HIRED AUTOS ONLY AUTOS ONLY X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION \$ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	TYPE OF INSURANCE X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO- OTHER: AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY AUTOS ONLY HIRED AUTOS ONLY AUTOS ONLY X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION \$ 0 WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	TYPE OF INSURANCE X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PROJECT LOC OTHER: AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY AUTOS ONLY AUTOS ONLY HIRED AUTOS ONLY AUTOS ONLY X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION \$ 0 WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	TYPE OF INSURANCE TYPE OF INSURANCE ADDL SUBR POLICY NUMBER POLICY EFF (MM/DD/YYYY)	TYPE OF INSURANCE INSURANC	TYPE OF INSURANCE TYPE OF INSURANCE ADDL SUBR NSD WYD POLICY NUMBER POLICY EFF, (MM/DD/YYYY) LIMIT

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
If required by written contract, The City, its officers, elected and appointed officials, employees, and volunteers are additional insureds as respects to the following:

See forms attached as triggered by written contract:

GL: AI/PNC - CG8810 0413, NOC - Form to be issued by carrier;

AL: AI/PNC - AC8543 0821, NOC - Form to be issued by carrier.

CERTIFICATE HOLDER CANCELLATION

City of Redondo Beach, a Chartered Municipal Corporation The City Clerk's Office 415 Diamond Street Redondo Beach, CA 90277 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Han M Sh. ton

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

INDEX

<u>SUBJECT</u>	<u>PAGE</u>
NON-OWNED AIRCRAFT	2
NON-OWNED WATERCRAFT	2
PROPERTY DAMAGE LIABILITY - ELEVATORS	2
EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)	2
MEDICAL PAYMENTS EXTENSION	3
EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B	3
ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT	3
PRIMARY AND NON-CONTRIBUTORY- ADDITIONAL INSURED EXTENSION	5
ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"	6
WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS/MALPRACTICE AND WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES	6
NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES	7
FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES	7
KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT	7
LIBERALIZATION CLAUSE	7
BODILY INJURY REDEFINED	7
EXTENDED PROPERTY DAMAGE	8
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US -	8

A. NON-OWNED AIRCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, exclusion g. Aircraft, Auto Or Watercraft does not apply to an aircraft provided:

- 1. It is not owned by any insured;
- It is hired, chartered or loaned with a trained paid crew; 2.
- The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
- It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

NON-OWNED WATERCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraph (2) of exclusion g. Aircraft, Auto Or Watercraft is replaced by the following:

This exclusion does not apply to:

- (2) A watercraft you do not own that is:
 - (a) Less than 52 feet long; and
 - **(b)** Not being used to carry persons or property for a charge.

C. PROPERTY DAMAGE LIABILITY - ELEVATORS

- 1. Under Paragraph 2. Exclusions of Section I Coverage A Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion j. Damage To Property do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.
- 2. The following is added to Section IV Commercial General Liability Conditions, Condition 4. Other **Insurance**, Paragraph **b. Excess Insurance**:

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

- 1. Under Paragraph 2. Exclusions of Section I Coverage A Bodily Injury and Property Damage Liability:
 - The fourth from the last paragraph of exclusion j. Damage To Property is replaced by the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

- (i) Premises rented to you for a period of 7 or fewer consecutive days; or
- (ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in Section III - Limits of Insurance.

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III - Limits Of Insurance.**

- 2. Paragraph 6. under Section III Limits Of Insurance is replaced by the following:
 - **6.** Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to:
 - a. Any one premise:
 - (1) While rented to you; or
 - (2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or
 - **b.** Contents that you rent or lease as part of a premises rental or lease agreement.
- As regards coverage provided by this provision D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage) - Paragraph 9.a. of Definitions is replaced with the following:
 - 9.a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

E. MEDICAL PAYMENTS EXTENSION

If Coverage C Medical Payments is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph 1. Insuring Agreement of Section I - Coverage C - Medical Payments, Subparagraph (b) of Paragraph a. is replaced by the following:

(b) The expenses are incurred and reported within three years of the date of the accident; and

F. EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

- 1. Under **Supplementary Payments Coverages A** and **B**, Paragraph 1.b. is replaced by the following:
 - **b.** Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- 2. Paragraph 1.d. is replaced by the following:
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

G. ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT

- 1. Paragraph 2. under Section II Who Is An Insured is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:
 - a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

- b. Premises or facilities rented by you or used by you; or
- **c.** The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or
- **d.** Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:
 - (1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;
 - (2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".
 - (3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

- 1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- 2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph 1.a. above, a person's or organization's status as an additional insured under this endorsement ends when:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph **1.b.** above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph 1.c. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph b. of Condition 2. Duties In the Event Of Occurrence, Offense, Claim Or Suit under Section IV - Commercial General Liability Conditions.

2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. Exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.
- **b.** "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.
- c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- **d.** "Bodily injury" or "property damage" occurring after:
 - (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- **e.** Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS**, **LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.
- 3. With respect to the insurance afforded to these additional insureds, the following is added to Section III Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- Required by the contract or agreement; or
- **b.** Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

H. PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition 4. Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

a. The following is added to Paragraph **a. Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition 2. Duties In The Event Of Occurrence, Offense, Claim or Suit:

An additional insured under this endorsement will as soon as practicable:

- Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us:
- b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and
- c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
- d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.
- 2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in Section III - Limits of Insurance of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.
- WHO IS AN INSURED INCIDENTAL MEDICAL ERRORS / MALPRACTICE WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES

Paragraph 2.a.(1) of Section II - Who Is An Insured is replaced with the following:

- (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business:
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph (d)) does not apply.

Paragraphs (a) and (b) above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision **J.** is excess over any other valid and collectable insurance available to your "employee".

K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES

Paragraph 3. of Section II - Who Is An Insured is replaced by the following:

- 3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - **a.** Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;
 - **b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - **c.** Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
 - d. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations or qualifies as an insured under this provision.

L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 6. Representations:

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 2. Duties In The Event of Occurrence, Offense, Claim Or Suit:

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph 1. of Section II - Who Is An Insured or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

N. LIBERALIZATION CLAUSE

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

O. BODILY INJURY REDEFINED

Under **Section V - Definitions**, Definition **3.** is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

P. EXTENDED PROPERTY DAMAGE

Exclusion a. of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A **CONTRACT OR AGREEMENT WITH YOU**

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 8. Transfer Of Rights Of Recovery Against Others To Us:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

- You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
- The injury or damage occurs subsequent to the execution of the written contract or written agreement.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

If the policy to which this endorsement is attached also contains a Business Auto Coverage Enhancement Endorsement with a specific state named in the title, this endorsement does not apply to vehicles garaged in that specified state.

COVERAGE INDEX

<u>SUBJECT</u>	PROVISION NUMBER
ACCIDENTAL AIRBAG DEPLOYMENT	12
ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT	3
AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS	20
AMENDED FELLOW EMPLOYEE EXCLUSION	5
AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE	14
BODILY INJURY REDEFINED	24
EMPLOYEES AS INSUREDS (Including Employee Hired Auto)	2
EXTRA EXPENSE - BROADENED COVERAGE	10
GLASS REPAIR - WAIVER OF DEDUCTIBLE	16
HIRED AUTO COVERAGE TERRITORY	22
HIRED AUTO PHYSICAL DAMAGE (Including Employee Hired Auto)	6
LOAN / LEASE GAP (Coverage Not Available In New York)	15
NEWLY FORMED OR ACQUIRED SUBSIDIARIES	1
PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)	17
PERSONAL EFFECTS COVERAGE	11
PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE	8
PHYSICAL DAMAGE DEDUCTIBLE - VEHICLE TRACKING SYSTEM	13
PRIMARY AND NON-CONTRIBUTORY - WRITTEN CONTRACT OR WRITTEN AGRE	
RENTAL REIMBURSEMENT	9
SUPPLEMENTARY PAYMENTS	4
TOWING AND LABOR	7
TWO OR MORE DEDUCTIBLES	18
UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS	19
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US	21

SECTION II - LIABILITY COVERAGE is amended as follows:

1. NEWLY FORMED OR ACQUIRED SUBSIDIARIES

SECTION II - LIABILITY COVERAGE, Paragraph **A.1. Who Is An Insured** is amended to include the following as an "insured":

- **d.** Any legally incorporated subsidiary of which you own more than 50 percent interest during the policy period. Coverage is afforded only for 90 days from the date of acquisition or formation. However, "insured" does not include any organization that:
 - (1) Is a partnership or joint venture; or
 - (2) Is an "insured" under any other automobile policy except a policy written specifically to apply in excess of this policy; or
 - (3) Has exhausted its Limit of Insurance or had its policy terminated under any other automobile policy.

Coverage under this provision **d.** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

2. EMPLOYEES AS INSUREDS

SECTION II - LIABILITY COVERAGE, Paragraph **A.1. Who Is An Insured** is amended to include the following as an "insured":

- **e.** Any "employee" of yours while using a covered "auto" you do not own, hire or borrow but only for acts within the scope of their employment by you. Insurance provided by this endorsement is excess over any other insurance available to any "employee".
- f. Any "employee" of yours while operating an "auto" hired or borrowed under a written contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business and within the scope of their employment. Insurance provided by this endorsement is excess over any other insurance available to the "employee".

3. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

SECTION II - LIABILITY COVERAGE, Paragraph **A.1. Who Is An Insured** is amended to include the following as an "insured":

g. Any person or organization with respect to the operation, maintenance or use of a covered "auto", provided that you and such person or organization have agreed in a written contract, written agreement, or permit issued to you by governmental or public authority, to add such person, or organization, or governmental or public authority to this policy as an "insured".

However, such person or organization is an "insured":

- (1) Only with respect to the operation, maintenance or use of a covered "auto";
- (2) Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written contract or written agreement, or the permit has been issued to you; and
- (3) Only for the duration of that contract, agreement or permit.

The "insured" is required to submit a claim to any other insurer to which coverage could apply for defense and indemnity. Unless the "insured" has agreed in writing to primary noncontributory wording per enhancement number 23, this policy is excess over any other collectible insurance.

4. SUPPLEMENTARY PAYMENTS

SECTION II - LIABILITY COVERAGE, Coverage Extensions, 2.a. Supplementary Payments, Paragraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

5. AMENDED FELLOW EMPLOYEE EXCLUSION

In those jurisdictions where, by law, fellow "employees" are not entitled to the protection afforded to the employer by the workers compensation exclusivity rule, or similar protection, the following provision is added:

SECTION II - LIABILITY, Exclusion **B.5. Fellow Employee** does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire if you have workers compensation insurance in force for all of your "employees" at the time of "loss".

This coverage is excess over any other collectible insurance.

SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

6. HIRED AUTO PHYSICAL DAMAGE

Paragraph A.4. Coverage Extensions of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended by adding the following:

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes of Loss or Collision coverage are provided under the Business Auto Coverage Form for any "auto" you own, then the Physical Damage coverages provided are extended to "autos":

- a. You hire, rent or borrow; or
- **b.** Your "employee" hires or rents under a written contract or agreement in that "employee's" name, but only if the damage occurs while the vehicle is being used in the conduct of your business,

subject to the following limit and deductible:

- a. The most we will pay for "loss" in any one "accident" or "loss" is the smallest of:
 - (1) \$50,000; or
 - (2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - (3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, minus a deductible.
- **b.** The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.
- **c.** Subject to the limit, deductible and excess provisions described in this provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.
- **d.** Subject to a maximum of \$1,000 per "accident", we will also cover the actual loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss.
- e. This coverage extension does not apply to:
 - (1) Any "auto" that is hired, rented or borrowed with a driver; or
 - (2) Any "auto" that is hired, rented or borrowed from your "employee" or any member of your "employee's" household.

Coverage provided under this extension is excess over any other collectible insurance available at the time of "loss".

7. TOWING AND LABOR

SECTION III - PHYSICAL DAMAGE COVERAGE, Paragraph **A.2. Towing**, is amended by the addition of the following:

We will pay towing and labor costs incurred, up to the limits shown below, each time a covered "auto" classified and rated as a private passenger type, "light truck" or "medium truck" is disabled:

- a. For private passenger type vehicles, we will pay up to \$75 per disablement.
- **b.** For "light trucks", we will pay up to \$75 per disablement. "Light trucks" are trucks that have a gross vehicle weight (GVW) of 10,000 pounds or less.
- **c.** For "medium trucks", we will pay up to \$150 per disablement. "Medium trucks" are trucks that have a gross vehicle weight (GVW) of 10,001 20,000 pounds.

However, the labor must be performed at the place of disablement.

8. PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a. Coverage Extensions, Transportation Expenses of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended to provide a limit of \$50 per day and a maximum limit of \$1,500.

9. RENTAL REIMBURSEMENT

SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, is amended by adding the following:

- a. We will pay up to \$75 per day for rental reimbursement expenses incurred by you for the rental of an "auto" because of "accident" or "loss", to an "auto" for which we also pay a "loss" under Comprehensive, Specified Causes of Loss or Collision Coverages. We will pay only for those expenses incurred after the first 24 hours following the "accident" or "loss" to the covered "auto."
- **b.** Rental Reimbursement requires the rental of a comparable or lesser vehicle, which in many cases may be substantially less than \$75 per day, and will only be allowed for the period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days.
- **c.** We will also pay up to \$500 for reasonable and necessary expenses incurred by you to remove and replace your tools and equipment from the covered "auto". This limit is excess over any other collectible insurance.

- **d.** This coverage does not apply unless you have a business necessity that other "autos" available for your use and operation cannot fill.
- **e.** If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under Paragraph **4. Coverage Extension**.
- f. No deductible applies to this coverage.
- g. The insurance provided under this extension is excess over any other collectible insurance.

If this policy also provides Rental Reimbursement Coverage you purchased, the coverage provided by this Enhancement Endorsement is in addition to the coverage you purchased.

For the purposes of this endorsement provision, materials and equipment do not include "personal effects" as defined in provision 11.B.

10. EXTRA EXPENSE - BROADENED COVERAGE

Under **SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage**, we will pay for the expense of returning a stolen covered "auto" to you. The maximum amount we will pay is \$1,000.

11. PERSONAL EFFECTS COVERAGE

A. SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, is amended by adding the following:

If you have purchased Comprehensive Coverage on this policy for an "auto" you own and that "auto" is stolen, we will pay, without application of a deductible, up to \$600 for "personal effects" stolen with the "auto."

The insurance provided under this provision is excess over any other collectible insurance.

B. SECTION V - DEFINITIONS is amended by adding the following:

For the purposes of this provision, "personal effects" mean tangible property that is worn or carried by an "insured." "Personal effects" does not include tools, equipment, jewelry, money or securities.

12. ACCIDENTAL AIRBAG DEPLOYMENT

SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions is amended by adding the following:

If you have purchased Comprehensive or Collision Coverage under this policy, the exclusion for "loss" relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

Any insurance we provide shall be excess over any other collectible insurance or reimbursement by manufacturer's warranty. However, we agree to pay any deductible applicable to the other coverage or warranty.

13. PHYSICAL DAMAGE DEDUCTIBLE - VEHICLE TRACKING SYSTEM

SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible, is amended by adding the following:

Any Comprehensive Deductible shown in the Declarations will be reduced by 50% for any "loss" caused by theft if the vehicle is equipped with a vehicle tracking device such as a radio tracking device or a global position device and that device was the method of recovery of the vehicle.

14. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, **B. Exclusions**, Paragraph **a.** of the exception to exclusions 4.c. and 4.d. is deleted and replaced with the following:

Exclusions 4.c. and 4.d. do not apply to:

- **a.** Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is:
 - (1) Permanently installed in the covered "auto" at the time of the "loss" or removable from a housing unit that is permanently installed in the covered "auto"; and
 - (2) Designed to be solely operated by use from the power from the "auto's" electrical system; and
 - (3) Physical damage coverages are provided for the covered "auto".

If the "loss" occurs solely to audio, visual or data electronic equipment or accessories used with this equipment, then our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.

A. Paragraph C. Limit Of Insurance of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by adding the following:

The most we will pay for a "total loss" to a covered "auto" owned by or leased to you in any one "accident" is the greater of the:

- **1.** Balance due under the terms of the loan or lease to which the damaged covered "auto" is subject at the time of the "loss" less the amount of:
 - a. Overdue payments and financial penalties associated with those payments as of the date of the "loss";
 - **b.** Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear:
 - **c.** Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease;
 - d. Transfer or rollover balances from previous loans or leases;
 - e. Final payment due under a "Balloon Loan";
 - f. The dollar amount of any unrepaired damage which occurred prior to the "total loss" of a covered "auto";
 - g. Security deposits not refunded by a lessor;
 - h. All refunds payable or paid to you as a result of the early termination of a lease agreement or as a result of the early termination of any warranty or extended service agreement on a covered "auto";
 - Any amount representing taxes;
 - j. Loan or lease termination fees; or
- 2. The actual cash value of the damage or stolen property as of the time of the "loss".

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the "loss". This adjustment is not applicable in Texas.

B. Additional Conditions

This coverage applies only to the original loan for which the covered "auto" that incurred the "loss" serves as collateral, or lease written on the covered "auto" that incurred the "loss".

C. SECTION V - DEFINITIONS is changed by adding the following:

As used in this endorsement provision, the following definitions apply:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

A "balloon loan" is one with periodic payments that are insufficient to repay the balance over the term of the loan, thereby requiring a large final payment.

16. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Paragraph **D. Deductible** of **SECTION III - PHYSICAL DAMAGE COVERAGE** is amended by the addition of the following:

No deductible applies to glass damage if the glass is repaired rather than replaced.

17. PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)

Paragraph **D. Deductible** of **SECTION III - PHYSICAL DAMAGE COVERAGE** is amended by the addition of the following:

The deductible does not apply to "loss" caused by collision to such covered "auto" of the private passenger type or light weight truck with a gross vehicle weight of 10,000 lbs. or less as defined by the manufacturer as maximum loaded weight the "auto" is designed to carry while it is:

- a. In the charge of an "insured";
- b. Legally parked; and
- c. Unoccupied.

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275

of 88

The "loss" must be reported to the police authorities within 24 hours of known damage.

The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

18. TWO OR MORE DEDUCTIBLES

Under **SECTION III - PHYSICAL DAMAGE COVERAGE**, if two or more company policies or coverage forms apply to the same "accident", the following applies to Paragraph **D. Deductible**:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible, it will be waived; or
- **b.** If the applicable Business Auto deductible is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible; or
- **c.** If the "loss" involves two or more Business Auto coverage forms or policies, the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement, company means any company that is part of the Liberty Mutual Group.

SECTION IV - BUSINESS AUTO CONDITIONS is amended as follows:

19. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV- BUSINESS AUTO CONDITIONS, Paragraph B.2. is amended by adding the following:

If you unintentionally fail to disclose any hazards, exposures or material facts existing as of the inception date or renewal date of the Business Auto Coverage Form, the coverage afforded by this policy will not be prejudiced.

However, you must report the undisclosed hazard of exposure as soon as practicable after its discovery, and we have the right to collect additional premium for any such hazard or exposure.

20. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

SECTION IV - BUSINESS AUTO CONDITIONS, Paragraph **A.2.a.** is replaced in its entirety by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must promptly notify us when it is known to:
 - (1) You, if you are an individual;
 - (2) A partner, if you are a partnership;
 - (3) Member, if you are a limited liability company;
 - (4) An executive officer or the "employee" designated by the Named Insured to give such notice, if you are a corporation.

To the extent possible, notice to us should include:

- (a) How, when and where the "accident" or "loss" took place;
- (b) The "insured's" name and address; and
- (c) The names and addresses of any injured persons and witnesses.

21. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

SECTION IV - BUSINESS AUTO CONDITIONS, Paragraph A.5. Transfer Of Rights Of Recovery Against Others To Us, is amended by the addition of the following:

If the person or organization has in a written agreement waived those rights before an "accident" or "loss", our rights are waived also.

22. HIRED AUTO COVERAGE TERRITORY

SECTION IV - BUSINESS AUTO CONDITIONS, Paragraph **B.7. Policy Period, Coverage Territory**, is amended by the addition of the following:

f. For "autos" hired 30 days or less, the coverage territory is anywhere in the world, provided that the "insured's" responsibility to pay for damages is determined in a "suit", on the merits, in the United States, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

This extension of coverage does not apply to an "auto" hired, leased, rented or borrowed with a driver.

23. PRIMARY AND NON-CONTRIBUTING IF REQUIRED BY WRITTEN CONTRACT OR WRITTEN AGREE-**MENT**

The following is added to SECTION IV - BUSINESS AUTO CONDITIONS, General Conditions, B.5. Other **Insurance** and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

- 1. Such "insured" is a Named Insured under such other insurance; and
- 2. You have agreed in a written contract or written agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

SECTION V - DEFINITIONS is amended as follows:

24. BODILY INJURY REDEFINED

Under SECTION V - DEFINITIONS, Definition C. is replaced by the following:

"Bodily injury" means physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.

489



Administrative Report

H.15., File # 22-4572 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: KEITH KAUFFMAN, INTERIM FIRE CHIEF

TITLE

APPROVE MEMORANDUM OF AGREEMENT NO. H-709709 WITH THE COUNTY OF LOS ANGELES FOR THE PREHOSPITAL EMERGENCY MEDICAL CARE ENHANCEMENT PROGRAM FOR AN AMOUNT NOT TO EXCEED \$69,159 AND A TERM THROUGH JUNE 30, 2023.

EXECUTIVE SUMMARY

In June 2021, the Redondo Beach Fire Department submitted a grant request to the Los Angeles County Measure B Advisory Board for the funding needed to acquire six Zoll Auto Pulse Resuscitation devices. The County approved funding for three devices. The grant award recipients were notified that the memorandum of agreement, required to dispense funding, would take several months to develop. In order to secure the purchase of the Zoll Auto Pulse devices prior to an impending equipment price increase, the City Council authorized the Department to purchase the devices in June 2022 before execution of the funding agreement. Approval of the agreement will allow the City to be reimbursed for the cost of the three Zoll Auto Pulse devices.

BACKGROUND

The Zoll Auto Pulse device is deployed in the treatment for those patients experiencing cardiac arrest. Clinical studies indicate that these mechanical devices improve patient outcomes by providing uninterrupted, circumferential chest compressions. This action results in a greater receptivity to defibrillation and increased occurrence in resultant Return of Spontaneous Circulation (ROSC). Capture of ROSC in the field is the first critical benchmark contributing to patient survivability from cardiac arrest.

In November 2020, in partnership with the Los Angeles County Emergency Services Agency, the Redondo Beach Fire Department launched an Auto Pulse Pilot Program. During the program's first year, data indicated an increase in the capture of ROSC from 35% to 75%. With this clear benefit to the community, the Redondo Beach Fire Department established the goal to equip all front-line apparatus with Zoll Auto Pulse devices for immediate deployment from every response unit for those patients experiencing cardiac arrest. With support from City leadership, and now the Los Angeles County Measure B Advisory Board, the acquisition of the final three Zoll Auto Pulse devices will equip the Fire Department's full fleet of two paramedic rescues, three fire engines, one fire truck, one squad, and one fire boat with this life saving equipment.

In June 2021, the Redondo Beach Fire Department submitted a grant request to the Los Angeles County Measure B Advisory Board for the funding needed to acquire six Zoll Auto Pulse

H.15., File # 22-4572 Meeting Date: 8/2/2022

Resuscitation devices. Upon initial review of County-wide grant applications, the Los Angeles County Measure B Advisory Board realized that the funding requested for proposed projects was a significantly larger sum than funds available for award. As a result, all grant applicants were instructed to reduce their requests. During the same period of time, funding for three Zoll Auto Pulse devices was approved for the Redondo Beach Fire Department FY 2021-2022 operating budget. As a result, the Redondo Beach Fire Department Measure B grant request was reduced from six units to three units.

Following the successful grant award from the Los Angeles County Measure B Advisory Board, Zoll Medical Corporation announced a pricing increase scheduled to impact Zoll Auto Pulse devices prior to the execution of the County funding agreement. In order to stay within the parameters of the requested grant funding amount, the Redondo Beach Fire Department purchased three Zoll Auto Pulse devices from its operating budget. Execution of grant agreement will allow for reimbursement of the up-front costs expended by the City in the acquisition of the three Zoll Auto Pulse devices.

COORDINATION

The Memorandum of Agreement has been reviewed and approved as to form by the City Attorney's Office.

FISCAL IMPACT

The County of Los Angeles grant agreement will provide reimbursement funding in the amount of \$69,159 to offset the Fire Department's Fiscal Year 2021-22 operating budget expenditure.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- County of LA MOA
- LAEMSA MEASB RBFD Grant Request

Agreement No.: H-709709

MEMORANDUM OF AGREEMENT

FOR

PREHOSPITAL EMERGENCY MEDICAL CARE ENHANCEMENT PROGRAM

THIS M	EMORANDUM OF AGR	EEMENT (hereafter "MOA") is made and entere
into this	day of	, 2022,
By and	between	COUNTY OF LOS ANGELES (hereafter "County"),
And		CITY OF REDONDO BEACH (hereafter "Provider").
		Business Address:
		415 Diamond Street Redondo Beach, CA 90277

WHEREAS, pursuant to the authority granted under the Emergency Medical Services and Prehospital Emergency Medical Care Personnel Act (Health & Safety Code, § 1797, et seq., hereinafter referred to as the "Act"), the County has established and maintains, through the County's Department of Health Services' (DHS) Emergency Medical Services Agency (EMS Agency), an advanced life support (ALS) system for Emergency Paramedic Transportation Services; and

WHEREAS, under the California Health and Safety (H&S) Code, Division 2.5, Chapter 4, Article 1, Section 1797.204 the local EMS Agency shall plan, implement, and evaluate an emergency medical services system, in accordance with the provisions of this part, consisting of an organized pattern of readiness and response services based on public and private agreements and operational procedures; and

WHEREAS, on November of 2002 the voters approved the Measure B ballot initiative that imposes an annual special tax upon all improved parcels, and used to financially support the Countywide System of Trauma Centers, Emergency Medical Services and Bioterrorism Response; and

WHEREAS, Provider presented a proposal to County's Measure B Advisory Board to fund the purchase of three (3) automated chest compression devices to improve the delivery of prehospital emergency care services for funding consideration using unallocated Measure B funds; and

WHEREAS, on February 7, 2022, County's Board of Supervisors approved Provider's Measure B funding proposal for an amount of up to \$69,159 for the purchase of three (3) automated chest compression devices; and

WHEREAS, the parties concur that this MOA, as executed, does not affect in any manner the Provider's present or future rights for the provision of its jurisdiction's prehospital emergency medical services under H&S Code Sections 1797.201 or 1797.224, and that this MOA is solely for the purpose of establishing terms and conditions for reimbursement by County to Provider for the purchase of approved equipment.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1.0 SCOPE

- 1.1 Provider shall purchase, and for which County shall reimburse Provider with Measure B funding, three (3) automated chest compression devices to improve the level of service and improvement of prehospital emergency care in order to efficiently and appropriately provide the delivery of emergency medical care to the sick and injured at the scene of an emergency within the County.
- 1.2 Provider shall be responsible for maintaining the equipment purchased under this MOA.
- 1.3 Provider agrees to utilize the automated chest compression devices in a manner consistent with standards, policies, and procedures of the EMS Agency, and without regard to a patient's ability to pay.

2.0 TERM

- 2.1 The term of this MOA is effective upon the date of execution by the Director of Health Services (Director), or authorized designee. This MOA shall expire on June 30, 2023 unless sooner extended or terminated, in whole or in part, as provided herein.
- 2.2 In any event, this MOA may be terminated at any time by either party by giving at least thirty (30) calendar days advance written notice to the other party.

3.0 PAYMENT AND INVOICES

3.1 County's maximum reimbursement to Provider for the purchase of three (3) automated chest compression devices shall not exceed Sixty-Nine Thousand, One Hundred Fifty-Nine Dollars (\$69,159).

- 3.2 County shall not reimburse Provider for the purchase of the automated chest compression devices to the extent that Provider has received funding from any other grant or third-party source to offset the cost.
- 3.3 Provider shall submit copies of its vendor's invoice(s), with proof of Provider's payment, to the County that reflects and provides details for the purchase. Invoice(s) and proof of payment shall be forwarded to County via United States Postal Service, facsimile transmission, or e-mail transmission within thirty (30) days after payment to the vendor to the following address:

Department of Health Services
Emergency Medical Services Agency
10100 Pioneer Blvd., Suite 200
Santa Fe Springs, CA 90670
Attn: Adrian Romero, County's Project Director
562-941-2397

E-mail: <u>ARomero2@dhs.lacounty.gov</u>

3.3.1 County Approval of Invoices

All invoices submitted by the Provider for payment must have the written approval of the County's Project Director prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval.

3.3.2 County shall reimburse Provider within ninety (90) days of receipt of complete and correct invoice(s), including Provider's purchase order(s) and proof of payment from Provider for allowable purchases.

3.4 Default Method of Payment: Direct Deposit or Electronic Funds Transfer

- 3.4.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/ contract with the County shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).
- 3.4.2 The Provider shall submit a direct deposit authorization request via the website https://directdeposit.lacounty.gov with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- 3.4.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.

3.4.4 At any time during the duration of the MOA, the Provider may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

4.0 COUNTY ADMINISTRATION

- 4.1 Director shall have the authority to administer this MOA on behalf of the County. Director retains professional and administrative responsibility for the services rendered under this MOA.
- 4.2 County's Project Director shall be responsible for ensuring that the objectives of this MOA are met and providing direction to the Provider in the areas relating to County policy, information requirements, and procedural requirements. County's Project Director is:

Adrian Romero
Department of Health Services
Emergency Medical Services Agency
10100 Pioneer Blvd., Suite 200
Santa Fe Springs, CA 90670
Telephone: (562) 378-1595

E-mail: ARomero2@dhs.lacounty.gov

4.3 County shall notify Provider in writing of any change in the name of the County's Project Director.

5.0 PROVIDER ADMINISTRATION

5.1 Provider's Project Manager shall be responsible for Provider's day-to-day activities as related to this MOA and shall coordinate with County's Project Director on a regular basis. Provider's Project Manager is:

Issac Yang 401 South Broadway Redondo Beach, CA 90277 Telephone: (310) 658-4232

E-mail: issac.yang@redondo.org

5.2 Provider shall notify County in writing of any change in the name or address of Provider's Project Manager.

6.0 AMENDMENTS

For any change that affects the term or any conditions included under this MOA, an Amendment shall be prepared by County and then executed by Provider and by Director, or authorized designee.

7.0 FACSIMILE AND/OR PORTABLE DOCUMENT FORMAT REPRESENTATIONS

County and Provider hereby agree to regard signed Amendments received via facsimile transmission and/or in Portable Document Format (PDF) via e-mail, as representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Sub-paragraph 6.0, and as legally sufficient evidence that such original signatures have been affixed to Amendments to this MOA, and as such, the parties need not exchange with each other the signed original Amendment(s).

8.0 GOVERNING LAW, JURISDICTION, AND VENUE

This MOA shall be governed by, and construed in accordance with, the laws of the State of California. Provider agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this MOA and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

9.0 INDEPENDENT PROVIDER STATUS

- 9.1 This MOA is by and between County and Provider and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Provider. The employees and agents of one party shall not be, nor be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 9.2 Provider shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this MOA all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Provider.
- 9.3 Provider understands and agrees that all persons performing work pursuant to this MOA are, for purposes of Workers' Compensation liability, solely employees of Provider and not employees of County. Provider shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of Provider pursuant to this MOA.

10.0 INDEMNIFICATION

Provider shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Provider's intentional, willful, or negligent acts and/or omissions arising from and/or relating to this MOA, except as to the sole intentional, willful, or negligent acts and/or omissions of the County Indemnitees.

11.0 NOTICES

All notices or demands required or permitted to be given or made under this MOA shall be in writing and shall be either emailed, hand delivered with signed receipt, or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Sub-paragraphs 4.2 and 5.1, and copies to:

Julio C. Alvarado, Director
Los Angeles County Department of Health Services
Contracts and Grants Division
313 North Figueroa Street, 6th Floor East
Los Angeles, California 90012

Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party.

/

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this MOA to be executed by the County's Director of Health Services, or authorized designee, and Provider has caused this MOA to be executed on its behalf by its duly authorized officer(s), on the day, month, and year first above written.

COUNTY OF LOS ANGELES

	COUNTY OF EGG/MAGELEG	
	By: Christina R. Ghaly, M.D. Director of Health Services	for
	PROVIDER	
	CITY OF REDONDO BEACH	
	By:Signature	
	William C. Brand	
	Printed Name	
	Mayor	
	Title	
APPROVED AS TO FORM: DAWYN R. HARRISON Acting County Counsel		
By: Brian T. Chu, Principal Deputy C	County Counsel	



Fire Department

401 South Broadway
Redondo Beach, California 90277
www.redondo.org

tel 310 318-0663
fax 310 376-3407

June 30, 2021

Sent via email to kfruhwirth@dhs.lacounty.gov

Los Angeles County Emergency Medical Services Agency Measure B Advisory Board Attention: Kay Fruhwirth 10100 Pioneer Boulevard, Suite 200 Santa Fe Springs, CA 90670

RE: Grant Request Approval Letter - AutoPulse Systems

Please accept this letter as an approval for the submission of the Redondo Beach Fire Department 2021 Measure B Grant request for (6) Zoll AutoPulse Systems and corresponding warranties. These items will be added into the Fire Department Operating budget.

Sincerely,

Keith Kauffman Interim Fire Chief

Los Angeles County Measure B Funding Proposal 2021

Measure B funding will be allocated on a one-time basis with all expenditures to be completed within 12 months of award. If the proposal requires year to year funding the proposer must provide supporting documents on how they will cover the on-going costs in future years.

	Redondo Beach Fire Department
Requesting Entity Name:	
Point of Contact Name:	Issac Yang
Point of Contact Phone:	310-658-4232
	issac.yang@redondo.org
Point of Contact email address:	0400 040 55
Amount of Funding Requested:	\$138,318.55
Brief Project Description:	The Redondo Beach Fire Department (RBFD) seeks to equip (6) paramedic assessment units in its response fleet with Zoll AutoPulse Systems. If awarded, Zoll AutoPulse Systems could be placed in service from all RBFD fire units for those that experience sudden cardiac arrest in Redondo Beach and neighboring South Bay cities.
Describe the gap in Emergency Medical Services, Trauma Services or Bioterrorism Preparedness that the requested funds addresses: Discuss the current situation, strategy to solve the identified gap and how the allocation of Measure B funds benefits the citizens of Los Angeles Count)	Since the Fall of 2020, the Redondo Beach Fire Department has deployed (2) Zoll AutoPulse Systems on its (2) paramedic rescues. Since that time, ROSC percentages have increased from 30% to 71.8%. Currently, (2) RBFD paramedic units are equipped with Zoll AutoPulse Systems and the balance of the RBFD paramedic assessment unit (PAU) fleet is not. The service gap exists when the (2) RBFD paramedic units are delayed or unavailable (on a simultaneous in-city response, on a simultaneous auto/mutual aid response, following up at local ED, etc.), and responding RBFD PAUs do not have Zoll Autopulse Systems to deploy on sudden cardiac arrest patients. With the award of this grant, all Redondo Beach Fire Department response units will be equipped with Zoll AutoPulse Systems. This capability will not only enhance

	services for those in Redondo Beach who experience sudden cardiac arrest, but based on area mutual and							
	automatic aid agreements, all South Bay cities (El Segundo, Manhattan Beach, Hermosa Beach, and Torrance) will benefit from this grant provision.							
Justification: Place a checkmark next to each of the applicable statements and		Achieves compliance with legal requirements, mandate, citation or		Provides a new service for patients.				
incorporate comments into your brief 2-3 paragraph narrative justification.	Ø	audit. Increases capacity to meet patient care demand.	Ø	Improves efficiency.				
		Provides for improvements in emergency preparedness	Ø	Increases patient safety/reduces risk.				
		activities. Improves timely access to healthcare.		Other				
	Narrative Justification:							
	capacity to and the So continues to paramedic ensures th	ion of this grant request meet patient care dem buth Bay at large, as me to rise, equally equippin assessment units with at automated compress nedical aid response inv	ands dical g pa Zoll / ion d	s. In Redondo Beach I aid call volume ramedic and AutoPulse Systems devices are available				
	efficiency a the singula Bay fire ag Zoll equipr	oing of Zoll AutoPulse S as the Zoll AutoPulse Sy ar automated compressi encies. Area first respo ment adds to immediate saving system.	ysten on de nder	n is implemented as evice amongst South familiarity with the				
	safety / red circumfere arrest patie placement	n of the Zoll AutoPulse S duces risk as the device ntial compressions to th ents. Device indicators of that will allow for maxin atient harm.	app e tor	lies consistent, equal rso of sudden cardiac re proper equipment				
Timeline When funds will be needed, how long will it take to implement. Explain/list the major milestones to	expeditious System is	award of project funding s deployment. Because already in service in the nt, the major milestone t	the Rec	Zoll AutoPulse dondo Beach Fire				

achieve implementation and the approximate timeline for each.	manufacturer delivery time of the equipment. Estimated order/delivery time is one month. Upon receipt and inventory, Zoll AutoPulse Systems can be packaged and assigned to the RBFD fleet in one week.
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Provide as separate attachments the following supporting documents:

- List of equipment and price quotations for equipment purchases.
- Financial statements will be required for funding request to offset the operational loss for
 providing a specific service (e.g. Trauma Services). The financial statements must clearly
 show direct expenses incurred and revenue received and expected to be received from all
 sources (including subsidy and donations) for providing the service, with the request for
 Measure B funding no more than the gap between the revenue and expenses.
- For proposed new services or activities, a detailed budget must accompany the funding request, that includes a list of personnel, equipment, supplies and services costs, and an explanation of how these costs are determined.
- When a request requires the hiring of personnel or incurring other long-term financial obligations (e.g. lease) for future years, the requesting entity must provide supporting documentation demonstrating how they will cover the personnel cost and these obligations if Measure B funding is not available in future years.
- If the requesting entity is a Los Angeles County department, provide a letter from the Chief Executive Office approving the addition of the requested item to the department's budget.
- Project Timeline: Include how soon project would begin once funded. For one-time funding, indicate the total time needed to complete project and major milestones along the timeline.

Submit all documents via mail or email no later than July 15 of the year to:

Los Angeles County

Emergency Medical Services Agency

Measure B Advisory Board

10100 Pioneer Boulevard, Suite 200

Santa Fe Springs, CA 90670

Attention: Kay Fruhwirth

kfruhwirth@dhs.lacounty.gov



TO: Redondo Beach City Fire Department

401 South Broadway Redondo Beach, CA 90277

Attn: Chief Issac Yang

email: lssac.Yang@redondo.org

ZOLL Medical Corporation

Worldwide HeadQuarters 269 Mill Rd Chelmsford, Massachusetts 01824-4105 (978) 421-9655 Main (800) 348-9011 (978) 421-0015 Customer Support FEDERAL ID#: 04-2711626

QUOTATION 382775 V:2

DATE: June 25, 2021

TERMS: Net 30 Days

FOB: Shipping Point

FREIGHT: Free Freight

TEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE	
1	8700-0730-01	AutoPulse® System with Pass Thru - Generates consistent and uninterrupted chest compressions, offering improved blood flow during cardiac arrest. Includes Backboard, User Guide, Quick Reference Guide, Shoulder Restraints, Backboard Cable Ties, Head Immobilizer, Grip Strips, In-service Training DVD, and one year warranty.	6	\$11,324.85	\$10,775.10	\$64,650.60	
2	8700-0753-01	Autopulse SurePower Charger, U.S. Tests, Charges and automatically verifies battery charge level. Includes User Guide and U.S Power Cord. Standard one (1) year warranty.	6	\$2,363.85	\$2,249.10	\$13,494.60	
3	8700-0752-01	AutoPulse® Li-Ion Battery - for use with the AutoPulse Platform.	24	\$849.75	\$808.50	\$19,404.00	
4	8700-0706-01	LifeBand® 3 pack - Single-use chest compression band. (3 per package)	6	\$386.25	\$367.50	\$2,205.00	
5	8700-000850-40	AutoPulse® Quick Case, Blue - All-in-one carrying case and patient moving sheet for the Autopulse Resuscitation System.	6	\$509.85	\$485.10	\$2,910.60	
6	8700-0709-01	AutoPulse® Shoulder Restraint - AutoPulse Patient Shoulder Restraint.	18	\$61.75	\$58.75	\$1,057.50	
7	8700-0717-01	AutoPulse® Hygiene Barrier - AutoPulse Hygiene Barrier, one each.	60	\$12.36	\$11.76	\$705.60	

To the extent that ZOLL and Customer, or Customer's Representative have negotiated and executed overriding terms and conditions ("Overriding T's & C's"), those terms and conditions would apply to quotation. In all other cases, this quote is made subject to ZOLL's Standard Commercial Terms and Conditions ("ZOLL T's & C's") which for capital equipment, accessories and consumables can be found at http://www.zoll.com/GTC and for software products can be found at http://www.zoll.com/GTC and for hosted software products can be found at http://www.zoll.com/SSPTC. Except in the case of overriding T's and C's, any Purchase Order ("PO") issued in response to this quotation will be deemed to incorporate ZOLL T's & C's, and any other terms and conditions presented shall have no force or effect except to the extent agreed in writing by ZOLL.

Bryan Pank Sr. EMS Account Executive 617-901-6565

- 1. DELIVERY WILL BE MADE 60-90 DAYS AFTER RECEIPT OF ACCEPTED PURCHASE ORDER.
- 2. PRICES QUOTED ARE VALID FOR 60 DAYS.
- 3. APPLICABLE TAX, SHIPPING & HANDLING WILL BE ADDED AT THE TIME OF INVOICING.
- 4. ALL PURCHASE ORDERS ARE SUBJECT TO CREDIT APPROVAL BEFORE ACCEPTABLE BY ZOLL.
- FAX PURCHASE ORDER AND QUOTATION TO ZOLL CUSTOMER SUPPORT AT 978-421-0015 OR EMAIL TO ESALES@ZOLL.COM.
- 6. ALL DISCOUNTS OFF LIST PRICE ARE CONTINGENT UPON PAYMENT WITHIN AGREED UPON TERMS.
- 7. PLACE YOUR ACCESSORY ORDERS ONLINE BY VISITING www.zollwebstore.com.



TO: Redondo Beach City Fire Department

401 South Broadway Redondo Beach, CA 90277

Attn: Chief Issac Yang

email: Issac.Yang@redondo.org

-

ZOLL Medical Corporation

Worldwide HeadQuarters 269 Mill Rd Chelmsford, Massachusetts 01824-4105 (978) 421-9655 Main (800) 348-9011 (978) 421-0015 Customer Support FEDERAL ID#: 04-2711626

QUOTATION 382775 V:2

DATE: June 25, 2021

TERMS: Net 30 Days

FOB: Shipping Point
FREIGHT: Free Freight

TEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE
8		Estimated Sales Tax at 9.5%				\$9,920.65
9	8778-8704	AutoPulse 4 Year Extended Factory Warranty At Time of Sale. Extended Factory Warranty is a continuation of the Standard Manufacturer's Warranty for the AutoPulse Resuscitation® System. Benefits of purchasing an Extended Warranty include: service loaner shipped overnight at no charge; AutoPulse replacement battery discount of 50% off list; 20% discount on new software features; shipping of the device to and from ZOLL Circulation.	6	\$3,995.00	\$3,995.00	\$23,970.00
		*Reflects National Purchasing Partners (NPP) Contract Pricing.				

overriding terms and conditions ("Overriding T's & C's"), those terms and conditions would apply to quotation. In all other cases, this quote is made subject to ZOLL's Standard Commercial Terms and Conditions ("ZOLL T's & C's") which for capital equipment, accessories and consumables can be found at http://www.zoll.com/GTC and for software products can be found at http://www.zoll.com/SSPTC and for hosted software products can be found at http://www.zoll.com/SSHTC. Except in the case of overriding T's and C's, any Purchase Order ("PO") issued in response to this quotation will be deemed to incorporate ZOLL T's & C's, and any other terms and conditions presented shall have no force or effect except to the extent agreed in writing by ZOLL.

1. DELIVERY WILL BE MADE 60-90 DAYS AFTER RECEIPT OF ACCEPTED PURCHASE ORDER.

- 2. PRICES QUOTED ARE VALID FOR 60 DAYS.
- 3. APPLICABLE TAX, SHIPPING & HANDLING WILL BE ADDED AT THE TIME OF INVOICING.
- 4. ALL PURCHASE ORDERS ARE SUBJECT TO CREDIT APPROVAL BEFORE ACCEPTABLE BY ZOLL.
- FAX PURCHASE ORDER AND QUOTATION TO ZOLL CUSTOMER SUPPORT AT 978-421-0015 OR EMAIL TO ESALES@ZOLL.COM.
- 6. ALL DISCOUNTS OFF LIST PRICE ARE CONTINGENT UPON PAYMENT WITHIN AGREED UPON TERMS.
- 7. PLACE YOUR ACCESSORY ORDERS ONLINE BY VISITING www.zollwebstore.com.

Bryan Pank Sr. EMS Account Executive 617-901-6565

\$138,318.55

TOTAL



Administrative Report

H.16., File # 22-4573 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE AN AGREEMENT WITH KOA CORPORATION FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE RESIDENTIAL STREET REHABILITATION PROJECT, CYCLE 2, PHASE 3, JOB NO. 40190, FOR AN AMOUNT NOT TO EXCEED \$176,200 FOR THE TERM AUGUST 2, 2022 TO AUGUST 1, 2024

EXECUTIVE SUMMARY

With approval of this contract, KOA Corporation ("KOA") will perform construction management, daily inspection, and construction reporting services for the Residential Street Rehabilitation Project, Job No. 40190("Project"), which the City Council awarded a construction contract to Sully-Miller on July 5, 2022.

These inspection services will help ensure all requirements of the Project plans and specifications are met and that the Project is completed in a timely, safe and professional manner. In August 2021, the City solicited proposals to identify an engineering firm to perform these services. KOA responded and provided a proposal that offered the best combination of price, experience, and expertise in relation to roadway resurfacing. KOA is currently performing similar services for other projects in the City, which lends to an efficient use of time and potential cost savings. Funding for the agreement is included in the Project budget.

BACKGROUND

To procure a contract for construction management services, City staff solicited proposals from qualified engineering firms on August 30, 2021 for CIP projects nearing design completion and construction. The projects included: Citywide Curb Ramp Improvements 2021 Project (Job No. 40399, Federal HUD B-20-MC-06-0528), Beryl Street Drainage and Street Improvements from Prospect Avenue to Flagler Lane Project (Job No. 41130), Grant Avenue Signal Improvements Project (Job. No. 41090), Manhattan Beach Boulevard Resurfacing - Aviation to Inglewood (Job No. 41190), North Redondo Beach Bikeway Improvements Project (Job No. 30640), Residential Street Rehabilitation Project - Cycle 2, Phase 3 (Job No. 40190), and Torrance Boulevard Resurfacing from Pacific Coast Highway to Prospect Avenue (Job No. 41230).

The consultant selection process included evaluating proposals received and completing reference checks. The City received 17 proposals and initially selected two firms to provide these services as the above projects moved into the construction phase. KOA was one of the two and, of the two, was found to have the best combination of experience, price and reference in relation to roadway

H.16., File # 22-4573 Meeting Date: 8/2/2022

resurfacing, street, traffic signal, and bikeway improvement projects.

KOA was recently awarded a contract for construction management, daily inspection and construction reporting services for the Beryl Street Drainage and Street Improvements Projects from Prospect Avenue to Flagler Lane, Job No. 41130 and for Torrance Boulevard Resurfacing Project, Job No. 41230. Having multiple projects in the City simultaneously will help KOA provide services in a time effective manner and create efficiencies in project delivery. Therefore, staff is recommending approval of the contract with KOA to maximize the use of the inspector's time and to help minimize the hours spent on each project.

The attached recommended contract with KOA will help ensure that the Project is completed according to the City's specifications, on time, and in a safe and professional manner. The total not-to-exceed amount of the contract is \$176,200 for the term August 2, 2022 - August 1, 2024.

COORDINATION

The scope of work identified in the contract has been coordinated by the Public Works Department. The contract has been approved as to form by the City Attorney's Office.

FISCAL IMPACT

<u>Funding</u>	<u>Expenditures</u>
_	

CIP Job No. 40190 \$176,200 CM & Insp. \$176,200 Total \$176,200

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENT

KOA Consulting Services Contract

AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND KOA CORPORATION

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and KOA Corporation, a California corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

- Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
- 2. <u>Term and Time of Completion</u>. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- 3. <u>Compensation</u>. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

- 1. <u>Independent Contractor</u>. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
- 2. <u>Brokers</u>. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. <u>City Property</u>. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials,

shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

- 4. <u>Inspection</u>. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.
- 5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.
- 6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
- 7. <u>Changes and Extra Work</u>. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:
 - Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may

authorize extra and/or changed work. Consultant expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Consultant to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Consultant thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Consultant is of the opinion that any work which Consultant has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Consultant shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Consultant on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Consultant and the City.

- 8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
- 9. <u>Professional Ability</u>. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
- 10. <u>Business License</u>. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
- 11. <u>Termination Without Default</u>. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all

authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

- 12. <u>Termination in the Event of Default.</u> Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.
- 13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
- 14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its

failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

- a. <u>Nonwaiver of Rights</u>. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
- b. <u>Waiver of Right of Subrogation</u>. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
- 15. <u>Insurance</u>. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
- 16. <u>Non-Liability of Officials and Employees of the City</u>. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
- 17. <u>Compliance with Laws</u>. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
 - a. Acknowledgement. Consultant acknowledges that eight (8) hours labor constitutes a legal day's work. Consultant shall comply with and be bound by Labor Code Section 1810. Consultant shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Consultant shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Consultant in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 11/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Consultant shall be

responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Consultant shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Consultant shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Consultant shall diligently take corrective action to halt or rectify the failure.

- b. <u>Prevailing Wages</u>. City and Consultant acknowledge that this project is a public work to which prevailing wages apply. Consultant shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.
- 18. <u>Limitations upon Subcontracting and Assignment</u>. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. <u>Subcontractors</u>. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

- 20. <u>Integration</u>. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.
- 21. <u>Amendment</u>. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
- 22. <u>Conflicting Provisions</u>. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
- 23. <u>Non-Exclusivity</u>. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
- 24. <u>Exhibits</u>. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
- 25. Time of Essence. Time is of the essence of this Agreement.
- 26. <u>Confidentiality</u>. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
- 27. <u>Third Parties</u>. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
- 28. <u>Governing Law and Venue</u>. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
- 29. <u>Attorneys' Fees</u>. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

- 30. <u>Claims</u>. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
- 31. <u>Interpretation</u>. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
- 32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
- 33. <u>Severance</u>. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
- 34. <u>Authority</u>. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.
- 35. <u>Waiver</u>. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this $2^{\rm nd}$ day of August, 2022.

CITY OF REDONDO BEACH, a chartered municipal corporation	KOA CORPORATION, a California corporation
William C. Brand, Mayor	By: Name:Title:
ATTEST:	APPROVED:
Eleanor Manzano, City Clerk	Diane Strickfaden, Risk Manager
APPROVED AS TO FORM:	
Michael W. Webb. City Attorney	

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

I. CONSULTANT'S DUTIES

Consultant shall perform the following tasks for the Residential Street Rehabilitation Project, Job No. 40190(the "Project").

A. TASKS

Consultant shall assist City staff with the overall construction management, construction inspection and material testing for the Project and coordinate all communications between the City and the City's designated Project contractor ("Project Contractor") as set forth herein.

1. <u>Task 1 – Pre- Construction Coordination</u>

Consultant shall:

- a. Conduct a detailed constructability review of Project plans, specifications, and estimates for compliance with design requirements. Deliver a written response worksheet highlighting all details, redline comments, and comment resolutions.
- b. Coordinate with the Project Contractor to mark out limits of improvements.
- c. Coordinate with affected utility agencies and stakeholders.

2. Task 2 – Construction Management

Consultant shall:

- a. Function as a member of the Project team
- b. Assist City and Project Contractor with utility coordination and relocation, as requested by the City.
- c. Ensure that the Project is completed in a timely, safe, and professional manner.
- d. Monitor Project Contractor to ensure contract fulfillment, including compliance with the schedule and working days.
- e. Maintain a redline set of construction plans for the Project.
- f. Maintain Project files.
- g. Provide written and verbal communications.
- h. Evaluate and advise City staff on all change order requests, claims, and disputes.

- i. Review requests for information ("RFI"), submittals, change orders, and progress payments.
- j. Provide weekly reports.
- k. Attend regular Project meetings, including but not limited to, preconstruction, weekly progress meetings, and any community outreach meetings, as requested by the City.

3. Task 3 – Inspection

Consultant shall:

- a. Function as a member of the Project team.
- b. Coordinate and communicate the progress of the work with the Project Contractor, City staff, residents, property owners, and business owners.
- c. Assist Project Contractor with notifications to residents and business owners regarding easement access.
- d. Ensure the Project Contractor maintains the job site in a safe and clean manner and acts in accordance with Best Management Practice provisions to comply with the National Pollution Discharge Elimination System ("NPDES") and the Storm Water Pollution Prevention Plan ("SWPPP").
- e. Ensure that the Project is completed in a timely, safe, and professional manner.
- f. Notify the Project Contractor of any construction violation and request immediate corrective actions be implemented. Notify the City's designated Project Manager of the situation immediately.
- g. Prepare daily inspection/observation reports for the Project.
- h. Inspect material deliveries to ensure compliance with plans and specifications
- i. Maintain the Project records and weigh tickets and deliver to City designated Project Manager.
- j. Observe daily activities and material testing, as required by any laws, rules, regulations, and Reference Standards as described in the Project's plans and specifications.
- k. Ensure installation of traffic control devices complies with the California Manual for Uniform Traffic Control Devices ("MUTCD") manual or traffic control plan, including any amendments thereto.

- Coordinate soil inspection, field tests, deputy and special inspection and testing, and/or Quality Assurance/Quality Control surveying with the Project Contractor.
- m. Provide daily reports for the Project.
- n. Determine when the Project Contractor's work and/or a designated portion thereof is complete.
- o. Review and verify bid item quantities purchased for payment requests.
- p. Attend regular Project meetings, including but not limited to, preconstruction, weekly progress meetings, and any community outreach meetings.
- Task 4 Post-Construction Closeout Consultant shall:
 - a. Prepare a list of incomplete and/or unsatisfactory items (punch list items) and closeout documents for the Project Contractor.
 - Verify punch list items are completed and closeout documents are submitted.
 - c. Provide final project photographs.
 - d. Review final project progress payment and provide recommendation for release of retention monies to the Project Contractor.
 - e. Deliver project files and as-builts to the City.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence on August 2, 2022 and expire on August 1, 2024 ("Term"), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Consultant is not in default under this Agreement, Consultant shall be compensated as provided below.

A. **AMOUNT.** Consultant shall be paid in accordance with the following rate schedules.

Staff Hourly Rat Burder	
Principal in Charge	\$240
Construction Manager	\$170
Construction Inspector	\$125
Traffic Engineer	\$162

Special Rates for 0	Construction Inspector Ou Business Hours	itside of Normal
Special Shift (After		Sunday and
6:00 PM) Inspection	Overtime and Saturday	Holiday Inspection
Hourly Rate	Inspection Hourly Rate	Hourly Rate
\$125.50	\$155	\$185

No special rates shall be paid to the Construction Inspector unless Consultant obtains the City's prior written approval.

B. **EXPENSES**. Consultant shall be reimbursed for expenses as follows; provided, however, that Consultant obtains City's written approval prior to incurring the expense.

Expenses	Amount
Travel	IRS mileage rate
Material and reproduction	At cost
Subcontractor	Subcontractor rate plus 10%

- C. NOT TO EXCEED AMOUNT. In no event shall Consultant's total compensation, including reimbursable expenses, exceed the amount of \$176,200 during the term of this Agreement.
- D. METHOD OF PAYMENT. Consultant shall provide monthly invoices to City for approval and payment. Invoices shall provide the description of work performed, staff title, hours worked, applicable hourly rate, subcontractor costs, and expenses if incurred. Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, and attach copies of receipts to substantiate expense requests, subcontractor invoices, and any prior written authorization of the

City for expenses and subcontractors. Consultant may be required to provide backup material upon request.

- E. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within 30 days of receipt of the monthly invoice; provided, however, that services are completed to the City's reasonable satisfaction.
- F. **NOTICE.** Written notices to City and Consultant shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Consultant: KOA Corporation

1100 Corporate Center Drive, Suite 201

Monterey Park, CA 91754

Attention: Chuck Stephan, Vice President

<u>City</u>: City of Redondo Beach

415 Diamond Street, Engineering Division

Redondo Beach, CA 90277

Attention: Andrew S. Winje, City Engineer

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

- 1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.
- 2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.
- 3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.
- 4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.
- 5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.
- 6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.
- 7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

- 8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.
- 9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:
 - "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."
- 10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.
- 11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 7/15/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

COVERAGES	CERTIFICATE NUMBER: 1656291273	REVISION N	IUMBER:		
		INSURER F:			
(323) 260-4703		INSURER E :			
Monterey Park, CA 91754		INSURER D :			
KOA Corporation 1100 Corporate Center Drive #20	01	INSURER c: Travelers Casualty and Surety Co	of America	31194	
INSURED	KOACORP-01	ınsurer в : Sentinel Insurance Company		11000	
		INSURER A: Travelers Property Casualty Comp	any of America	25674	
		INSURER(S) AFFORDING COVERAG	SE .	NAIC#	
Lafayette CA 94549		E-MAIL ADDRESS: DesignProCerts@AssuredPartners.com			
AssuredPartners Design Profess 3697 Mt. Diablo Blvd Suite 230	ionals Insurance Services, LLC	PHONE (A/C, No, Ext): 510-398-0744	FAX (A/C, No):		
PRODUCER		CONTACT NAME: Jody Shigetani			

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

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INSR LTR			ADDL INSD		POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	s
В	Х	COMMERCIAL GENERAL LIABILITY	Υ	Υ	84SBWBH9362	3/13/2022	3/13/2023	EACH OCCURRENCE	\$2,000,000
		CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
	Х	Contractual Liab						MED EXP (Any one person)	\$ 10,000
	Х	XCU Included						PERSONAL & ADV INJURY	\$2,000,000
	GEN	N'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$4,000,000
		POLICY X PRO- JECT LOC						PRODUCTS - COMP/OP AGG	\$4,000,000
		OTHER:							\$
В	AUT	OMOBILE LIABILITY	Υ	Υ	84SBWBH9362	3/13/2022	3/13/2023	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
		ANY AUTO						BODILY INJURY (Per person)	\$
		OWNED SCHEDULED AUTOS ONLY AUTOS						BODILY INJURY (Per accident)	\$
	Х	HIRED X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
									\$
В	Х	UMBRELLA LIAB X OCCUR			84SBWBH9362	3/13/2022	3/13/2023	EACH OCCURRENCE	\$8,000,000
		EXCESS LIAB CLAIMS-MADE						AGGREGATE	\$8,000,000
		DED RETENTION\$							\$
Α		RKERS COMPENSATION EMPLOYERS' LIABILITY		Υ	UB2L459350	9/19/2021	9/19/2022	X PER OTH- STATUTE ER	
	ANY	PROPRIETOR/PARTNER/EXECUTIVE Y / N	N/A					E.L. EACH ACCIDENT	\$1,000,000
	(Mar	ICER/MEMBER EXCLUDED?	,					E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	If yes	s, describe under CRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	\$1,000,000
С		ressional Liability &			107587482	3/13/2022	3/13/2023	Per Claim Aggregate Limit	2,000,000 4,000,000
	Polit	ution Liability Included							

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Insured owns no company vehicles; therefore, hired/non-owned auto is the maximum coverage that applies. WC Officers and Directors Exclusion: Walter Okitsu, V.P. Umbrella Liability policy is follow-form to its underlying Policies: General Liability/Auto Liability/Employers Liability. KOA Project Number/Name: #JC26053 / RFP Residential Street Rehab, Job No. 40190 --

City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers are named as Additional Insured on General Liability and Auto Liability, per policy forms, with respect to the operations of the Named Insured as required by written contract or agreement. General Liability is Primary/Non-Contributory and severability of interests per policy form wording. Insurance coverage includes waiver of subrogation per attached.

CERTIFICATE HOLDE

CANCELLATION 30 Day Notice of Cancellation

City of Redondo Beach **Engineering Division** Attn: Andrew Winje 415 Diamond Street Redondo Beach CA 90277 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

We waive any right of recovery we may have against:

- 1. Any person or organization shown in the Declarations, or
- 2. Any person or organization with whom you have a contract that requires such waiver.

Form SS 12 15 03 00 Page 1 of 1



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED PROVISIONS - CALIFORNIA

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

- A. It is agreed that paragraph (2) of subsections 6.d. and 6.f. of Section C. WHO IS AN INSURED is replaced by the following:
 - (2) The insurance afforded by paragraph (1) above does not apply if your acts or omissions, or the acts or omissions of those acting on your behalf, that are alleged to have caused the "bodily injury", "property damage" or "personal and advertising injury", involve professional architectural, engineering or surveying services, including but not limited to:
 - (a) The preparing, approving, editing of or failure to prepare or approve, shop drawings, maps, opinions, reports, surveys, change orders, field orders, designs, drawings, specifications, warnings, recommendations, permit applications payment requests, manuals or instructions;
 - **(b)** Supervisory, inspection, quality control, architectural, engineering or surveying activities or services;
 - (c) Maintenance of job site safety, construction administration, construction contracting, construction management, computer consulting or design software development or programming service, or selection of a contractor or programming service;
 - (d) Monitoring, sampling, or testing service necessary to perform any of the services included in a. b. or c. above;
 - **(e)** Supervision, hiring, employment, training or monitoring of others who are performing any of the services included in a., b. or c. above.

The insurance afforded to such additional insured:

- (a) Only applies to the extent permitted by law; and
- **(b)** Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B. It is agreed that the following paragraphs are added to the end of subsections 1. and 8. of Section F -

OPTIONAL ADDITIONAL INSURED COVERAGES; and it is agreed the following paragraphs replace section **b.** of subsection **9.** of Section **F. - OPTIONAL ADDITIONAL INSURED COVERAGES.** These paragraphs do not attach or amend the language of any of the other subsections of Section F - OPTIONAL ADDITIONAL INSURED COVERAGES:

The insurance afforded by this subsection does not apply if your acts or omissions, or the acts or omissions of those acting on your behalf, that are alleged to have caused the "bodily injury", "property damage" or "personal and advertising injury", involve professional architectural, engineering or surveying services, including but not limited to:

- (a) The preparing, approving, editing of or failure to prepare or approve, shop drawings, maps, opinions, reports, surveys, change orders, field orders, designs, drawings, specifications, warnings, recommendations, permit applications payment requests, manuals or instructions;
- **(b)** Supervisory, inspection, quality control, architectural, engineering or surveying activities or services:
- (c) Maintenance of job site safety, construction administration, construction contracting, construction management, computer consulting or design software development or programming service, or selection of a contractor or programming service;
- (d) Monitoring, sampling, or testing service necessary to perform any of the services included in a. b. or c. above;
- **(e)** Supervision, hiring, employment, training or monitoring of others who are performing any of the services included in a., b. or c. above.

The insurance afforded to such additional insured:

- (a) Only applies to the extent permitted by law; and
- **(b)** Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- **b.** Coverage under this provision does not apply to:
 - (1) "Bodily injury" or "property damage" that occurred; or
 - (2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- **a.** "Bodily injury" to a co-"employee" of the person driving the equipment; or
- **b.** "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- **a.** "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- **b.** "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a.** through **f.** below are additional insureds when you have agreed, in a written

Form SS 00 08 04 05 Page 11 of 24 530

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section **F.** – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products:
- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in Subparagraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

Page 12 of 24 Form SS 00 08 04 05 531

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
 - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In connection with your premises; or
 - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:
 - This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
 - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "productscompleted operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In the performance of your ongoing operations;
 - **(b)** In connection with your premises owned by or rented to you; or
 - (c) In connection with "your work" and included within the "productscompleted operations hazard", but only if
 - (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
 - (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section \mathbf{D} . – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E**. – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- **b.** Claims made or "suits" brought; or
- **c.** Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

→ 6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- **b.** The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

Page 14 of 24 Form SS 00 08 04 05 533

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit":

- (2) Authorize us to obtain records and other information:
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- **(5)** Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

Form SS 00 08 04 05 Page 15 of 24 534

This Paragraph **f.** applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- **b.** To sue us on this Coverage Form unless all of its terms have been fully complied with

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- **a.** As if each Named Insured were the only Named Insured; and
- **b.** Separately to each insured against whom a claim is made or "suit" is brought.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and

(3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b**. below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c**. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **A.** – Coverages.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **A.** – Coverages.

Page 16 of 24 Form SS 00 08 04 05 535

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

BOSINESS EIABIETT COVERAGE FORW

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

Form SS 00 08 04 05 Page 17 of 24 536



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

This coverage is subject to all provisions in the **BUSINESS LIABILITY COVERAGE FORM** not expressly modified herein:

A. Amended Coverage:

Coverage is extended to "bodily injury" and "property damage" arising out of the use of a "hired auto" and "non-owned auto".

- **B. Paragraph B. EXCLUSIONS** is amended as follows:
 - Exclusion g. Aircraft, Auto or Watercraft does not apply to a "hired auto" or a "non-owned auto".
 - Exclusion e. Employers Liability does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract".
 - **3.** Exclusion **f. Pollution** is replaced by the following:

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- **a.** That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto".
- **b.** Before the "pollutants" or any property in which the "pollutants" are contained are

- moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive, or dispose of such "pollutants"; and
- (2) The "bodily injury" and "property damage" does not arise out of the operation of any equipment listed in paragraphs 15.b. and 15.c. of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage as a result of the maintenance or use of a covered "auto".
- **4.** With respect to this coverage, the following additional exclusions apply:

a. Fellow employee

Coverage does not apply to "bodily injury" to any fellow "employee" of the "insured" arising out of the operation of an "auto" owned by the "insured" in the course of the fellow "employee's" employment.

b. Care, custody or control

Coverage does not apply to "property damage" involving property owned or transported by the "insured" or in the "insured's" care, custody or control.

C. With respect to "hired auto" and "non-owned auto" coverage, Paragraph C. WHO IS AN INSURED is deleted and replaced by the following:

The following are "insureds":

- a. You.
- **b.** Your "employee" while using with your permission:
 - (1) An "auto" you hire or borrow; or
 - (2) An "auto" you don't own, hire or borrow in your business or personal affairs; or
 - (3) An "auto" hired or rented by your "employee" on your behalf and at your direction.
- **c.** Anyone else while using a "hired auto" or "nonowned auto" with your permission except:
 - (1) The owner or anyone else from whom you hire or borrow an "auto".
 - (2) Someone using an auto while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (3) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
 - (4) A partner (if you are a partnership), or a member (if you are a limited liability

- company) for an "auto" owned by him or her or a member of his or her household.
- d. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.
- **D.** With respect to the operation of a "hired auto" and "non-owned auto", the following additional conditions apply:

1. OTHER INSURANCE

- **a.** Except for any liability assumed under an "insured contract" the insurance provided by this Coverage Form is excess over any other collectible insurance.
 - However, if your business is the selling, servicing, repairing, parking or storage of "autos", the insurance provided by this endorsement is primary when covered "bodily injury" or "property damage" arises out of the operation of a customer's "auto" by you or your "employee".
- b. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

2. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

If the Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

E. The following definitions are added:

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS:

 "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your "employees", your partners (if you are a partnership), members (if you are a limited liability company),

Page 2 of 3 Form SS 04 38 09 09 538

or your "executive officers" or members of their households.

This does not include a long-term leased "auto" that you insure as an owned "auto" under any other auto liability insurance policy or a temporary substitute for an "auto" you own that is out of service because of its breakdown, repair, servicing or destruction.

- 2. "Non-owned auto " means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes:
 - a. "Autos" owned by your "employees" your partners (if you are a partnership), members (if you are a limited liability company), or your "executive officers", or members of their households, but only while used in your business or your personal affairs.
 - **b.** Customer's "auto" that is in your care, custody or control for service.

Form SS 04 38 09 09 Page 3 of 3 539



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT - AGGREGATE LIMITS (PER PROJECT)

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

- **A.** Section **D.** LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE is amended as follows:
 - The General Aggregate Limit under Section D. LIABILITY AND MEDICAL EXPENSES LIMIT OF INSURANCE applies separately to each of your "projects".
 - 2. The limits shown in the Declarations for Liability and Medical Expenses, Damage To Premises Rented To You and Medical Expenses continue to apply.
 - 3. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit.
- 4. If the applicable "project" has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the "project" will still be deemed to be the same "project".
- 5. The provisions of Section D. LIABILITY AND MEDICAL EXPENSES LIMIT OF INSURANCE not otherwise modified by this endorsement shall continue to apply as stipulated.
- B. Additional Definitions

The following definition is added to Section **G.** LIABILITY AND MEDICAL EXPENSES DEFINITIONS:

1. "Project" means "your work" at location(s) away from premises owned or rented to you.



WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 99 03 76 (A) -

POLICY NUMBER: UB2L459350

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT – CALIFORNIA (BLANKET WAIVER)

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

The additional premium for this endorsement shall be mium.

% of the California workers' compensation pre-

Schedule

Person or Organization

Job Description

Any Person or organization for which the insured has agreed by written contract executed prior to loss to furnish this waiver.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Insurance Company
Travelers Property Casualty Company of America

Countersigned by



Administrative Report

H.17., File # 22-4574 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE CITY OF REDONDO BEACH'S SANITARY SEWER MANAGEMENT PLAN RE-CERTIFICATION PER CALIFORNIA STATE WATER RESOURCES CONTROL BOARD REQUIREMENTS

EXECUTIVE SUMMARY

The City maintains the local sanitary sewer system and is committed to protecting the public's health and the environment. Federal and State Water Quality regulations require agencies to maintain a comprehensive Sewer System Management Plan (SSMP) with the goal of preventing Sanitary Sewer Overflows (SSOs). In order to provide a statewide regulatory approach to address SSOs, the California State Water Resources Control Board adopted Statewide General Waste Discharge Requirements for sanitary sewer systems (Order No. 2006-0003- DWQ) in 2006. In 2008, the Monitoring and Reporting Program portion of the WDRs was revised as Order No. 2008-0002-EXEC. These two Water Quality Orders are referred to as the Sanitary Sewer System Waste Discharge Requirements (SSS WDRs). Provision 14 of Order 2006-003-DWQ requires: "The SSMP must be updated every five years, and must include any significant program changes."

In October 2009, the City Council approved the original SSMP, and in 2015, the City Council approved an updated SSMP. The City has made significant improvements in the management of the sanitary sewer system as reflected in the reduced number of SSOs to only a single incident during the last 5 years. Staff is requesting that the City Council re-certify the updated SSMP and direct staff to continue implementing the requirements outlined in the updated SSMP. A SSMP 2022 Certification summary is attached to this report that summarizes the key activities that have taken place since 2010.

A copy of the overarching SSMP document is available at the City's web site at (
https://www.redondo.org/civicax/filebank/blobdload.aspx?BlobID=28178) referred to as the City of Redondo Beach Sewer System Management Plan
https://www.redondo.org/civicax/filebank/blobdload.aspx?BlobID=28178>

BACKGROUND

In order to provide a statewide regulatory approach to address Sanitary Sewer Overflows, the SWRCB adopted General Waste Discharge Requirements for Sanitary Sewer Systems, Water Quality Order No. 2006-0003 (Order), on May 2, 2006. The Order covers public agencies that own or operate a sanitary sewer system comprised of more than one mile of sewer lines which convey

H.17., File # 22-4574 Meeting Date: 8/2/2022

wastewater to a publicly-owned treatment facility. The regulations and requirements contained in the Order were used as the basis for the audit in assessing compliance.

The Order requires that the City develop, implement, and maintain a comprehensive SSMP documenting the City's program to properly operate and maintain its sanitary sewer system that will reduce sanitary sewer overflows. In October 2009, the City Council approved the SSMP that set the stage for the development of master plans in three areas: The System Evaluation & Capacity Assurance Plan (SECAP), the Rehabilitation and Replacement Program (RRP), and the Operation and Maintenance Program (O&M). Since the original approval of the SSMP, there have been many updates to various components of the program; including a 2016 revised emergency Response Plan and an updated Fats Oils and Grease database and inspection program. Since 2010, the City has implemented numerous projects and programs that are highlighted in the attached document titled Sewer System Management Plan Certification.

Per Order 2006-0003-DWQ, the goal of the SSMP is to provide a plan and schedule to properly manage, operate, and maintain all parts of the sanitary sewer system. This will help reduce and prevent SSOs, as well as mitigate any SSOs that do occur. The SSMP documents an enrollee's program to properly operate and maintain its sanitary sewer system. The City's SSMP addresses the following elements:

- 1. Goals
- 2. Organization
- 3. Legal Authority
- 4. Operation and Maintenance Program
- 5. Design and Performance Provisions
- 6. Overflow Emergency Response Plan
- 7. Fats, Oils, and Grease (FOG) Control Program
- 8. System Evaluation and Capacity Assurance Plan
- 9. Monitoring, Measurement, and Program Modifications
- 10. SSMP Program Audits
- 11. Communication Program

The City's SSMP goals and objectives include:

- Minimize the number and frequency of Sanitary Sewer Overflows (SSOs).
- Prevent sewer system overflows by:
 - o Performing systematic and timely condition evaluation of all sanitary sewer mains to ensure a high level of system serviceability is maintained at all times.
 - Performing sewer system repairs and replacement to the greatest degree possible prior to street surface reconstruction.
 - Implementing effective sewer mainline cleaning/flushing program to ensure full capacity of collection system is maintained to the furthest extent possible.
 - Performing timely repairs and replacements of sewer collection system as identified by system evaluation.
 - Maintaining pump station Supervisory Control and Data Acquisition (SCADA) system to ensure timely response to pump station failures so that sewer system overflow does not occur, and to provide system operational data to make timely and appropriate decisions on equipment repairs and replacements.
 - Providing sufficient emergency electric power generation to ensure no pump station will

cause a sewer system overflow due to the loss of electrical power from service provider.

- Performing routine pump station system maintenance to ensure system does not fail to operate due to foreseeable mechanical, electrical, and control equipment malfunction.
- Performing systematic and timely evaluation of pump station systems (condition and capacity) to ensure a high level of system serviceability is maintained at all times.
- Conducting timely capacity evaluation of entire wastewater collection system to ensure adequate dry weather flow capacity is provided for customer service demands, and surplus capacity is provided for inflow and infiltration during wet weather.
- Implementing system improvement projects to provide adequate capacity to convey peak wastewater flows
- Cost effectively minimizing the sources of inflow and infiltration.
- o Providing all necessary training of personnel to ensure they have the skills and knowledge to operate and maintain the system to the highest standards.
- Implementing the fats, oils, and grease (FOG) control program to minimize the entry of these substances into the collection system
- Establishing proper legal authority for implementing the above
- Maintaining the necessary level of funding and staffing for providing proper operation, maintenance, and repair of the system as detailed in the Operation and Maintenance Program; and providing adequate capacity as detailed in the System Evaluation and Capacity Assurance Plan through periodic reviews of the rate structure.
- Installing citywide "smart manhole cover" devices to monitor the sewer system's operation and provide a real time warning and notification of any upsets, thereby preventing potential overflows.
- Minimize the impact of SSO's that do occur by preparing a proper Overflow Emergency Response Plan, training staff in its implementation, and implementing the plan when needed.
- Properly document and report SSOs per the Waste Discharge Requirements

Provision 14 of the State Water Board Order 2006-003-DWQ requires: "The SSMP must be updated every five years, and must include any significant program changes." In October 2009, the City Council approved the original SSMP, and in 2015, the City Council approved an updated SSMP. Staff has been diligently implementing the plan since that time. Notable activities include upgrading the SCADA (equipment and pump station monitoring) system, rehabilitating or constructing over 10,650 linear feet of sewer main, installing a protective lining for over 15,500 linear feet of sewer main, capital improvements to the Rindge Lift Station and Alta Vista Lift Station, design of capital improvements to Portofino and Yacht Club Way Lift Stations. A more detail list of activities is included in the attached SSMP 2022 Certification Summary.

Staff is requesting that the City Council re-certify the SSMP and direct staff to continue implementing the requirements outlined in the updated SSMP. Near term anticipated work includes constructing significant upgrades to the Portofino and Yacht Club Way lift stations, continuation of the pipe lining program, and a city-wide video inspection of the system to assess further rehabilitation needs. The significant improvements in the management of the sanitary sewer system is reflected in the reduced number of SSOs to just one incident during the last 5 years. Staff will continue to implement the recommended actions included in the Plan. A copy of the overarching SSMP document is available at the City's web site

at (https://www.redondo.org/civicax/filebank/blobdload.aspx?BlobID=28178) referred to as the City of Redondo Beach Sewer System Management Plan

H.17., File # 22-4574 Meeting Date: 8/2/2022

https://www.redondo.org/civicax/filebank/blobdload.aspx?BlobID=28178

COORDINATION

This SSMP has been coordinated by the Public Works Department.

FISCAL IMPACT

There is no fiscal impact associated with this action. Improvements to and operation of the City sewer system are funded by residential property fees that accrue to the City's Wastewater Fund.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENT

SSMP 2022 Certification Summary



City of Redondo Beach

Sewer System Management Plan Certification

July, 2022

Sanitary Sewer System Waste Discharge Requirements

The California State Water Resources Control Board (State Water Board) adopted Statewide General Waste Discharge Requirements for sanitary sewer systems in May 2006 as Water Quality Order No. 2006-0003-DWQ. In 2008, the Monitoring and Reporting Program portion of the WDRs was revised as Order No. 2008-0002-EXEC. These two Water Quality Orders are referred to as the Sanitary Sewer System Waste Discharge Requirements (SSS WDRs). The purpose of the SSS WDRs was to provide consistent statewide requirements for quantifying and reducing the number of wastewater spills and the volume of wastewater spilled in the state of California.

Water Quality Order No. 2006-0003-DWQ

Provision 11 Water Quality Order No. 2006-0003-DWQ (Order 2006-0003-DWQ), sets the requirement for the preparation of a Sewer System Management Plan that addresses proper funding, management, operation and maintenance of the sanitary sewer system:

The Enrollee shall develop and implement a written Sewer System Management Plan (SSMP) and make it available to the State and/or Regional Water Board upon request. A copy of this document must be publicly available at the City's office and/or available on the internet. This SSMP must be approved by the Enrollee's governing board at a public meeting.

Provision 14 of Order 2006-003-DWQ requires: The SSMP must be updated every five (5) years, and must include any significant program changes. Recertification by the City Council is required in accordance with D.14 when significant updates to the SSMP are made.

Background

In 2015, the City conducted an audit of the program. It evaluated the effectiveness of the SSMP by individually addressing the elements listed in Provision 13 of the Order 2006-0003-DWQ. The audit reviewed elements of the SSMP, specifically, the requirements of Order 2006-0003-DWQ, implementation of SSMP requirements, and made recommendations for updating or improving the existing SSMP. All recommendations for improving the SSMP were implemented and incorporated into the City's SSMP. The following documents were included in the 2015 audit:

- 1. Sewer Overflow Emergency Response Plan, May 2009
- 2. Sewer System Management Plan, September 2009 and December 2015
- 3. System Evaluation and Capacity Assurance Plan and Rehabilitation and Replacement Program, December 2010
- 4. Operation and Maintenance Program, February 2011
- 5. Wastewater System SSMP Audit, May 2011

- 6. Conveyance System Condition Assessment Report, May 2015
- 7. Redondo Beach Municipal Code, Title 5 Sanitation & Health, Chapter 4 Wastewater System
- 8. Sewer maintenance files from the iWater program (maintenance management system)
- 9. GIS files
- 10. Sewer hydraulic model
- 11. Sanitary Sewer Overflow reports
- 12. Training records

Sewer System Management Plan Implemented Improvements

The City has made significant strides in improving its Sewer System Management Plan since the original plan was approved by City Council in 2010. The City has significantly reduced the annual number of sanitary sewer overflows over the years. The City has invested staffing and financial resources over the years on the sewer system and focused improvements on areas of concerns. Some of the most important improvements over the year include the following.

2010:

- Implementation of an ongoing sewer system piping root control program
- Sewer Manhole and Pump Station Monitoring and Alarm System Project, Job No 50150

 This project installed an additional 16 water level depth-sensing sensors in critical sanitary sewer manholes and pump stations in high priority locations with totaling 47 sensors installed throughout the City. These sensors will be monitored 24/7 and will provide early warning if water levels rise above normal operational depths. This advance warning will increase the likelihood maintenance staff will be able to correct the problem before a Sanitary Sewer Overflow (SSO) occurs.
- Existing wastewater SCADA assessment to understand existing field conditions, design issues, and City's needs. Developed a Condition Assessment report after completion of the site investigations and discussed various issues about the system. Provided SCADA hardware and software list and communication upgrade options. Created an evaluation report to outline pros/cons of each option. Upgraded SCADA software to latest version of GE iFIX. Developed new HMI graphics for each site. Provided start-up and commissioning for SCADA HMI related upgrades. Established emergency services response team with 24-hour 7-day a week dispatching of service technicians.

2011:

- Numerous SCADA system repairs and upgrades.
- Sanitary Sewer Facility Rehabilitation Project Phase 9-A, Job No 50150 the Sewer Rehab -Phase -9A of the project included the removal and reconstruction of over 1,000 lineal feet of sewer mains throughout the City. Several of the new mains have been designed to be larger than previous mains in order to increase existing sewer system capacity and accommodate increasing current and future sewer flow. The project also included the removal and reconstruction of fifteen main line defective spot repairs and repairs at the Carnegie and Goodman Pump Stations. The tasks associated with Phase -9A included the following:
 - ➤ Replacement of 250 lineal feet of 6" Vitrified Clay Pipe with 8" Vitrified Clay Pipe

- > Replacement of 1,500 lineal feet of 8" Vitrified Clay Pipe with 10" Vitrified Clay Pipe
- ➤ Replacement of 250 lineal feet of 10" Vitrified Clay Pipe with 12" Vitrified Clay Pipe
- Spot Repairs on 15 locations for an estimated length of 500 lineal feet
- > Replacement of two Wastewater Pump Station wet well access hatches
- Purchase & delivery of one hundred and fifty sewer manhole covers & rings
- Replacement of 24 Inglewood Avenue manhole covers and rings
- Installation of five new sewer manhole covers
- > Rehabilitation of seven manhole covers and rings

2012:

- Replaced PLC and Pump control panel interiors at Yacht Club Way Lift Station.
- Installed new PLC back plate in the existing enclosure at Yacht Club Way with Allen-Bradley processor, I/O modules, power supply, Ethernet switch, cellular modem, antenna, UPS and all necessary equipment for a completely new operating system.
- Installed new Motor Starter back plate and swingout panel in the existing enclosure.
 Back plate and swing out panel contained all necessary circuit breakers, starters, control transformers, pump seals, and isolation relays for a completely new operating system
- Swing out panel contained necessary selector switches, push buttons, indicating lights, ETM, and Level Indicator. Installed all new programming for communication with the City's wastewater SCADA System.

2013:

- Cleaning, root cutting, and CCTV inspection of entire system (2013 2015)
- Implementation of ongoing IWater program to track maintenance activities
- Sanitary Sewer Facility Rehabilitation Project Phase 10, Job No 50150 the Sewer Rehab, Phase 10 of the project included the repair and/or replacement of 7,000 lineal feet of sewer mains citywide. Several of the new mains were designed to be larger than previous mains in order to increase existing sewer system capacity and accommodate increasing current and future sewer flow. The detailed scope of work completed in Phase 10 includes the following:
 - ➤ Installation of 6.340 linear feet of Cured-in-Place Sewer Pipe Liner
 - Replacement of 1,030 linear feet of 8-inch Vitrified Clay Pipe with 10-inch Vitrified Clay Pipe
 - > Spot Repairs on twenty-three (23) locations for approximately 310 linear feet
 - Manhole replacement/repair of thirty-one (31) manholes

2014:

- Replaced PLC and Pump control panels at Portofino Way Lift Station.
- Installed new 316 Stainless steel PLC panel with Allen-Bradley processor, I/O modules, power supply, Ethernet switch, cellular modem, antenna, UPS, Ultrasonic level transmitter, backup floats and all necessary equipment for a completely new operating system.
- Installed new 316 Stainless steel Pump Control panel with Cutler-Hammer components including circuit breakers, starters, control transformers, pump seals, and isolation relays for a completely new operating system.
- Swing out panel contained new selector switches, push buttons, indicating lights, ETM, and Level Indicator.
- Installed all new programming for communication with the City's wastewater SCADA System.
- Installed new stainless steel load center to provide power to the new equipment.

2015:

- Implementation of a Fats, Oils, and Grease and National Pollutant Discharge Elimination
- System Field Inspection Program
- Upgraded SCADA communications and SCADAlarm software to Win911.
- Replaced obsolete alarming software with new Win911 software.
- Replaced all old copper phone lines with GX440 cellular modems for a new reliable communication infrastructure for site information and personnel paging.

2015:

• City Yard Drainage, Sewer Diversion and Resurfacing Project, Job Nos. 50250 and 20700 - in order to comply with the Los Angeles County Sanitation District's Permit and Policy on Rainwater, Groundwater and other Water Discharges, significant drainage upgrades were constructed at the City's Public Works Maintenance Yard located at 531 North Gertruda Avenue. This project brought the site into compliance by limiting the amount of runoff that discharges to the sanitary sewer system during rain events through an automatic diversion system. The automatic diversion system uses a rain gauge located at the site to activate an automatic diversion of flow from the sanitary sewer into the storm drain system. The diversion system limits the rainfall discharge to only the first 0.1 inch of rainfall.

2016:

- Updated of the Sanitary Sewer Overflow Emergency Response Plan to comply with the current State Water Board Monitoring and Reporting Program.
- Added stormwater sites, Alta Vista and Sapphire to SCADA.
- Installed new cellular modems and antennas at the two sites. Provided alarming and data retrieval into the existing SCADA system.
- Replaced PLC and Pump control panels at Basin III Lift Station.
- Installed new 316 Stainless steel PLC panel with Allen-Bradley processor, I/O modules, power supply, Ethernet switch, cellular modem, antenna, UPS, backup floats and all necessary equipment for a completely new operating system.
- Installed new 316 Stainless steel VFD Pump Control panel with Allen Bradley PowerFlex drives, Cutler-Hammer components including circuit breakers, control transformers, pump seals, and isolation relays for a completely new operating system. Swing out panel contained new selector switches, push buttons, indicating lights, speed controls, ETM, and Level Indicator. Installed all new programming for communication with the City's wastewater SCADA System.
- Installed new stainless steel load center to provide power to the new equipment.
- Migrated physical SCADA servers to virtual servers.
- Moved the SCADA system to virtual servers to allow for better reliability and data backup.
- Upgraded the GE iFIX software and Win911 alarm software to the latest version during this migration.

2017:

 Sanitary Sewer Facilities Rehabilitation Project Job No 50150 - the 2017 Sanitary Sewer Facilities Rehabilitation Project included the repair, replacement and/or upgrade of over 6,232 lineal feet of sewer mains citywide and construction of a new 8"sewer main line along Camino Real west of Juanita Avenue. Several of the replacement mains were upsized in order to increase existing sewer system capacity and accommodate increasing current and future sewer flows. The detailed scope of work completed in 2017 Sewer Rehab includes the following:

- Installation of 600 linear feet of new 8-inch Vitrified Clay Pipe
- Construction of fourteen (14) new manhole structures
- Removal of six (6) existing manhole with new manhole structures
- Replacement of 2,286 linear feet of 8"/10" Vitrified Clay Pipe with 10"/12" Vitrified Clay Pipe
- Spot Repairs on twenty-three (25) locations for approximately 3,346 linear feet
- Manhole frame and cover replacement/repair of thirty-one (56) manholes
- Manhole restoration/lining
- Rindge Sanitary Sewer Pump Station Project, Job No 50290 the Rindge Pump Station is the City's largest sanitary sewer pumping plant. It serves a net tributary area of 224 acres with an estimated peak dry weather flow rate of 540 gallons per minute and a peak wet weather flow rate of 775 gallons per minute. The project included replacing the existing sewer lift station within the existing facility's site footprint. The new facility construction consists of a new pump station with a new electrical building and an emergency generator enclosure, complete with all architectural, structural, mechanical, HVAC, plumbing, and electrical elements. The Project awarded in December 2017 and completed in June 2020.

2018:

- New VFDs and controls at Flagler Lift Station. In the existing motor control center, installed new Allen Bradley PowerFlex drives and Cutler-Hammer components including circuit breakers, control transformers, pump seals, and isolation relays for a completely new operating system. Installed new selector switches, push buttons, indicating lights, speed controls, and Ultrasonic Level transmitter. Installed new backup floats in the wet well. Modified PLC programming for new components to communicate with the City's wastewater SCADA System.
- Installed new exhaust fan in the pump vault to provide proper ventilation for City personnel.
- Rindge Lift Station complete remodel.

2019:

• Citywide CIPP lining program- City Council approved an On call service contract with with Sancon. The City hired Sancon Technologies, Inc for 5-year on-call maintenance and repair service to the wastewater underground piping networks through a trenchless technology called Cured-In-Place Pipe (CIPP) to minimize cost and disruption to the community. Phase 1 in 2019 included approximately 1830 LF for sewer lining, and Phase 2 in 2020 included about 600 LF. Phase 3 is included approximately 6,700 sewer linings along the easement areas. This task is anticipated to complete by the end of 2022.

2020:

Sanitary Sewer Rehab - 2020 Upgrades to PCH/Vista Del Mar Project, Job No 50150 - the Sanitary Sewer Rehab - 2020 Upgrades to PCH/Vista Del Mar Project, Job No 50150, is designed to divert and relieve the existing sewer system by diverting sewer flow from Avenue I sewer shed into a new 12-inch sewer line. The project improvements included

the installation of 550 LF of new conveyance pipe and five (5) new manhole structures. The new pipe segment was constructed southeast of the intersection of PCH and Palos Verdes Boulevard, crossing PCH, and connecting to the existing sewer system on Vista Del Mar. The Project awarded in August 2020 and completed in August 2021.

2021:

- Upgraded all wastewater SCADA cellular modems. To keep the wastewater cellular communications up to date with the latest technology, replaced the aging Sierra Wireless cellular modems to a new Cradlepoint model. This new modem allows for remote configuration and diagnostics. Used the same model as police and fire to standardize the City's communications to remote facilities.
- Alta Vista Sewer Pump Station Project, Job No 50300 the Alta Vista Sewer Pump Station Project will be replacing two small existing pump stations and constructing a new one larger station with an emergency stand-by generator. The new pump station will replace the existing Alta Vista Ball Park Pump Station and Alta Vista Park Community Center Pump Station, both located near high activity areas in Alta Vista Park. The new pump station will be constructed within Alta Vista Park north of the Community Center parking lot in the hillside adjacent to Camino Real. Replacement of these older and less efficient stations with one designed to meet all current safety and building codes for the protection and preservation of life and property is considered an important part of maintaining the City's sanitary sewer system as recommended in the City's Sewer System Master Plan. The Project awarded in November 2021 and its correctly under construction.
- Basin 2 Sewer Pump Out Station Upgrade Project & Harbor Patrol Dock Replacement Project, Job No. 50310 & 70690 - this combined project will provide a needed rehabilitation of the City's Harbor Patrol dock and rebuild and expand the City's vessel sewage pump-out facilities. The Harbor Patrol facilities are located at the most southern tip of Mole B in the Redondo Beach King Harbor area. The facility consists of the Fire Station No. 3 building and parking lot area on the landside, waterside facilities including the Harbor Patrol floating docks, public vessel sewage pump-out facility, and the administrative observation tower. The Project awarded in December 2021 and it's currently under construction.

2022:

- Upgrades at Goodman Lift Station installed new Ultrasonic level transmitter and wet well floats. Wired new control relays and wiring to allow for the ultrasonic level transmitter and floats as a backup to the PLC.
- Upgrades at Marina Way Lift Station installed new wet well floats. Wired new control relays and wiring to allow for the ultrasonic level transmitter and floats as a backup to the PLC.
- New Pump Control Panel at Carnegie Lane lift station. Installed new 316 Stainless steel Pump Control panel at Carnegie with Cutler-Hammer components including circuit breakers, starters, control transformers, pump seals, and isolation relays for a completely new operating system. New wet well floats were installed.
- Swing out panel contained new selector switches, push buttons, indicating lights, ETM, and Level Indicator. New controls include relays and wiring for floats to act as a backup to the PLC. Installed added programming for communication with the City's wastewater SCADA System.

Upcoming Project listed in Current CIP 2022-2027 List

1) <u>Sanitary Sewer System Closed-Circuit Television Inspection / Updated Rehabilitation & Replacement Program:</u>

Sanitary Sewer Closed-Circuit Television (CCTV) inspection and Update to the Citywide Sanitary Sewer Collection System Rehabilitation and Replacement Program. The Goal of the CIP project to Update the Sanitary Sewer Rehabilitation and Replacement Program for the entire system based on current CCTV data.

2) 2023 Sanitary Sewer Facilities Rehabilitation Project Job no 50150 City began lining high priority pipes (sanitary sewer pipes located in private property easements) to significantly extend the life of the system. The pipe lining program will be a sewer pipe lining program will be a sewer pipe.

easements) to significantly extend the life of the system. The pipe lining program will be significantly expanded in FY 2022/23 and 2023/24 to include priority sewershed areas and protect and maintain the system.

3) Yacht Club Way Wastewater Pump Station

The project will result in a new and improved Yacht Club Way Pump Station; replacing the existing deficient and damaged pump house, discharge & suction pipes, valves, wet and dry wells, controls, electronics and mechanical components. Project design features will update the existing station to current industry standards associated with pumping capacity, wet well capacity and emergency stand-by power requirements. The rebuild will correct serious areas of concern identified, greatly improve the reliability of continuous operations, and reduce the potential threat of Sanitary Sewer Overflows. Project Design is competed and schedule to construct in 2023.

4) Portofino Way Sanitary Wastewater Pump Station

The project will replace the existing sanitary pump station components, including relocating the wet and dry wells and centralizing the pump station components for ease of maintenance and access. Project design will update the station to current industry standards with regards to emergency storage and power stand-by requirements. This project will address the aging infrastructure, improve the reliability of continuous operations and as a result reduce the potential threat of Sanitary Sewer Overflows. Project Design is competed and schedule to construct in 2023.



Administrative Report

H.18., File # 22-4596 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

TITLE

ADOPT BY TITLE ONLY RESOLUTION #CC-2208-059, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, PROCLAIMING SATURDAY, AUGUST 27, 2022 AS "RELAY FOR LIFE DAY" IN THE CITY OF REDONDO BEACH IN SPONSORSHIP AND SUPPORT OF THE RELAY FOR LIFE EVENT TO BE HELD AT ALTA VISTA PARK IN THE CITY OF REDONDO BEACH AS PART OF A NETWORK OF MORE THAN 2,500 RELAY EVENTS AROUND THE COUNTRY IN APPRECIATION OF THE COMMUNITY OF SURVIVORS AND CAREGIVERS THAT ENSURE NO ONE WILL FIGHT CANCER ALONE

EXECUTIVE SUMMARY

The City makes efforts to support local and national non-profit organizations that serve the community in a myriad of ways. Adopting the proposed Resolution proclaiming August 27, 2022 as "Relay for Life Day" will support the 2022 Beach Cities Relay for Life Event taking place at Alta Vista Park on Saturday, August 27, 2002 at 10 A.M. to raise funds for the American Cancer Society's patient service programs, cancer research, advocacy, and ongoing community education.

BACKGROUND

In May 1985, Dr. Gordon "Gordy" Klatt walked and ran for 24 hours around a track in Tacoma, Washington, raising money to help the American Cancer Society fight the nation's biggest health concern, cancer. As he circled the track, he thought of how he could get others to take part. He envisioned having teams participate in a 24-hour fundraising event. The next year, 19 teams were part of the first Relay for Life event at the historical Stadium Bowl and raised \$33,000.

Since that time, Relay for Life has turned into a cultural touchstone for those survivors, patients, and families impacted by cancer. The Beach Cities Relay for Life Event will take place on Saturday, August 27, 2002 at 10 A.M. at Alta Vista Park in Redondo Beach in partnership with Hermosa Beach, Manhattan Beach, and El Segundo.

Teams formed by local businesses, community groups, friends, and families raise funds both before and during the event. At the event, team members take turns walking the track relay-style, enjoying games, food, fun, activities, and entertainment thought the day and night.

Survivors are invited to join as honorary guests for the Survivors' Lap, which kicks off the event. Survivors take the first lap together, and then their caregivers join them for the second lap. Cancer survivors' strength and courage help the community see that cancer survivorship is real and that the

H.18., File # 22-4596 Meeting Date: 8/2/2022

nation is making progress in the battle against cancer. In the evening, Luminaria bags glow to light the way, marked with the name of a loved one lost to cancer, or a cancer survivor sharing their heartfelt messages.

A fundraising target of \$50,000 has been set for the Redondo Beach event, and the participating individuals and teams are more than half-way to that goal. For more information on how to participate, volunteer, or contribute, please visit

https://secure.acsevents.org/site/STR?pg=entry&fr id=102454>.

COORDINATION

The Resolution has been approved as to form by the City Attorney's Office.

FISCAL IMPACT

There is no fiscal impact associated with adopting the Resolution.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Reso - Proclaiming August 27, 2022 as "Relay for Life Day"

RESOLUTION NO. CC -2208-059

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, PROCLAIMING SATURDAY, AUGUST 27, 2022 AS "RELAY FOR LIFE DAY" IN THE CITY OF REDONDO BEACH IN SPONSORSHIP AND SUPPORT OF THE RELAY FOR LIFE EVENT TO BE HELD AT ALTA VISTA PARK IN THE CITY OF REDONDO BEACH AS PART OF A NETWORK OF MORE THAN 2,500 RELAY EVENTS AROUND THE COUNTRY IN APPRECIATION OF COMMUNITY OF SURVIVORS AND CAREGIVERS THAT ENSURE NO ONE WILL FIGHT CANCER ALONE

WHEREAS, Relay For Life, a signature movement of the American Cancer Society ("ACS") continues to be the largest peer-to-peer fundraising event with approximately 2.5 million participants globally uniting to save lives from cancer; and

WHEREAS, the City of Redondo Beach ("City") desires to acknowledge Relay For Life; and

WHEREAS, on August 27, 2022, the City desires to hold the Relay for Life of Beach Cities event to celebrate people who have been touched by cancer, remember loved ones lost, and take action for lifesaving change; and

WHEREAS, the City desires to declare August 27, 2022 as "Relay for Life Day" in sponsorship and support of the Relay for Life of Beach Cities event.

WHEREAS, funds raised at Relay For Life events help the ACS fund and conduct breakthrough research, and give cancer patients and their families the resources they need, including free rides to chemo, free accommodations near hospitals, and a live 24/7 helpline for answers and support.

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

SECTION 1. That the City of Redondo Beach does hereby proclaim August 27, 2022 as "Relay for Life Day" in Redondo Beach in sponsorship and support of the Relay for Life Beach Cities event to be held at Alta Vista Park in the City of Redondo Beach.

SECTION 2. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 2nd day of August, 2022.

	William C. Brand, Mayor				
APPROVED AS TO FORM:	ATTEST:				
Michael W. Webb, City Attorney	Eleanor Manzano, CMC, City Clerk				

STATE OF CALIFORNIA) COUNTY OF LOS ANGELES) ss CITY OF REDONDO BEACH)	
Resolution No. CC-2208-059 was passed Beach, California, at a regular meeting of	ity of Redondo Beach, California, do hereby certify that d and adopted by the City Council of the City of Redondo of said City Council held on the 2 nd day of August, 2022 the Mayor and attested by the City Clerk, and that said vote:
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
Eleanor Manzano, CMC	
City Clerk	



Administrative Report

H.19., File # 22-4605 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: MICHAEL W. WEBB, CITY ATTORNEY JOY ABAQUIN FORD, QUALITY OF

LIFE PROSECUTOR

TITLE

APPROVE AN AGREEMENT WITH CITY NET FOR HOMELESS OUTREACH SERVICES FOR AN AMOUNT NOT TO EXCEED \$170,000 AND THE TERM JULY 11, 2022 TO APRIL 24, 2023

EXECUTIVE SUMMARY

On January 12, 2021, the Mayor and City Council approved an agreement with City Net to conduct a census count of people experiencing homelessness in Redondo Beach. On January 19, 2021, the Mayor and City Council approved a first amendment to that agreement to add housing navigation services from City Net. On July 13, 2021, the Mayor and Council approved a second amendment, which modified the scope of services, term, and compensation. This third amendment, which extends the term of the contract, is presented for City Council consideration and possible approval.

BACKGROUND

City Net is a non-profit organization that has assisted several cities in the counties of Los Angeles, Orange, Riverside and Santa Barbara. City Net's organization and mission are effective in helping individuals who have been chronically homeless for a number of years.

On June 22, 2021, the Mayor and Council approved the budget for Fiscal Year 2021-2022, which included a line item for City Net in an of \$170,000. This amount currently funds twenty (20) hours a week of outreach services, including some hours in the weekend. That means City Net staff is currently outreaching in the City of Redondo Beach three days a week, on Sundays, Mondays and Wednesdays.

However, City Net's annual cost will increase going forward at the same level of service. City Net provided the proposed budget for various levels of service:

- \$200,000 a year for outreach services three days a week
- \$250,000 a year for outreach services four days a week
- \$300,000 a year for outreach services five days a week
- \$430,000 a year for outreach services six days a week

While the City Attorney's office is still looking into potential sources of grant funding, it would be prudent to have a contract in place with the \$170,000 that has already been appropriated for City

H.19., File # 22-4605 Meeting Date: 8/2/2022

Net. At the current level of service, City Net has calculated that

\$170,000 is equivalent to 41 weeks. 41 weeks from July 11, 2022 is April 24, 2023. Therefore, staff is recommending that City Council approve the proposed amendment to extend City Net's contract to April 24, 2023. If the City Attorney's Office is able to identify additional funding, a fourth amendment will be presented to City Council for consideration.

COORDINATION

The City Attorney's Office coordinated with the City Manager's Office in connection with the preparation of this report.

FISCAL IMPACT

Funding for the agreement was approved in the FY 2021-22 budget in the amount of \$170,000 as an ongoing appropriation from the General Fund.

ATTACHMENTS

Agreement Between the City of Redondo Beach and City Net

AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND CITY NET

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and City Net, a California nonprofit 501(c)(3) corporation ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. <u>Description of Project or Scope of Services</u>. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. <u>Term and Time of Completion</u>. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. <u>Compensation</u>. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

- 1. <u>Independent Contractor</u>. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. <u>Brokers</u>. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. <u>City Property</u>. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any

other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

- 4. <u>Inspection</u>. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
- 5. <u>Services</u>. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
- 6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
- 7. <u>Changes and Extra Work</u>. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

- 8. <u>Additional Assistance</u>. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
- 9. <u>Professional Ability</u>. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
- 10. <u>Business License</u>. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
- 11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
- 12. <u>Termination in the Event of Default</u>. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons

for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

- 13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
- 14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. <u>Nonwaiver of Rights</u>. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. <u>Waiver of Right of Subrogation</u>. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

- 15. <u>Insurance</u>. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
- 16. <u>Non-Liability of Officials and Employees of the City</u>. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
- 17. <u>Compliance with Laws</u>. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
- 18. <u>Limitations upon Subcontracting and Assignment</u>. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

- 19. <u>Subcontractors</u>. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
- 20. <u>Integration</u>. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or

- written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.
- 21. <u>Amendment</u>. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
- 22. <u>Conflicting Provisions</u>. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
- 23. <u>Non-Exclusivity</u>. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
- 24. <u>Exhibits</u>. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
- 25. Time of Essence. Time is of the essence of this Agreement.
- 26. <u>Confidentiality</u>. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
- 27. <u>Third Parties</u>. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
- 28. <u>Governing Law and Venue</u>. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
- 29. <u>Attorneys' Fees</u>. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
- 30. <u>Claims</u>. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act

- are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
- 31. <u>Interpretation</u>. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
- 32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
- 33. <u>Severance</u>. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
- 34. <u>Authority</u>. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
- 35. <u>Waiver</u>. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this $2^{\rm nd}$ day of August, 2022.

CITY OF REDONDO BEACH, a chartered municipal corporation	City Net, a California nonprofit 501(c)(3) corporation				
William C. Brand, Mayor	By: Name: Title:				
ATTEST:	APPROVED:				
Eleanor Manzano, City Clerk	Diane Strickfaden, Risk Manager				
APPROVED AS TO FORM:					
Michael W. Webb, City Attorney					

EXHIBIT "A"

SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall partner with the City to plan, implement, and report on the status of homeless neighbors living in the City. This Homeless Census will provide critical data in order for the City to make informed decisions on resource allocation and accurately gauge outreach effectiveness against a statistical baseline.

A. Planning and Training

Contractor shall:

- 1. Work with City staff and law enforcement to create survey maps of the city. Each map will be of a particular section of the City, with emphasis on known locations of unsheltered homelessness. Each map will be physically walked and/or driven in advance by Contractor, with detailed notes and instructions written for the outreach teams to follow on the days of the census.
- 2. Further, work with City staff to develop customized survey questions that, in addition to the unique identifier questions, will focus on local realities and local service priorities.

B. Census Activities Unsheltered Count

Contractor shall:

- Complete an unsheltered homeless census over multiple days and times to capture the entire geography of the city as well as homeless neighbors that spend the day in City, sleep elsewhere.
- 2. Offer survey incentives to encourage survey participation.
- 3. Engage both a daytime and nighttime census activity in the expectation that multiple days and times will allow us to include anyone who might be away from their normal spot during the time of either census event.
- 4. Ensure outreaches utilize teams that consist of Contractor's staff, City public safety teams (as able or as needed for safety, access, etc.), and trained volunteers depending on the need/map size.

C. Sheltered Count

Contractor shall:

- 1. Work with the City to secure, through local partner shelters, a sheltered homeless count on the day(s) of the unsheltered count. Because partner shelters' participation is voluntary, Contractor may not be able to access all sheltered data.
- 2. Aggregate sheltered numbers with the unsheltered data to the degree possible to provide the most complete possible depiction of homelessness in the city.

D. Veteran Count

Contractor shall prioritize the veteran sub-population in the census. Add questions to the survey in order to provide specific resources to this particular population.

E. <u>Data Entry and Database Management</u>.

Contractor shall:

- 1. Use GIS technology to complete the census electronically. Store the collected data securely in an online database.
- 2. Maintain the data on behalf of the City and provide the City with aggregate data.
- If clients have consented to have their names stored in HIMS, use data security practices consistent with HMIS to ensure the names are only viewable by qualified staff at participating agencies.

In order to participate in the HMIS, leaders at each agency must sign an Agency Agreement that includes a commitment to protecting client data and maintaining confidentiality, and agency staff must pass multiple trainings on the importance of client privacy.

F. Final Reporting.

Contractor shall:

- 1. Deliver a final report within five weeks upon completion of the census.
- 2. Solicit input from City stakeholders, including but not limited to, City officials and staff, to ensure that desired data is captured and reflected in the report.
- 3. Analyze the data and report findings in a meeting of City stakeholders on analysis of the data, recommendations, and next steps for the City to consider.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence July 12, 2022 and expire April 24, 202311, 2021 ("Term"), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

- A. **AMOUNT**. Contractor shall paid in accordance with the hourly rates, and expense and administration costs in the attached schedule, which is incorporated herein. In no event shall the total amount paid to Contractor exceed \$170,000.
- B. METHOD OF PAYMENT. Contractor shall provide monthly invoices indicating the job title, services and tasks performed, hours worked, hourly rate, total amount, operation and program expenses (if applicable), and administrative expenses incurred during the prior month to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.
- C. **SCHEDULE FOR PAYMENT**. Contractor shall be paid within forty five days (45) of City's receipt of the invoice; provided, however, that services are completed to the City's full satisfaction.
- D. **NOTICE**. Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor: City Net

4508 Atlantic Avenue, Suite 292

Long Beach, CA 90807

Attention: Matt Bates, Vice President

<u>City</u>: City of Redondo Beach

City Attorney's Office 415 Diamond Street

Redondo Beach, CA 90277

Attention: Michael W. Webb, City Attorney

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.



Labor

Redondo Beach Street Outreach and Engagement Budget

Redondo Beach Street Outreach and Engagement July 11, 2022 - April 24, 2023 (41 weeks)

Labor		Fully Loaded	Hrs/			
Title/Role	Description	Compensation		Wks	FTE	TOTAL
Program Supervisor	Direct program activities, staff	\$43.21	8	41	0.2	\$14,172.88
	management/supervision and project coordination					
Outreach Case Manager 1	Street outreach, case management	\$28.41	24	41	0.6	\$27,955.44
Outreach Case Manager 2	Street outreach, case management	\$28.41	24	41	0.6	\$27,955.44
Data Analyst	HMIS data entry, reporting, data compliance	\$26.00	4	41	0.1	\$4,264.00
Executive Leadership	Direct project oversight, quality control,	\$79.50	2	41	0.05	\$6,519.00
	communications, problem solving.					
Finance and Billing	Payroll, billing	\$29.26	2	41	0.05	\$2,399.32
Human Resources	Staff recruiting, hiring, training, disputes, COVID	\$29.68	2	41	0.05	\$2,433.76
	safety guidance/response					
Operations	Inventory, purchasing, technical support	\$25.98	2	41	0.05	\$2,130.36
Labor Subtotal: 1.7						
Operations and Program E	xpenses					
Item	Description					TOTAL
Client Services	Client/staff transport (1 vehicle): vehicle lease, gas, vehicle insurance, maintenance					\$20,500.00
Client Services	relocations, rapid rehousing fees, emergency shelter vouchers, local transportation,					\$28,551.39
	program fees, employment equipment, documentation, etc.					
Rent	Office space and office equipment/furniture rental					\$3,659.25
Equipment	, , , , , , , , , , , , , , , , , , , ,					\$5,941.93
Materials and Supplies	· · · · · · · · · · · · · · · · · · ·				\$3,750.00	
	shields, proximity suits, safety boots and clothing, tr					
Materials and Supplies	Uniforms, copies, forms, office supplies, equipment, etc.					\$1,263.31
Materials and Supplies	IT support, data security, intranet, client management software licenses					\$1,524.69
Materials/Supplies	Financial audit					\$871.25 \$653.44
Materials/Supplies						
Operations and Program Expenses Subtotal:						\$66,715.25
Administration	Ta					TOTAL
Category	Description					
Indirect Costs						\$15,454.55
	project (utilities, taxes, other types of required insurance not listed above, legal, staff					
development, contingencies, etc.)						
Administration subtotal					ototal:	\$15,454.55
Project TOTAL						\$170,000.00

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies,

including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.



Administrative Report

J.1., File # 22-4560 Meeting Date: 8/2/2022

TITLE

For eComments and Emails Received from the Public



Administrative Report

L.1., File # 22-4382 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING FOR INTRODUCTION AND FIRST READING OF ORDINANCES AMENDING REDONDO BEACH MUNICIPAL CODE (RBMC) TITLE 10 CHAPTER 2 ZONING AND LAND USE AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE SECTIONS 10-2.2500 AND 10-5.2500 PERTAINING TO THE **PROCEDURES** ADMINISTRATIVE DESIGN REVIEW AND CONSIDERATION OF Α CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION FOR THE PROPOSED AMENDMENTS IN ACCORDANCE WITH SECTION 15308 OF THE CEQA GUIDELINES

PROCEDURES:

- 1. Open the public hearing and take testimony;
- 2. Close the public hearing and deliberate;
- 3. Introduce the following two ordinances: and
- 4. Adopt the resolution submitting ordinance to the Coastal Commission;

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3236-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ORDINANCE AMENDING TITLE 10, CHAPTER 2, ZONING AND LAND USE PERTAINING TO THE PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3237-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ORDINANCE AMENDING TITLE 10, CHAPTER 5, COASTAL LAND USE IMPLEMENTING ORDINANCE PERTAINING TO THE PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

ADOPT RESOLUTION NO. 2208-060 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, REQUESTING CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION OF AMENDMENTS TO THE COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE (TITLE 10, CHAPTER 5 OF THE MUNICIPAL CODE) CONSISTENT WITH STATE LAW, WHICH IS INTENDED TO BE CARRIED OUT IN A MANNER FULLY IN CONFORMITY WITH THE COASTAL ACT; AND PROVIDING THAT THE AMENDMENTS TO THE CITY'S LOCAL COASTAL PROGRAM WILL TAKE EFFECT AUTOMATICALLY UPON COASTAL COMMISSION APPROVAL PURSUANT TO PUBLIC RESOURCES CODE SECTION 30514 AND TITLE 14, SECTION 13551 OF THE CALIFORNIA CODE OF REGULATIONS

L.1., File # 22-4382 Meeting Date: 8/2/2022

EXECUTIVE SUMMARY

Redondo Beach's current land use regulations have thresholds of what size of project triggers Planning Commission Design Review for multi-family residential units and for commercial / industrial / mixed use / public development. This type of review has public hearing requirements and specific criteria to be met for Planning Commission approval. If a project does not trigger Planning Commission Design Review and does not otherwise require a public hearing (such as a Conditional Use Permit or Variance), it would follow the Administrative Design Review process and be reviewed and approved by the Community Development Director.

A recent project for a commercial office followed the Administrative Design Review process. Based on responses from neighbors to the property, it was discovered that there was no appeal process for commercial / non-residential projects (except by the applicant).

As a referral to staff at the January 4, 2022 City Council meeting, and as part of the current Strategic Plan, this discussion item was brought to City Council on April 5, 2022 to consider draft language to amend the Administrative Design Review process to include notice of pending decisions and appeal requirements for qualifying non-residential projects. City Council provided direction for amending the ordinances. The ordinance revisions were reviewed by the Planning Commission at the June 16, 2022 meeting and the Commission recommended adoption of the amendments and a determination of California Environmental Quality Act (CEQA) exemption.

The noticed Public Hearing provides the City Council the opportunity to introduce and approve the recommended ordinances for first reading, and forward the coastal regulations to the California Coastal Commission for certification.

BACKGROUND

As mentioned above, Redondo Beach's current land use regulations have thresholds of what size of project triggers Planning Commission Design Review for multi-family residential units and for commercial / industrial / mixed use / public development. This type of review has public hearing requirements and specific criteria to be met for Planning Commission approval. If a project does not trigger Planning Commission Design Review and does not otherwise require a public hearing (such as a Conditional Use Permit or Variance), it would follow the Administrative Design Review process and be reviewed and approved by the Community Development Director. A recent project for a new commercial office building followed the existing Administrative Design Review process pursuant to RBMC 10-2.2500.

The project was located immediately adjacent to a single-family residential neighborhood and when the neighbors saw the demolition at the property and inquired about the project, they wanted to know why they had not been officially notified. It was discovered that there is not a requirement for notice of pending decision of non-residential development under the Administrative Design Review procedures. As well, the only projects that are eligible for appeal under Administrative Design Review are those subject to a notice of pending appeal. Therefore, there is no appeal process for commercial / non-residential projects (except by the applicant) under the existing Administrative Design Review procedures (RBMC 10-2.2500).

As a referral to staff at the January 4, 2022 City Council meeting, and as part of the current Strategic

L.1., File # 22-4382 Meeting Date: 8/2/2022

Plan, this topic was brought to City Council for discussion at the April 5, 2022 meeting. City Council provided direction to add non-residential projects to the notification requirement, which in turn makes those projects eligible for appeal. As well, the City Council directed the expansion of the notification area from 100' to 300' for all projects requiring an Administrative Design Review and a notice of pending decision. The ordinance revisions were reviewed by the Planning Commission at their June 16, 2022 meeting and the Commission recommended adoption of the amendments and a determination of California Environmental Quality Act (CEQA) exemption to City Council.

Below are the text amendments to the zoning ordinances (10-2 for inland and 10-5 for coastal). (NOTE: Additions are noted as underlined and deletions are noted in strikeout):

10-2.2500 Administrative Design Review.

- (e) **Notice of pending decision.** Notice of a pending decision by the Planning Director shall be given as follows for <u>all non-residential development under Section 10-2-2500(a)(9) and for new multiple-family developments.</u> (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-2.402.)
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 100 feet 300 feet of the exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available; and

10-5.2500 Administrative Design Review.

- (e) **Notice of pending decision.** Notice of a pending decision by the Community Development Director shall be given as follows for <u>all non-residential development under Section 10-5.2500(a)(9) and for new multiple-family developments.</u> (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-5.402.)
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 400 feet 300 feet of exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available.

The ordinance amendments are exempt from environmental review under the California Environmental Quality Act (CEQA), pursuant to Section 15060(c)(2) of the Guidelines for the Implementation of CEQA because the activity will not result in direct or reasonably foreseeable indirect physical change to the environment. Further, the activity is not considered a project under CEQA and therefore qualifies for the general rule exemption under Section 156061(b)(3) of the CEQA Guidelines.

COORDINATION

The preparation of the ordinances was done in coordination with the City Attorney's Office.

L.1., File # 22-4382 Meeting Date: 8/2/2022

FISCAL IMPACT

Funding for the preparation of this report and the ordinances is available in the Departments' annual operating budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ordinance Amending Inland Administrative Design Review
- Ordinance Amending Coastal Administrative Design Review
- Resolution Requesting Coastal Commission Certification for Administrative Design Review Amendments
- City Council Administrative Report April 5, 2022
- Planning Commission Resolution June 16, 2022
- Planning Commission Staff Report June 16, 2022
- Planning Commission Minutes June 16, 2022
- Proof of Legal Ad Public Hearing Notice

ORDINANCE NO. 3236-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ORDINANCE AMENDING REDONDO BEACH MUNICIPAL CODE TITLE 10, CHAPTER 2, ZONING AND LAND USE PERTAINING TO PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

WHEREAS, the City Council has been made aware that new non-residential development and additions under a certain threshold subject to the current provisions of the Administrative Design Review criteria and procedures within the Redondo Beach Municipal Code do not require a public notice and are not appealable (except by the applicant and/or property owner); and

WHEREAS, the City Council at their meeting of April 5th, 2022, directed City staff to prepare amendments to the Administrative Design Review procedures which would provide for a notice of pending decision and appeal process for qualifying non-residential projects, and increase the public notice radius for all projects that are subject to Administrative Design Review; and

WHEREAS, the Planning Commission took public testimony and considered the ordinance amendments on the 16th day of June, 2022; and

WHEREAS, the Planning Commission held a duly noticed public hearing, took public testimony, and considered the ordinance amendments on June 16, 2022 and made certain recommendations to the City Council for consideration; and

WHEREAS, notice of the time and place of the public hearing where the ordinance amendments would be considered was given pursuant to State law and local ordinance by publication in the Easy Reader at least 10 days prior to the public hearing; and

WHEREAS, on August 2, 2022, the City Council held a duly noticed public hearing, considered the Planning Commission recommendations, heard public testimony, discussed and considered the proposed amendments.

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

<u>SECTION 1</u>. RECITALS. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

<u>SECTION 2</u>. AMENDMENT OF CODE. Title 10, Chapter 2 Section10-2.2500 "Administrative Design Review" Subsection (e) to be amended as follows:

- "(e) **Notice of pending decision.** Notice of a pending decision by the Planning Director shall be given as follows for all non-residential development under Section 10-2-2500(a)(9) and for_new multiple-family developments. (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-2.402.)
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 300 feet of the exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available; and
- (2) By posting such notice in at least one prominent place on or about each parcel which is the subject of the proposed action, or upon utility poles or sticks along or about the street line of such parcel.
- (3) The content of the notice of pending decision for an Administrative Design Review shall contain the following information:
 - a. The date of filing of the application and the name of
 - b. The file number assigned to the application;
 - c. A description of the proposed development and its

location;

d. The date at which the application is expected to be

approved; and

the applicant;

e. A statement that revisions to the proposed project will be considered by the Planning Director upon the written request of any person provided that such written request is received by the Planning Director within ten (10) working days from the date of sending the notice."

<u>SECTION 3.</u> GENERAL PLAN. The amendments to the Zoning Ordinance are consistent with the General Plan.

- a. Land Use Element, Goal 1E. Ensure that the types of land uses developed in the City complement and do not adversely affect the quality of life and health of the City's residents, businesses, and visitors.
- b. Land Use Element, Policy 1.1.2. Establish density limits and standards which ensure that new development maintains and enhances the overall quality of life, scale, and physical characteristics which are the City's assets.

<u>SECTION 4</u>. CHARTER AMENDMENT. These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 5. CEQA. This Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines because there is no possibility that this Ordinance or its implementation would have a significant negative effect on the environment. (14 Cal. Code Regs. § 15061(b)(3)) and because the activity will not result in direct or reasonably foreseeable indirect physical change in the environment (Section 15060(c)(2).) City staff shall cause a Notice of Exemption to be filed as authorized by CEQA and the State CEQA Guidelines.

<u>SECTION 6</u>. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 7. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

<u>SECTION 8</u>. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 16th day of August, 2022.	
William C. Brand, Mayor	
APPROVED AS TO FORM:	ATTEST:
Michael W. Webb, City Attorney	Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)	
COUNTY OF LOS ANGELES) ss	
CITY OF REDONDO BEACH	,)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3236-22 was introduced by the City Council of the City of Redondo Beach, California at a regular meeting of said City Council held on the 2nd day of August, 2022 and passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 16th day of August 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said ordinance was adopted by the following vote:

AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
Eleanor Manzano, CMC	
City Clerk	

ORDINANCE NO. 3237-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING AN ORDINANCE AMENDING TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

WHEREAS, the City Council has been made aware that new non-residential development and additions under a certain threshold subject to the current provisions of the Administrative Design Review criteria and procedures within the Redondo Beach Municipal Code do not require a public notice and are not appealable (except by the applicant and/or property owner); and

WHEREAS, the City Council at their meeting of April 5th, 2022, directed City staff to prepare amendments to the Administrative Design Review procedures which would provide for a notice of pending decision and appeal process for qualifying non-residential projects, and increase the public notice radius for all projects that are subject to Administrative Design Review; and

WHEREAS, the Planning Commission took public testimony and considered the ordinance amendments on the 16th day of June, 2022; and

WHEREAS, the Planning Commission held a duly noticed public hearing, took public testimony, and considered the ordinance amendments on June 16, 2022 and made certain recommendations to the City Council for consideration; and

WHEREAS, notice of the time and place of the public hearing where the ordinance amendments would be considered was given pursuant to State law and local ordinance by publication in the <u>Easy Reader</u> at least 10 days prior to the public hearing; and

WHEREAS, on August 2, 2022, the City Council held a duly noticed public hearing, considered the Planning Commission recommendations, heard public testimony, discussed and considered the proposed amendments.

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

<u>SECTION 1</u>. RECITALS. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

<u>SECTION 2</u>. AMENDMENT OF CODE. Title 10, Chapter 5 Section 10-5.2500 "Administrative Design Review" Subsection (e) to be amended as follows:

- "(e) **Notice of pending decision.** Notice of a pending decision by the Community Development Director shall be given as follows for all non-residential development under Section 10-5.2500(a)(9) and for new multiple-family developments. (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-5.402.)
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 300 feet of exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available.
- (2) By posting such notice in at least one prominent place on or about each parcel which is the subject of the proposed action, or upon utility poles or sticks along or about the street line of such parcel.
- (3) The content of the notice of pending decision for an Administrative Design Review shall contain the following information:
- a. The date of filing of the application and the name of the applicant;
 - b. The file number assigned to the application;
 - c. A description of the proposed development and its

location;

d. The date at which the application is expected to be

approved; and

e. A statement that revisions to the proposed project will be considered by the Community Development Director upon the written request of any person provided that such written request is received by the Community Development Director within ten (10) working days from the date of sending the notice."

<u>SECTION 3</u>. GENERAL PLAN. The amendments to the Zoning Ordinance are consistent with the General Plan.

- a. Land Use Element, Goal 1E. Ensure that the types of land uses developed in the City complement and do not adversely affect the quality of life and health of the City's residents, businesses, and visitors.
- Land Use Element, Policy 1.1.2. Establish density limits and standards which ensure that new development maintains and enhances the overall quality of life, scale, and physical characteristics which are the City's assets.

<u>SECTION 4</u>. COASTAL LAND USE PLAN. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).

- c. Land Use Section. The following policies set forth land use guidelines for the future development in the City's Coastal ·zone.
 - New developments within the commercial recreational land use district will be subject to approval by the city based on compatibility with surrounding land uses.

<u>SECTION 5</u>. CHARTER AMENDMENT. These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 6. CEQA. This Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines because there is no possibility that this Ordinance or its implementation would have a significant negative effect on the environment. (14 Cal. Code Regs. § 15061(b)(3).) City staff shall cause a Notice of Exemption to be filed as authorized by CEQA and the State CEQA Guidelines.

<u>SECTION 7</u>. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

<u>SECTION 8</u>. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

<u>SECTION 9</u>. PUBLICATION AND EFFECTIVE DATE. This Ordinance shall be published by one insertion in the official newspaper of said City, and same shall go into effect and be in full force and operation on the date that is thirty (30) days after its final passage and adoption and the date on which the California Coastal Commission certifies the Ordinance, whichever is later.

PASSED, APPROVED AND ADOPTED	this 6 th day of September, 2022.
William C. Brand, Mayor	
APPROVED AS TO FORM:	ATTEST:
Michael W. Webb, City Attorney	Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3237-22 was introduced by the City Council of the City of Redondo Beach, California at a regular meeting of said City Council held on the 2nd day of August, 2022 and passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 6th day of September 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said ordinance was adopted by the following vote:

AYES: NOES:	
ABSENT: ABSTAIN:	
Eleanor Manzano, CMC City Clerk	

RESOLUTION NO. CC-2208-060

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH. CALIFORNIA, REQUESTING CERTIFICATION BY THE CALIFORNIA COASTAL COMMISSION OF AMENDMENTS TO THE COASTAL LAND USE PLAN IMPLEMENTATION ORDINANCE (TITLE 10, CHAPTER 5 OF THE MUNICIPAL CODE) CONSISTENT WITH STATE LAW, WHICH IS INTENDED TO BE CARRIED OUT IF A MANNER FULLY IN CONFORMITY WITH THE COASTAL ACT; AND **PROVIDING** THAT THE AMENDMENTS TO THE CITY'S LOCAL COASTAL PROGRAM WILL TAKE EFFECT AUTOMATICALLY UPON COASTAL COMMISSION APPROVAL PURSUANT TO PUBLIC RESOURCES CODE SECTION 30514 AND TITLE 14, SECTION 13551 OF THE CALIFORNIA CODE OF **REGULATIONS**

WHEREAS, on September 11, 2003, the California Coastal Commission certified the Local Coastal Plan ("LCP") of the City of Redondo Beach (LCP Amendment No. RDB-LCP-1-02); and

WHEREAS, State Law enables the City of Redondo Beach to adopt land use implementing ordinances for the Local Coastal Program; and

WHEREAS, the City intends to revise procedures for Administrative Design Review; and

WHEREAS, on June 16, 2022, the Planning Commission conducted duly noticed public hearing, accepted public testimony, considered the proposed amendments, CEQA exemption, and adopted Resolution No. recommending that the City Council adopt an ordinance amending the Coastal Land Use Plan Implementing Ordinance provisions pertaining to procedures for Administrative Design Review; and

WHEREAS, on August 2, 2022 the City Council held a duly noticed public hearing to introduce an ordinance to amend the Coastal Land Use Implementing Ordinance and approved the proposed amendments to Title 10, Chapter 5 of the Redondo Beach Municipal Code (Coastal Land Use Plan Implementing Ordinance) pertaining procedures for Administrative Design Review; and

WHEREAS, the amendment to the Coastal Land Use Implementation Ordinance is consistent with the Coastal Land Use Plan and the Comprehensive General Plan of the City; and

WHEREAS, the amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP); and

WHEREAS, the amendment does not require a vote of the people under Article XXVII of the City Charter; and

WHEREAS, the proposed amendments to the Municipal Code are exempt from the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, as the zoning amendments will not result in direct or reasonably foreseeable indirect physical change in the environment and the activity is not considered a project in accordance with the requirements of Sections 15060(c)(2) and 15061(b)(3) of the State CEQA Guidelines; and

WHEREAS, Public Resources Code Section 30514 provides, in relevant part, that, "Any proposed amendments to a certified local coastal program shall be submitted to, and processed by, the commission in accordance with the applicable procedures and time limits specified in Sections 30512 and 30513"; and

WHEREAS, California Code of Regulations, Title 14, Section 13551, requires the City to adopt a resolution to submit an amendment to the LCP to the Coastal Commission for review and approval.

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

SECTION 1. The City Council hereby finds that the above recitals are true and correct and are incorporated herein by reference as if set forth in full.

SECTION 2. The City Council hereby submits the proposed amendments to the Coastal Land Use Implementation Ordinance to the Coastal Commission for certification pursuant to Public Resources Code Section 30514 and California Code of Regulations, Title 14, Section 13551(b) as an amendment which will take effect automatically upon Commission approval.

SECTION 3. Pursuant to Public Resources Code Section 30510, the City Council: (1) hereby certifies that if the amendments to the LCP are certified by the Coastal Commission, the City Council intends to carry out the amendments to the LCP contained in Ordinance No. ____ in a manner fully in conformity with Division 5.5 of the Public Resources Code; and (2) hereby directs City Staff to provide the Coastal Commission with materials sufficient for a thorough and complete review, to the extent feasible and appropriate.

SECTION 4. The City Clerk shall certify the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED, AND ADOPTE	O this 2 nd day of August, 2022.
	William C. Brand, Mayor
APPROVAL AS TO FORM:	ATTEST:
Michael W. Webb, City Attorney	Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA COUNTY OF LOS ANGELES CITY OF REDONDO BEACH)))	SS		
I, Eleanor Manzano, City Clerk of that the foregoing Resolution No by the City Council of the City of City Council held on the 2 nd day	c. CC-2 Redo	2208-060 was duly ndo Beach, Califo	y passed, approved and ado rnia, at a regular meeting of	pted
AYES:				
NOES:				
ABSENT:				
Eleanor Manzano, CMC City Clo	erk			



Administrative Report

M.1., File # 22-3884 Meeting Date: 4/5/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING POTENTIAL AMENDMENTS TO ADMINISTRATIVE DESIGN REVIEW AND PLANNING COMMISSION DESIGN REVIEW PROCEDURES

EXECUTIVE SUMMARY

Redondo Beach's current land use regulations have thresholds of what size of project triggers Planning Commission Design Review for multi-family residential units and for commercial / industrial / mixed use / public development. This type of review has public hearing requirements and specific criteria to be met for Planning Commission approval. If a project does not trigger Planning Commission Design Review and does not otherwise require a public hearing (such as Conditional Use Permit or Variance), it would follow the Administrative Design Review process and be reviewed and approved by the Community Development Director.

A recent project for a commercial office followed the Administrative Design Review process. The back of this particular site is adjacent to a residential zoning district and had access to the street to the rear. When the residential neighbors saw the demolition at the property and inquired about the project, they wanted to know why they had not been officially notified. It was discovered that there is not a requirement for notice of pending decision of non-residential development under the Administrative Design Review procedures. As well, the only projects that are eligible for appeal under Administrative Design Review are those subject to notice of pending appeal. Therefore, there is no appeal process for commercial / non-residential projects (except by the applicant).

As a referral to staff at the January 4, 2022 City Council meeting, and as part of the current Strategic Plan, this discussion item has been prepared to allow the City Council to consider draft language to amend the Administrative Design Review process to include notice of pending decisions and appeal requirements for qualifying non-residential projects, and to consider reducing the threshold for triggering Planning Commission Design Review. This item was initially on the agenda at the March 15, 2022 meeting and was continued to the April 5, 2022 meeting.

BACKGROUND

The Redondo Beach Municipal Code (RBMC) Sections 10-2.2502 and 10-5.2502 establish the procedures for Planning Commission Design Review (PCDR) for multi-family residential (4 or more units or an addition of 1,000 square feet of gross floor area) and for commercial / industrial / mixed use / public development new construction and additions (10,000 square feet of land area). This is in

M.1., File # 22-3884 Meeting Date: 4/5/2022

addition to those projects that may also require a Conditional Use Permit or Variance or otherwise is required to be considered by Planning Commission. Projects requiring PCDR have a public hearing before the Planning Commission and are appealable to the City Council.

If a project does not trigger Planning Commission Design Review and does not otherwise require a public hearing (such as Conditional Use Permit or Variance), it would be considered under Administrative Design Review procedures (either RBMC 10-2.2500 for inland or 10-5.2500 for coastal), and be reviewed and approved by the Community Development Director. For those projects under ADR, an appeal can only be filed by non-applicants/owners if it is a project subject to a "notice of pending decision." Otherwise, there is no appeal process available to concerned members of the public. In the current Redondo Beach regulations, the only ADR applications where a notice of pending decision is issued is for new multiple-family developments. Therefore, non-residential projects that do not meet the threshold of Planning Commission Design Review, regardless of their proximity to residential zones or other criteria, are not required to provide notice to neighboring properties and are not appealable, except by the owner or applicant.

As a referral to staff at the January 4, 2022 City Council meeting, and subsequently as part of the current Strategic Plan, City Council requested this discussion item to consider draft language to amend the Administrative Design Review process to include notice of pending decision and appeal requirements for qualifying non-residential projects, and to consider reducing the threshold for triggering Planning Commission Design Review.

To help with the discussion, staff reviewed the ADR and PCDR procedures in neighboring jurisdictions.

Hermosa Beach

Hermosa Beach requires a "Precise Development Plan" review by the Planning Commission all for construction of buildings in any zone, with the exception of single-family residences and remodels or additions to buildings (of any use) of less than 1,500 square feet. Basically, any non-residential or multifamily residential (2 or more units) is required to be reviewed by Planning Commission.

Comparatively, Redondo Beach does review applications for 2 and 3 units on a lot through the ADR procedures, yet those are subject to notice of decision and appeal procedures. As for the non-residential comparison between Redondo Beach and Hermosa Beach, any remodel or addition of 1,500 sf or greater triggers Planning Commission review in Hermosa Beach, whereas the lot size (10,000 sf or greater) is the threshold measurement for going to Planning Commission in Redondo Beach.

Torrance

The City of Torrance has two specific areas where a Development Permit (administrative review) is allowed-any building in the Hawthorne Boulevard Specific Plan and buildings less than 4,000 sf in the Limited Professional District. Planning Commission Review is required for any building in the C-2, C-3, C-4, C-5, and CR Zones, and a CUP is required in the C-1 Zone.

One consideration of requiring all building in commercial zones to go before the Planning Commission is that there will be delays and added costs for smaller businesses or minor additions to commercial buildings.

M.1., File # 22-3884 Meeting Date: 4/5/2022

Manhattan Beach

Administrative review is done through the Community Development Director for permitted single family and 5 or fewer units, minor exceptions (housing additions and accessory dwelling units), and non-discretionary housing (density bonus) larger than 5 units. For commercial, many uses are permitted and administratively approved, similar to Redondo Beach. Planning Commission review is required for any non-residential project with more than 5,000 sf in buildable floor area or on a lot greater than 10,000 sf in Manhattan Beach.

It seems that the various municipalities have regulations specific for their needs. Regarding commercial, the trigger for Planning Commission review in Redondo Beach (10,000 sf lot) is a higher threshold than in Torrance (all commercial). Hermosa Beach doesn't have a minimum lot size threshold that would send a project to Planning Commission, only a building square footage trigger; whereas Manhattan Beach has the same minimum lot size threshold as Redondo Beach (10,000 sf lot) that would require a project to be reviewed by the Planning Commission. As well, there is not a building square footage trigger in Redondo Beach for lots less than 10,000 sf, compared to Hermosa Beach (1,500 sf building) and Manhattan Beach (5,000 sf building).

Included in the agenda packet for this item are the current Redondo Beach regulations for Administrative Design Review and Planning Commission Design Review, for both inland and coastal zones. The inland and coastal zones are identical, except for any references to coastal development permit requirements in the Title 10 Chapter 5 (coastal) regulations that would not be applicable in Title 10 Chapter 2 (inland).

Potential revisions City Council may wish to consider that would address the notice and appeal procedures for commercial development, as well as reduce the potential threshold for what would require Planning Commission Design Review include the following:

- Amend Planning Commission Design Review procedures to include a lesser threshold, whether it is the amount of gross building square footage being added (new construction or addition) or the size of the lot. For consideration in the discussion of this option, the project that sparked this discussion (described in Executive Summary) was for gross square footage of building of 2,666 sf located on a site of 7,320 sf.
 - o If the City were to reduce the site square footage that would trigger a project going to Planning Commission, this may end up requiring most projects on sites along the major commercial corridors (including Artesia Boulevard) to go through Planning Commission Design Review, adding time and cost to that review. For example, the smaller sites on Artesia Boulevard are approximately 6,500 sf or larger (most are significantly larger), and the site in the example above was 7,320 sf.
 - The City could implement a building gross floor area trigger not tied to the size of the lot. A requirement for projects with new construction, or an addition of more than 2,500 sf gross floor area, if in place at the time would have required the project illustrated above (2,666 sf building) to go to Planning Commission. However, this may have the same side effect as reducing the site square footage, requiring significantly more projects to go through Planning Commission Design Review, which adds time and cost to the process.
- Amend Administrative Design Review procedures to require Notice of Pending Decision for all non-residential projects that fall under ADR. This revision would make all non-residential projects subject to appeal. Appeals would then be heard by the Planning Commission. This

would only require Planning Commission review if the project is appealed. Only select projects with concerns with the individual circumstances would be appealed to the Planning Commission, rather than requiring most commercial projects to go through the PCDR process even when there are no concerns from the neighbors or public.

The proposed revisions to code to require Notice of Appeal are as follows (<u>underline</u> denotes additions and <u>strikethrough</u> denotes deletions):

10-2.2500 Administrative Design Review.

- Notice of pending decision. Notice of a pending (e) decision by the Planning Director shall be given as follows for all non-residential development under Section 10-2.2500 (a)(9)and multiple-family developments. this for new (For purposes of section, new multiple-family developments mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the existina development total floor area of on the lot. New development shall not include a "second unit" as defined in Section 10-2.402.)
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 100 feet of the exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available; and
- (2) By posting such notice in at least one prominent place on or about each parcel which is the subject of the proposed action, or upon utility poles or sticks along or about the street line of such parcel.
- (3) The content of the notice of pending decision for an Administrative Design Review shall contain the following information:
- a. The date of filing of the application and the name of the applicant;
- b. The file number assigned to the application;
- c. A description of the proposed development and its location;
- d. The date at which the application is expected to be approved; and
- Α statement that revisions the proposed project will be considered by the Planning Director upon any provided that written written request of person such request is received by the Planning Director within ten (10) working days from the date of sending the notice.

With the proposed changes to the notice of pending decision section shown above, an

M.1., File # 22-3884 Meeting Date: 4/5/2022

appeal would now be an option for these projects since non-residential projects would become subject to notice of pending decision. Below is the code that addresses what can be appealed under Administrative Design Review:

Appeal of decision. The decision of the Community (g) Development Director be final and conclusive shall unless. ten (10) days after the date of such decision, a written appeal filed with Community Development Department the requesting а public hearing before the Planning Commission. In the case of not subject notice of pendina decision pursuant to to section, subsection (e) of this only the applicant and/or property owner may appeal the decision of the Community Development Director.

This item was initially on the agenda at the March 15, 2022 meeting and was continued to the April 5, 2022 meeting. This discussion item is for City Council to consider draft language to amend the Administrative Design Review process to include the notice of pending decision and appeal requirements for qualifying non-residential projects, and to consider reducing the threshold for triggering Planning Commission Design Review.

COORDINATION

The Community Development Department Planning Division coordinated the preparation of this administrative report. Staff have also communicated with staff in Torrance, Hermosa Beach, and Manhattan Beach.

FISCAL IMPACT

The costs for developing recommendations on potential revisions to the City's land use procedures are included in the Community Development Department's annual budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- City of Redondo Beach Administrative Design Review Procedures Inland
- City of Redondo Beach Administrative Design Review Procedures Coastal
- City of Redondo Beach Planning Commission Design Review Procedures Inland
- City of Redondo Beach Planning Commission Design Review Procedures Coastal

RESOLUTION NO. 2022-06-PCR-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING REDONDO BEACH MUNICIPAL CODE TITLE 10, CHAPTER 2, ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

WHEREAS, the City Council has been made aware that new non-residential development and additions under a certain threshold subject to the current provisions of the Administrative Design Review criteria and procedures within the Redondo Beach Municipal Code do not require a public notice and are not appealable (except by the applicant and/or property owner);

WHEREAS, the City Council at their meeting of April 5th, 2022, directed City staff to prepare amendments to the Administrative Design Review procedures which would provide for a notice of pending decision and appeal process for qualifying non-residential projects, and increase the public notice radius for all projects that are subject to Administrative Design Review;

WHEREAS, notice of the time and place of the public hearing where the ordinance amendments would be considered was given pursuant to State law and local ordinance by publication in the <u>Easy Reader</u> at least 10 days prior to the public hearing; and

WHEREAS, the Planning Commission took public testimony and considered the ordinance amendments on the 16th day of June, 2022.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY FIND AS FOLLOWS:

SECTION 1. FINDINGS

- 1. In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption because the activity will not result in direct or reasonable foreseeable indirect physical change in the environment (Section 15060(c)(2)) and the activity is not a considered a project under CEQA and therefore qualifies for the general rule exemption under Section 15061(b)(3) of the CEQA Guidelines.
- 2. The amendments to the Zoning Ordinance are consistent with the General Plan.

- a. Land Use Element, Goal 1E. Ensure that the types of land uses developed in the City complement and do not adversely affect the quality of life and health of the City's residents, businesses, and visitors.
- b. Land Use Element, Policy 1.1.2. Establish density limits and standards which ensure that new development maintains and enhances the overall quality of life, scale, and physical characteristics which are the City's assets.
- 3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
 - a. Land Use Section. The following policies set forth land use guidelines for the future development in the City's Coastal ·zone.
 - i. 5. New developments within the commercial recreational land use district will be subject to approval by the city based on compatibility with surrounding land uses.
- 4. These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 2. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission recommends that the City Council adopt the amendments to the Redondo Beach Municipal Code pertaining to procedures for Administrative Design Review.

- SECTION 2. AMENDMENT OF CODE. Title 10, Chapter 2 Section 10-2.2500 "Administrative Design Review" Subsection (e) to be amended as follows (NOTE: Additions are noted as <u>underlined</u> and deletions are noted in <u>strikeout</u>):
- (e) **Notice of pending decision.** Notice of a pending decision by the Planning Director shall be given as follows for <u>all non-residential development under Section 10-2-2500(a)(9) and for new multiple-family developments. (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-2.402.)</u>
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 100 feet 300 feet of the exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available; and

- (2) By posting such notice in at least one prominent place on or about each parcel which is the subject of the proposed action, or upon utility poles or sticks along or about the street line of such parcel.
- (3) The content of the notice of pending decision for an Administrative Design Review shall contain the following information:
 - a. The date of filing of the application and the name of the
 - b. The file number assigned to the application;
 - c. A description of the proposed development and its location;
 - d. The date at which the application is expected to be

approved; and

applicant;

- e. A statement that revisions to the proposed project will be considered by the Planning Director upon the written request of any person provided that such written request is received by the Planning Director within ten (10) working days from the date of sending the notice.
- SECTION 3. AMENDMENT OF CODE. Title 10, Chapter 5 Section 10-5.2500 "Administrative Design Review" Subsection (e) to be amended as follows (NOTE: Additions are noted as underlined and deletions are noted in strikeout):
- (e) **Notice of pending decision.** Notice of a pending decision by the Community Development Director shall be given as follows for <u>all non-residential</u> <u>development under Section 10-5.2500(a)(9) and for new multiple-family developments.</u> (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-5.402.)
- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 400 feet 300 feet of exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available.
- (2) By posting such notice in at least one prominent place on or about each parcel which is the subject of the proposed action, or upon utility poles or sticks along or about the street line of such parcel.
- (3) The content of the notice of pending decision for an Administrative Design Review shall contain the following information:
- a. The date of filing of the application and the name of the applicant;
 - b. The file number assigned to the application;
 - c. A description of the proposed development and its location;

d. The date at which the application is expected to be

approved; and

e. A statement that revisions to the proposed project will be considered by the Community Development Director upon the written request of any person provided that such written request is received by the Community Development Director within ten (10) working days from the date of sending the notice.

SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council shall declare that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

FINALLY RESOLVED, that the Planning Commission forward a copy of this resolution to the City Council so the Council will be informed of the action of the Planning Commission.

PASSED, APPROVED, AND ADOPTED this 16 th day of June, 2022. Rob Gadols, Chair Planning Commission City of Redondo Beach
ATTEST:
STATE OF CALIFORNIA) COUNTY OF LOS ANGELES) SS CITY OF REDONDO BEACH)
I, Brandy Forbes, Community Development Director of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. 2022-06-PCR-06 was duly passed, approved and adopted by the Planning Commission of the City of Redondo Beach, California, at a regular meeting of said Planning Commission held on the 16 th day of June, 2022 by the following vote:
AYES: Chair Gaddis, Commissioners Behrendt, Boswell, Godek, Hazeltine, Hinsley, and Lamb
NOES: None
ABSENT: None
ABSTAIN: None
Brandy Fordes, MICP Community Development Director
APPROVED AS TO FORM:
City Attorney's Office



Administrative Report

J.1., File # PC22-4354 Meeting Date: 6/16/2022

To: PLANNING COMMISSION

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

A PUBLIC HEARING FOR CONSIDERATION OF AMENDMENTS TO TITLE 10, CHAPTER 2 ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE OF THE REDONDO BEACH MUNICIPAL CODE SECTIONS 10-2.2500 AND 10-5.2500 PERTAINING TO THE PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

RECOMMENDATION:

- 1. Open Public Hearing and take testimony from staff, and other interested parties, and deliberate;
- 2. Close Public Hearing; and
- 3. Adopt a resolution by title only subject to the findings contained therein:

ADOPT A RESOLUTION BY TITLE ONLY OF A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 10, CHAPTER 2 ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

BACKGROUND

Redondo Beach's current land use regulations have thresholds of what size of project triggers Planning Commission Design Review for multi-family residential units and for commercial / industrial / mixed use / public development. This type of review has public hearing requirements and specific criteria to be met for Planning Commission approval. If a project does not trigger Planning Commission Design Review and does not otherwise require a public hearing (such as Conditional Use Permit or Variance), it would follow the Administrative Design Review process and be reviewed and approved by the Community Development Director. A recent project for a new commercial office building followed the existing Administrative Design Review process pursuant to RBMC 10-2.2500. The project was located immediately adjacent to a single family residential neighborhood and when the residential neighbors saw the demolition at the property and inquired about the project, they wanted to know why they had not been officially notified. It was discovered that there is not a requirement for notice of pending decision of non-residential development under the Administrative Design Review procedures. As well, the only projects that are eligible for appeal under Administrative Design Review are those subject to a notice of pending appeal. Therefore, there is no appeal process for commercial / non-residential projects (except by the applicant) under the existing Administrative Design Review procedures (RBMC 10-2.2500).

Meeting Date: 6/16/2022

As a referral to staff at the January 4, 2022 City Council meeting, and as part of the current Strategic Plan, this discussion item was brought to City Council for consideration at the April 5, 2022 meeting. City Council provided direction to add non-residential projects to the notification requirement, which in turn then makes those projects eligible for appeal. As well, City Council expanded the notification area from 100' to 300' for all projects requiring an Administrative Design Review and a notice of pending decision. The ordinance is now before Planning Commission for review and recommendation to City Council.

The Redondo Beach Municipal Code (RBMC) Sections 10-2.2502 and 10-5.2502 establish the procedures for Planning Commission Design Review (PCDR) for multi-family residential (4 or more units or an addition of 1,000 square feet of gross floor area) and for commercial / industrial / mixed use / public development new construction and additions (10,000 square feet of land area). This is in addition to those projects that may also require a Conditional Use Permit or Variance or otherwise required to be considered by Planning Commission. Projects requiring PCDR have a public hearing before the Planning Commission and are appealable to the City Council.

If a project does not trigger Planning Commission Design Review and does not otherwise require a public hearing (such as Conditional Use Permit or Variance), it would be considered under Administrative Design Review procedures (either RBMC 10-2.2500 for inland or 10-5.2500 for coastal), and be reviewed and approved by the Community Development Director. For those projects subject to ADR, an appeal can only be filed by non-applicants/owners if it is a project subject to a "notice of pending decision." Otherwise, there is no appeal process available to concerned members of the public. In the current Redondo Beach regulations, the only ADR applications where a notice of pending decision is issued is for new multiple-family developments (two (2) or three (3) dwelling units on a lot). Therefore, non-residential projects that do not meet the threshold of Planning Commission Design Review, regardless of their proximity to residential zones or other criteria, are not required to provide notice to neighboring properties and are not appealable, except by the owner or applicant.

As a referral to staff at the January 4, 2022 City Council meeting, and subsequently as part of the current Strategic Plan, City Council requested this discussion item to consider draft language to amend the Administrative Design Review process to include notice of pending decision and appeal requirements for qualifying non-residential projects. City Council considered the potential revisions at their April 5, 2022 meeting and provided direction to add non-residential projects to the notification requirement, which in turn then makes those projects eligible for appeal. As well, City Council expanded the notification area from 100' to 300'. The ordinance is now before Planning Commission for review and recommendation to City Council.

Below is the proposed text amendment to the zoning ordinance. Note that the proposed changes are identical for Title 10, Chapter 2 Zoning and Land Use and Title 10, Chapter 5 Coastal Land Use Plan Implementing Ordinance therefore the text amendment noted below is proposed for both Chapters and both are included in the proposed Planning Commission Resolution.

Title 10, Chapter 2 Section 10-2.2500 "Administrative Design Review" Subsection (e) to be amended as follows (NOTE: Additions are noted as <u>underlined</u> and deletions are noted in <u>strikeout</u>):

J.1., File # PC22-4354 Meeting Date: 6/16/2022

(e) **Notice of pending decision.** Notice of a pending decision by the Planning Director shall be given as follows for <u>all non-residential development under Section 10-2-2500(a)(9) and for</u> new multiple-family developments. (For purposes of this section, new multiple-family developments shall mean development of two (2) or three (3) dwelling units on a vacant lot or in conjunction with demolition of fifty (50%) percent or more of the total floor area of existing development on the lot. New development shall not include a "second unit" as defined in Section 10-2.402.)

- (1) By mailing a written notice thereof, not less than ten (10) working days prior to the date of pending approval to the applicant, to the owner of the subject property and to the owners of properties within 100 feet 300 feet of the exterior boundary of the subject property or properties; such notices shall be sent by first class mail, with postage prepaid, using the addresses from the last adopted tax roll, if available; and
- (2) By posting such notice in at least one prominent place on or about each parcel which is the subject of the proposed action, or upon utility poles or sticks along or about the street line of such parcel.
- (3) The content of the notice of pending decision for an Administrative Design Review shall contain the following information:
 - a. The date of filing of the application and the name of the applicant;
 - b. The file number assigned to the application;
 - c. A description of the proposed development and its location;
 - d. The date at which the application is expected to be approved; and
- e. A statement that revisions to the proposed project will be considered by the Planning Director upon the written request of any person provided that such written request is received by the Planning Director within ten (10) working days from the date of sending the notice.

ENVIRONMENTAL STATUS:

The ordinance amendments are exempt from environmental review under the California Environmental Quality Act (CEQA), pursuant to Section 15060(c)(2) of the Guidelines for the Implementation of CEQA because the activity will not result in direct or reasonably foreseeable indirect physical change to the environment. Further, the activity is not considered a project under CEQA and therefore qualifies for the general rule exemption under Section 156061(b)(3) of the CEQA Guidelines.

ATTACHMENTS

Draft Resolution
City Council Administrative Report April 5, 2022
Minutes City Council April 5, 2022 (excerpt)
Legal Ad Proof

CITY OF REDONDO BEACH PLANNING COMMISSION MINUTES Thursday, June 16, 2022

A. CALL TO ORDER

A meeting of the Planning Commission was held in Redondo Beach Council Chambers at 415 Diamond Street, Redondo Beach, California and via teleconference and was called to order by Chair Gaddis at 6:37 p.m.

B. ROLL CALL

Commissioners Present: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

Officials Present: Brandy Forbes, Community Development Director

Sean Scully, Planning Manager Lina Portolese, Planning Analyst

C. SALUTE TO THE FLAG

Had been done prior to Call to Order

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to approve the order of the agenda, as presented. Hearing no objections, Chair Gaddis so ordered.

E. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

E.1. RECEIVE AND FILE BLUE FOLDER ITEMS

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to receive and file Blue Folder Items. Hearing no objections, Chair Gaddis so ordered.

F. CONSENT CALENDAR

F.1. APPROVE AFFIDAVIT OF POSTING FOR THE PLANNING COMMISSION REGULAR MEETING OF JUNE 16, 2022

F.2. APPROVE MINUTES OF THE PLANNING COMMISSION REGULAR MEETING OF MAY 19, 2022

Commissioner Hinsley pulled Item F.3. from the Consent Calendar for separate discussion.

There were no public comments on the Consent Calendar.

Motion by Commissioner Hazeltine, seconded by Commissioner Godek, to approve the Items No. F.1 and F.2 of the Consent Calendar, as presented. Motion carried unanimously, by the following roll call vote:

AYES: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

NOES: None ABSENT: None ABSTAIN: None

G. EXCLUDED CONSENT CALENDAR ITEMS - None

F.3. RECEIVE AND FILE PLANNING COMMISSION REFERRALS TO STAFF UPDATE OF JUNE 16, 2022 - no current update

Commissioner Hinsley requested that staff include the matrix, even when there is not update, going forward. Additionally, he noted tonight's agenda is light and wondered why other discussion items were not included.

Community Development Director Forbes reported that although the agenda has only one item, staff's workload is not light on other priorities directed by City Council; hoped discussion items would have been added but some plans needed correction and were not ready to present. Additionally, items recently considered by the Planning Commission are still ongoing and it takes time to go through the process.

There were no public comments on this item.

Motion by Commissioner Hinsley, seconded by Commissioner Hazeltine, to approve Item No. F.3. Hearing no objections, Chair Gaddis so ordered.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

H.1. RECEIVE AND FILE PUBLIC WRITTEN COMMENTS ON NON-AGENDA ITEMS

Allen Klainbaum mentioned the City will be planting trees in different neighborhoods but expressed concerns that residents have not be notified or informed.

Lara Duke discussed the Beach Cities Health District (BCHD) Healthy Living Campus Plan; referenced the Public Community Facilities Zone; noted uses allowed in the zone; reported the structure BCHD intends to build is a massive residential care facility for the elderly, is out of scale with the surrounding neighborhood and will be sold at market value; felt the structure should go into a high-density residential zone and not on the proposed Public Community Facilities Zone. She added the project should be in the right zone and should involve Measure DD and urged the Planning Commission to reject it when the matter is considered.

MINUTES – PLANNING COMMISSION Monday, June 16, 2022 Page 2 Planning Analyst Lina Portolese read an eComment from Mark Nelson regarding the BCHD project.

There were no other public comments.

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to receive and file public comments on non-agenda items. Motion carried unanimously, by the following roll call vote:

AYES: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

NOES: None ABSENT: None ABSTAIN: None

I. EX PARTE COMMUNICATION

Commissioner Behrendt reported speaking with Chair Gaddis, Councilmember Laura Emdee and Councilmember Zein Obagi, Jr.

Commissioner Godek reported speaking with a member of the community.

Commissioner Hinsley reported speaking with staff and one member of the community.

Chair Gaddis reported speaking with Commissioner Behrendt, Councilmember Todd Loewenstein and a member of the public.

J. PUBLIC HEARINGS

J.1. A PUBLIC HEARING FOR CONSIDERATION OF AMENDMENTS TO TITLE 10, CHAPTER 2 ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE OF THE REDONDO BEACH MUNICIPAL CODE SECTIONS 10-2.2500 AND 10-5.2500 PERTAINING TO THE PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

RECOMMENDATION:

- 1. Open Public Hearing and take testimony from staff, and other interested parties, and deliberate;
- 2. Close Public Hearing; and
- 3. Adopt a resolution by title only subject to the findings contained therein:

ADOPT A RESOLUTION BY TITLE ONLY OF A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 10, CHAPTER 2 ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to open the public hearing. Motion carried unanimously, by the following roll call vote:

AYES: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

NOES: None ABSENT: None ABSTAIN: None

Community Development Director Forbes presented details of the Administrative Report and narrated a PowerPoint presentation.

Commissioner Lamb referenced Section 10-2-2500-A9 does not specify that non-residential developments under 10,000 square feet require ADRs, asked why there is an absence of the specification and believed it would be reasonable to add more specificity to add clarity to the code.

Community Development Director Forbes explained the item and noted the code includes Planning Commission design review and commented on the possibility of creating a conflict with the code.

Discussion followed regarding the threshold requiring Planning Commission design review for mixed use, findings required in the Coastal Land Use Plan, new non-residential developments not under 10,000 square feet, Planning Commissioner Design Review versus Administrative Design Review and yearly appeals considered by the Planning Commission.

There were no public comments on this item.

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to close the public hearing. Motion carried unanimously, by the following roll call vote:

AYES: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

NOES: None ABSENT: None ABSTAIN: None

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to ADOPT A RESOLUTION BY TITLE ONLY OF A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 10, CHAPTER 2 ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO PROCEDURES FOR ADMINISTRATIVE DESIGN REVIEW. Motion carried unanimously, by the following roll call vote:

AYES: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

NOES: None ABSENT: None ABSTAIN: None

MINUTES – PLANNING COMMISSION Monday, June 16, 2022 Page 4

K. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None

L. ITEMS FOR DISCUSSION PRIOR TO ACTION - None

M. ITEMS FROM STAFF

Community Development Director Forbes provided updates on the Encroachment Ordinance, the Cannabis Ordinance, the Housing Element and Residential Design Guidelines.

N. COMMISSION ITEMS AND REFERRALS TO STAFF

Commissioner Hinsley asked for a copy of typical notifications sent to residents within three hundred feet of a project.

Chair Gaddis asked for copies of notifications for all appeals of land use decisions and governing documents for appeals on projects.

Discussion followed regarding changes in the appeals process for CEQA, evaluating the ordinance for artificial turf for private property, reviewing installation of artificial turf on public rights-of-ways and defining compatibility within Residential Design Guidelines.

O. ADJOURNMENT

Motion by Commissioner Godek, seconded by Commissioner Hinsley, to adjourn the meeting. Motion carried unanimously, by the following roll call vote:

AYES: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

NOES: None ABSENT: None ABSTAIN: None

At 7:41 p.m., Chair Gaddis adjourned the meeting to the regular meeting of July 21, 2022, at 6:30 p.m.

All written comments submitted via eComment are included in the record and available for public review on the City website.

respectionly subtimited,
Brandy Forbes, AICP
Community Development Director

Respectfully submitted



NOTICE OF PUBLIC HEARING BEFORE THE CITY COUNCIL

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BEFORE THE CITY COUNCIL OF THE CITY OF REDONDO BEACH ON THE FOLLOWING MATTER. ANY AND ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD.

SUBJECT OF THE HEARING: Public hearing to consider ordinances amending Title 10 Chapter 2 Zoning and Land Use, and Title 10 Chapter 5 Coastal Land Use Plan Implementing Ordinance of the Redondo Beach Municipal Code Sections 10-2.2500 and 10-5.2500 pertaining to procedures for Administrative Design Review (ADR) for multi-family residential and for commercial, industrial, mixed-use, and public development rew construction and additions. public development new construction and additions.

The City Council will also consider adoption of findings/exemptions under the California Environmental Quality Act (CEQA), including but not limited to findings that said additional regulations and/or amendments of existing regulations are not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the CEQA Guidelines, and that the code amendments are not a "project" subject to Section 15378(b)(5).

PUBLIC HEARING: The public hearing on this matter will take place before the City Council on Tuesday, August 2nd, 2022 at 6:00 p.m., or as soon thereafter as possible, in the Redondo Beach City Council Chamber, 415 Diamond Street, Redondo Beach, California, or for public participation by Virtual Meeting. The meeting will also be livestreamed on the City's website at www.redondo.org/RBTV. You Tube at www.youtube.com/c/CityofRedondoBeachIT, and broadcast live through Spectrum Channel 8 and Frontier Communications Channel 41. Members of the public may participate during the meeting as outlined below. as outlined below

PUBLIC COMMENT: There will be three options for public testimony

- 1.
- In person oral testimony can be provided by attending the meeting in the City of Redondo Beach City Council Chamber at the address noted above. Interested persons may submit a written eComment through the City's agenda webpage at https://redondo.legistar.com/calendar.aspx. Specific instructions for eComment will be provided on the agenda cover page when it is released at least 72 hours prior to the meeting. eComments may be read out loud by City staff during the public hearing and are limited to 3 minutes in length (up to 2200 characters). Only one eComment per person.
- minutes in rengan (up to 2250 s.m.)
 per person.
 Oral public testimony can be provided live by joining the virtual Zoom meeting by computer or phone-in. Registration is required. The registration link will be provided on the agenda coversheet when it is released at least 72 hours prior to the

A person may either comment live or submit an eComment, but

For those that cannot participate during the public hearing, written comments for the City Council on this matter may be submitted by email to PlanningRedondo@redondo.org. Written comments will be accepted up to 3:00 p.m. the day of the public hearing, August 2, 2022, to allow time for distribution to the City Council as a Blue Folder item.

ADDITIONAL INFORMATION: Questions related to this matter may be submitted by email to PlanningRedondo@redondo.org. A staff member will provide assistance.

The agenda packet with the administrative report and materials related to this matter will be available for review at least 72 hours prior to the public hearing, pursuant to State Law and local ordinance, on the City of Redondo Beach website https://redondo.legistar.com/Calendar.aspx. Select the August 2, 2022 City Council meeting.

The draft amendments are also provided for review to the California Coastal Commission South Coast Area Office consistent with Title 14, Cal. Code Regs. Section 13515 at least 72 hours prior to the

If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

CITY OF REDONDO BEACH, CALIFORNIA

City Clerk of the City of Redondo Beach Easy Reader Inc/Redondo Beach News/July 21, 2022/RD22-050



Administrative Report

L.2., File # 22-4457 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

PUBLIC HEARING FOR INTRODUCTION AND FIRST READING OF AN ORDINANCE ADDING TITLE 3, CHAPTER 16 OF THE REDONDO BEACH MUNICIPAL CODE GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT, APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481 AND CONSIDERATION OF A CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION FOR THE PROPOSED CODE AMENDMENTS IN ACCORDANCE WITH SECTION 15308 OF THE CEQA GUIDELINES

PROCEDURES:

- 1. OPEN THE PUBLIC HEARING AND TAKE TESTIMONY;
- CLOSE THE PUBLIC HEARING; AND
- INTRODUCE ORDINANCE BY TITLE ONLY

INTRODUCE BY TITLE ONLY ORDINANCE NO 3238-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING TITLE 3, CHAPTER 16 TO THE REDONDO BEACH MUNICIPAL CODE GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT AND APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481

EXECUTIVE SUMMARY

On September 30, 2021, Governor Newsom signed into law Assembly Bill 481 (AB 481), codified in Government Code sections 7070 through 7075. AB 481 requires a law enforcement agency to obtain approval from the applicable governing body, via adoption of a "military equipment" use policy by ordinance, prior to acquiring, or using equipment deemed military equipment as defined in Assembly Bill 481. Adoption of the proposed Ordinance is necessary for the Police Department to be in compliance with AB 481 and to formally approve the Department's Military Equipment Use Policy.

BACKGROUND

The term "military equipment," as used in AB 481, in fact, does not necessarily indicate the equipment has been used or acquired through the military. Items deemed to be "military equipment" by AB 481 are used as a component of overall best practices for law enforcement agencies throughout the country. These tools have been tested in the field and are used by law enforcement to enhance public and officer safety. None of the equipment in the Redondo Beach Police Department inventory has been obtained from the military, nor is it solely designated for military use.

L.2., File # 22-4457 Meeting Date: 8/2/2022

Pursuant to AB 481, items deemed to be "military equipment" include, but are not limited to, unmanned aerial or ground vehicles, armored vehicles, command and control vehicles, less lethal shotguns, less-lethal 40mm projectile launchers, and flashbangs. AB 481 requires law enforcement agencies to "commence a governing body approval process" prior to May 1, 2022. Additionally, if the governing body does not approve and adopt the military equipment use policy within 180 days of when it is first submitted, the agency must cease using the military equipment until the policy is approved and the ordinance adopted. Further, AB 481 requires that the draft policy be posted on the Police Department website at least thirty days prior to any public hearing on the policy.

The Redondo Beach Police Department is committed to using the most up-to-date tools and equipment to safeguard our citizens. Many of the items deemed to be "military equipment" by AB 481 are in fact employed by the Police Department, and other law enforcement agencies across the country, in order to specifically reduce risk to community members. These items provide peace officers with the ability to safely resolve volatile situations which otherwise might rise to the level of a lethal force encounter. To that end, the items at issue in this report, and accompanying Military Equipment Use Policy, also provide all members of the Police Department with vital tools that facilitate compliance with the Police Department use of force policy. Loss of these items would jeopardize the welfare of citizens and peace officers within the City of Redondo Beach.

There is significant interest in ensuring that law enforcement continues to have access to equipment that will provide peace officers as many options as possible to safeguard lives, ensure safety, and protect civil liberties. The use of the tools identified in the equipment list is vital to the vision and mission of the Police Department and will continue to be strictly regulated through internal processes and oversight.

The proposed ordinance is in compliance with AB 481 and as required, the draft Policy was posted on the Police Department's website on April 19, 2022, over 30 days prior to the introduction of the Ordinance. The policy includes a link to each item identified in Government Code section 7070 as military equipment that is currently owned and utilized by the Police Department which also includes the current use and cost of each item. These particular items, and their stated uses, have been in place prior to the implementation of AB 481. Therefore, future acquisitions of any item deemed to be "military equipment" could require a policy update, and City Council approval. The proposed Policy protects the public's welfare, safety, civil rights, and civil liberties while ensuring that there are safeguards, including transparency, oversight, and accountability measures in place.

There are no reasonable alternatives to the applicable equipment items listed that are currently in use by the Police Department. Additionally, the Police Department has not discovered alternative items that can achieve the same officer and civilian safety objectives. Any use of what has been deemed military equipment by AB 481 must be reasonably necessary and conform to all applicable Police Department policy sections. The facts and circumstances surrounding any incident must be carefully weighed and considered before authorizing the use of, or utilizing this equipment. Adoption of the proposed Ordinance is necessary in order for the Police Department to be in compliance with AB 481 and to formally approve the Department's Military Equipment Use Policy.

ENVIRONMENTAL STATUS

The ordinance amendments are exempt from environmental review under the California Environmental Quality Act (CEQA), pursuant to Section 15060(c)(2) of the Guidelines for the

L.2., File # 22-4457 Meeting Date: 8/2/2022

Implementation of CEQA because the activity will not result in direct or reasonably foreseeable indirect physical change to the environment. Further, pursuant to Section 15060(c)(3) the activity is not considered a project under CEQA and therefore qualifies for the general rule exemption under Section 15378(b)(5) of the CEQA Guidelines.

COORDINATION

The Police Department coordinated preparation of the ordinance with the City Attorney's Office.

FISCAL IMPACT

There is no fiscal impact associated with the adoption of the proposed Ordinance.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ordinance
- Military Equipment List
- Military Equipment Policy
- AB 481 Bill text
- CEQA Exemption
- Legal Ad Public Hearing Notice
- AB 481 Presentation

ORDINANCE NO. 3238-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING TITLE 3, CHAPTER 16 OF THE REDONDO BEACH MUNICIPAL CODE GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT AND APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481

WHEREAS, on September 30, 2021, Governor Newsom signed into law, effective January 1, 2022, Assembly Bill 481 ("AB 481"), codified in California Government Code Section 7070 et. seq. relating to the use of military equipment as defined in AB 481 by California law enforcement agencies; and

WHEREAS, AB 481 seeks to provide transparency, oversight and an opportunity for meaningful public input on decisions regarding whether and how military equipment is funded, acquired or used; and

WHEREAS, the Redondo Beach Police Department is in possession of certain items of equipment that qualify as "military equipment" as defined by AB 481; and

WHEREAS, the Redondo Beach Police Department does not possess any tactical equipment obtained from the military nor does it possess any equipment that is designed solely for military use; and

WHEREAS, AB 481 requires that a law enforcement agency possessing and using such qualifying equipment must prepare a publicly released, written, military equipment use policy document covering the inventory, description, purpose, use, acquisition, maintenance, fiscal impacts, procedures, training, oversight, and complaint process, applicable to the Department's use of such equipment; and

WHEREAS, pursuant to Government Code section 7071(a)(2), if seeking to continue the use of any military equipment that was acquired prior to January 1, 2022, the Redondo Beach Department was obligated to, and has met the requirement, of commencing a City Council approval process for the Military Equipment Use Policy no later than May 1, 2022; and

WHEREAS, as further required by Government Code section 7071(a)(2), if the City Council does not approve the continuing use of military equipment, including by adoption pursuant to a Military Equipment Use Policy, within 180 days of submission of the proposed Military Equipment Use Policy to City Council, the Redondo Beach Police Department shall cease its use of the military equipment until it receives the approval of City Council in accordance with this Ordinance; and

WHEREAS, Government Code Section 7071(b) requires that the Redondo Beach Police Department post to its website the Military Equipment Use Policy that it plans to propose to the City Council, at least 30 days prior to any public hearing concerning the policy; and

WHEREAS, on April 19, 2022, the Redondo Beach Police Department posted its draft Military Equipment Use Policy to its public website, thereby complying with the 30-day posting requirement prior to a public hearing before City Council on August 2, 2022; and

WHEREAS, the Military Equipment Policy and supporting information must be approved by the governing body by ordinance, and reviewed annually; and

WHEREAS, the City Council of the City of Redondo Beach, having received the information required under AB 481 regarding the Redondo Beach Police Department's use of military equipment as defined in said law, deems it to be in the best interest of the City to approve the Military Equipment Policy as set forth herein.

NOW THEREFORE, the City Council of the City of Redondo Beach, California DOES HEREBY ORDAIN as follows:

SECTION 1. The above recitals are true and correct and incorporated herein.

SECTION 2. Having considered the Military Equipment Use Policy, and the information provided to the City Council at the public hearing, the City Council makes the following findings required by Government Code Section 7071(d)(1);

- A. The Military Equipment inventory included in the Military Equipment Use Policy lists equipment that is necessary because there is no reasonable alternative that can achieve the same objective of officer and civilian safety;
- B. The proposed Military Equipment Use Policy will safeguard the public's welfare, safety, civil rights, and civil liberties;
- C. If purchasing the equipment listed, the equipment is reasonably cost effective compared to available alternatives that can achieve the same objective of officer and civilian safety;
- D. Prior Military Equipment use complied with the Military Equipment Use Policy that was in effect at the time, or if prior uses did not comply with the accompanying Military Equipment Use Policy, corrective action has been taken to remedy nonconforming uses and ensure future compliance.

SECTION 3. The Redondo Beach Police Department Military Equipment Use Policy is hereby approved.

SECTION 4. AMENDMENT OF CODE. That a new Chapter 16 (entitled "Military Equipment Use Policy") of Title 3 (entitled "Public Safety") of the Redondo Beach Municipal Code, is added in its entirety to read as follows:

MILITARY EQUIPMENT USE POLICY 3.16.01 Definitions 3.16.02 Military Equipment Use Policy Requirement 3.16.03 Reports on the Use of Military Equipment

§3.16.01 Definitions

- A. "Military Equipment" includes all of the following, as defined in California Government Code §7070:
 - 1. Unmanned, remotely piloted, powered aerial or ground vehicles.
 - 2. Mine-resistant ambush-protected (MRAP) vehicles or armored personal carriers. Police versions of standard consumer vehicles are specifically excluded from this subchapter.
 - 3. High mobility multipurpose wheeled vehicles (HMMWV), commonly referred to as Humvees, two and one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached. Unarmored all-terrain vehicles (ATVs) and motorized dirt bikes are specifically excluded from this subchapter.
 - 4. Tracked armored vehicles that provide ballistic protection to their occupants and utilize a tracked system instead of wheels for forward motion.
 - 5. Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
 - 6. Weaponized aircraft, vessels, or vehicles of any kind.
 - 7. Battering rams, slugs, and breaching apparatuses that are explosive in nature. Items designed to remove a lock, such as bolt cutters, or a handheld ran designed to be operated by one person, are specifically excluded from this subchapter.

- 8. Firearms of .50 caliber or greater. Standard issue shotguns are specifically excluded from this subchapter.
- 9. Ammunition of .50 caliber or greater. Standard issue shotgun ammunition is specifically excluded from this subchapter.
- 10. Specialized firearms and ammunition of less than .50 caliber, including assault weapons as defined in Penal Code Sections 30510 and 30515, with the exception of standard issue service weapons and ammunition of less that .50 caliber that are issued to officers, agents, or employees of a law enforcement agency or a state agency.
- 11. Any firearm or firearm accessory that is designed to launch explosive projectiles.
- 12. "Flashbang" grenades and explosive breaching tools, "tear gas," and "pepper balls," excluding standard, service-issued handheld pepper spray.
- 13. Taser Shockwave, microwave weapons, water cannons, and the Long-Range Acoustic Device (LRAD).
- 14. The following projectile launch platforms and their associated munitions: 40mm projectile launchers, "bean bag," rubber bullet, and specialty impact munition (SIM) weapons.
- 15. Any other equipment as determined by a governing body or a state agency to require additional oversight.
- 16. Notwithstanding paragraphs (1) through (15) above, "Military Equipment" does not include general equipment not designated as prohibited or controlled by the federal Defense Logistics Agency.
- B. "City" means any department, agency, bureau, and/or subordinate division of the City of Redondo Beach.
- C. "Police Department" means any division, section, bureau, employee, volunteer and/or contractor of the Redondo Beach Police Department.
- D. "City Council" means the governing body that is the Redondo Beach City Council.
- E. "Military Equipment Use Policy" means a publicly released, written document that includes, at a minimum, all the following:

- 1. A description of each type of Military Equipment, the quantity sought, its capabilities, expected lifespan, and product descriptions from the manufacturer of the Military Equipment.
- 2. The purposes and authorized uses for which the law enforcement agency or state agency proposes to use each type of Military Equipment.
- 3. The fiscal impact of each type of Military Equipment, including the initial costs of obtaining the equipment and estimated annual costs of maintaining the equipment.
 - 4. The legal and procedural rules that govern each authorized use.
- 5. The training, including any course required by the Commission on Peace Officer Standards and Training, that must be completed before any officer, agent, or employee of the law enforcement agency or state agency is allowed to use each specific type of Military Equipment to ensure the full protection of the public's welfare, safety, civil rights, and civil liberties and full adherence to the Military Equipment Use Policy.
- 6. The mechanisms to ensure compliance with the Military Equipment Use Policy, including which independent persons or entities have oversight authority, and, if applicable, what legally enforceable sanctions are put in place for violations of the policy.
- 7. For a law enforcement agency, the procedures by which members of the public may register complaints or concerns or submit questions about the use of each specific type of Military Equipment, and how the law enforcement agency will ensure that each complaint, concern, or question receives a response in a timely manner.
- F. "State agency" means the law enforcement division of every state office, officer, department, division, bureau, board, and commission or other state body or agency, except those agencies provided for in Article IV (except Section 20 thereof) or Article VI of the California Constitution.
 - G. "Type" means each item that shares the same manufacturer model number.

§3.16.02 Military Equipment Use Policy Requirement

- A. The Redondo Beach Police Department shall obtain approval of the City Council, by a motion adopting a Military Equipment Use Policy at a regular meeting of the City Council held pursuant to the Ralph M. Brown Act, commencing with Section 54950 of the Government Code, prior to engaging in any of the following:
- 1. Requesting Military Equipment made available pursuant to Section 2576a Title 10 of the United States Code.

- 2. Seeking funds for Military Equipment, including, but not limited to, applying for a grant, soliciting or accepting private, local, state, or federal funds, in kind donations, or other donations or transfers.
- 3. Acquiring Military Equipment either permanently or temporarily, including by borrowing or leasing.
- 4. Collaborating with another law enforcement agency in the deployment or other use of Military Equipment within the territorial jurisdiction of the City of Redondo Beach.
- 5. Using any new or existing Military Equipment for a purpose, in a manner, or by a person not previously approved by the governing body pursuant to this subchapter.
- 6. Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of Military Equipment.
- 7. Acquiring Military Equipment through any means not provided by this section.
- B. In order to facilitate public participation, any proposed or final Military Equipment Use Policy shall be made publicly available on the internet website of the Police Department for as along as the Military Equipment is available to use.
- C. The City Council shall review this ordinance at least annually and vote on whether to renew it at a regular meeting held pursuant to the Ralph M. Brown Act commencing with Section 54950 of the Government Code.

§3.16.03 Reports on the Use of Military Equipment

- A. The Police Department shall submit to City Council an annual Military Equipment Report for each type of Military Equipment approved by the City Council within one year of approval, and annually thereafter for as long as the Military Equipment is available for use.
- B. The Police Department shall also make each annual Military Equipment Report required by this section publicly available on its internet website for as long as the Military Equipment is available for use.
- C. The annual Military Equipment Report shall, at a minimum, include the following information for the immediately preceding calendar year for each type of Military Equipment.

- 1. A summary of how the Military Equipment was used and the purpose of its use.
- 2. A summary of any complaints or concerns received concerning the Military Equipment.
- 3. The results of any internal audits, any information about violations of the Military Equipment Use Policy, and any actions taken in response.
- 4. The total annual cost for each type of Military Equipment including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing costs, and from what source funds will be provided for the Military Equipment in the calendar year following submission of the annual Military Equipment Report.
 - 5. The quantity possessed for each type of Military Equipment.
- 6. If the law enforcement agency intends to acquire additional Military Equipment in the next year, the quantity sought for each type of Military Equipment.
- D. Within 30 days of submitting and publicly releasing an annual Military Equipment Report pursuant to this section, the Police Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the general public may discuss and ask questions regarding the annual Military Equipment Report and the law enforcement agency's funding, acquisition, or use of Military Equipment.
- E. The City Council shall determine, based on the annual Military Equipment Report submitted pursuant to this section, whether each type of Military Equipment identified in that report has complied with the standards for approval set forth in this Subchapter and the Military Equipment Use Policy. If the City Council determines that a type of Military Equipment identified in that annual Military Equipment Report has not complied with the standards for approval, the City Council shall either disapprove a renewal of the authorization for that type of Military Equipment or require modifications to the Military Equipment Use Policy in a manner that will resolve the lack of compliance.

SECTION 5. CEQA. This Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines because there is no possibility that this Ordinance or its implementation would have a significant negative effect on the environment. (14 Cal. Code Regs. § 15061(b)(3).) City staff shall cause a Notice of Exemption to be filed as authorized by CEQA and the State CEQA Guidelines.

SECTION 6. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City

inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 7. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 8. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 16th day of August, 2022.

	William C. Brand, Mayor
APPROVED AS TO FORM:	ATTEST:
Michael W. Webb, City Attorney	Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3238-22 was introduced by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 2nd day of August 2022 and passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 16th day of August 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said ordinance was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
Eleanor Manzano, CMC



AB 481 Compliance Inventory

Page	Equipment
2 - 4	Unmanned, remotely piloted powered aerial, or ground vehicles
5	Armored Vehicle
6 - 8	Breaching apparatuses that are explosive in nature
9 - 12	Firearms of .50 caliber or greater – excluding standard issue shotgun
13	Ammunition of .50 caliber or greater – excluding standard issue shotgun
14 - 21	Specialized firearms/ammunition – excluding standard issue service weapons
22 - 29	"Flashbangs" / "Teargas"
30 - 35	40MM Projectile Launchers, "bean bag," rubber bullet, Special Impact Munition (SIM)

Government Code Section 7070 (c)(1) - Unmanned, remotely piloted powered aerial, or ground vehicles

	UAS - (DJI) Matrice 300
Description	Da-Jiang Innovations (DJI) Matrice 300 is an unmanned aerial system (UAS)
Quantity	1
Capability	A UAS can support first responders by providing real-time information from an
	aerial perspective; and they can be helpful with search and rescue, high-risk
	tactical situations, disaster response, and video and photographic
	documentation of crime scenes.
Lifespan	Varies on operational usage and wear (approximately 5 years)
Manufacturer's	The Matrice 300 RTK is DJI's latest commercial drone platform that takes
Description	inspiration from modern aviation systems. Offering up to 55 minutes of flight
	time, advanced AI capabilities, 6 Directional Sensing & Positioning and more, the
	M300 RTK sets a whole new standard by combining intelligence with high-
D	performance and unrivaled reliability.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	The training requirements for the operation are outlined in RBPD Policy Manual
Training Required	Section 613.5
Authorized Uses /	Policy Manual Section 613
Department Policy	1 only manual session 625
,	Unmanned aerial systems may be utilized to enhance the department's mission
	of protecting lives and property when other means and resources are not
	available or are less effective. The uses include but are not limited to searches
	(missing persons, outstanding suspects), videos/photographs for investigative
	support, overwatch for Officers, disaster response, and special events.
	Any use of a UAS will be in strict accordance with constitutional and privacy
	rights and Federal Aviation Administration (FAA) regulations.
Fiscal Impact	The RBPD is contracted (not to exceed \$105,000.00 per year) with Flying Lion
	which allows for access and use of their UAS aircraft which includes the DJI
	Matrice 300.

UAS - (DJI) Mavic 2 Enterprise Advanced	
Description	Da-Jiang Innovations (DJI) Mavic 2 Enterprise Advanced is an unmanned aerial system (UAS)
Quantity	1
Capability	A UAS can support first responders by providing real-time information from an aerial perspective; and they can be helpful with search and rescue, high-risk tactical situations, disaster response, and video and photographic documentation of crime scenes.
Lifespan	Varies on operational usage and wear (approximately 5 years)
Manufacturer's Description	Capture accurate details in any mission with the Mavic 2 Enterprise Advanced – a highly versatile yet compact tool that packs a whole lot of performance upgrades. With high-resolution thermal and visual cameras, the M2EA supports up to 32x digital zoom and is capable of cetimeter-level positioning accuracy with the RTK module. Expand your vision with advanced dual-cameras.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	The training requirements for the operation are outlined in RBPD Policy Manual Section 613.5
Authorized Uses / Department Policy	Unmanned aerial systems may be utilized to enhance the department's mission of protecting lives and property when other means and resources are not available or are less effective. The uses include but are not limited to searches (missing persons, outstanding suspects), videos/photographs for investigative support, overwatch for Officers, disaster response, and special events. Any use of a UAS will be in strict accordance with constitutional and privacy rights and Federal Aviation Administration (FAA) regulations.
Fiscal Impact	The RBPD is contracted (not to exceed \$105,000.00 per year) with Flying Lion which allows for access and use of their UAS aircraft which includes the DJI Mavic 2 Enterprise Advanced.

UAS – LOKI Mk2	
Description	The LOKI Mk2 is an unmanned aerial system (UAS)
Quantity	2
Capability	A UAS can support first responders by providing real-time information from an aerial perspective; and they can be helpful with search and rescue, high-risk tactical situations, disaster response, and video and photographic documentation of crime scenes.
	The LOKI Mk2 requires no internet service, no GPS, no phone or tablet connection, making it mission capable in seconds from virtually anywhere.
Lifespan	Varies on operational usage and wear (approximately 5 years)
Manufacturer's Description	LOKI is the world's first purpose-built tactical sUAS. Designed and built in conjunction with several of the world's top counter-terror units, LOKI Mk2 solves virtually all of the problems associated with the tactical use of commercial UAS systems. LOKI is intended for close-quarter, indoor, and outdoor tactical scouting missions, and features a highly sensitive Night-Day + IR sensor camera giving it the ability to fly and see in complete darkness
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	The training requirements for the operation are outlined in RBPD Policy Manual Section 613.5 Operators will attend a two-day, 16-hour course, that was specifically designed for the operational use of the LOKI Mk2 Tactical UAS. The curriculum consists of exercises and reality-based scenarios that integrate additional overwatch UAV's into the operations.
Authorized Uses / Department Policy	Unmanned aerial systems may be utilized to enhance the department's mission of protecting lives and property when other means and resources are not available or are less effective. The uses include but are not limited to searches (missing persons, outstanding suspects), videos/photographs for investigative support, overwatch for Officers, disaster response, and special events. Any use of a UAS will be in strict accordance with constitutional and privacy rights and Federal Aviation Administration (FAA) regulations.
Fiscal Impact	The initial purchase cost of the LOKI Mk2 were \$500.00 each. There is currently not a cost for on going maintenance as they have not had to be serviced.

Government Code Section 7070 (c)(2) - Armored Vehicle

	Lenco BearCat G2 Armored Vehicle
Description	Lenco BearCat G2 Armored Rescue Vehicle (ARV)
Quantity	1
Capability	ARVs can support first responders in high-risk operations that would benefit from having a vehicle with a high level of ballistic protection.
Lifespan	Varies on operational usage and wear (approximately 20 years)
Manufacturer's Description	The Lenco Bear Cat tactical armored vehicle operates on a standard Ford F-550 truck chassis, which has been upgraded into a steel armored vehicle that is fourwheel drive with a V8 diesel engine and has enough space to seat 10 to 12 fully equipped officers. The Bear Cat can support first responders in any high-risk incident which would benefit from having a vehicle that provides a high level of ballistic protection; including active shooters, armed or barricaded suspects, hostage situations, high-risk tactical operations, and disaster response. The RBPD often utilizes the armored vehicle at highly visible locations during large events and activities in our city. It is also utilized for community engagement and relations.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	No additional training or special operating license is required to conduct the basic operations of this vehicle.
Authorized Uses / Department Policy	Policy Manual Section 315 (Officer Response to Calls) and 704 (vehicle maintenance) It is the policy of the RBPD to utilize the ARV only for official law enforcement
	purposes, by trained personnel, and pursuant to State and Federal laws, including those regarding use of force.
Fiscal Impact	Initial Cost: On 8-7-07, the cities of El Segundo, Gardena, Hawthorne, Hermosa Beach, Inglewood, Manhattan Beach, Palos Verdes Estates, Redondo Beach, and Torrance entered into a contract whereby the City of Redondo Beach coordinated the purchase of this Lenco Bear Cat for no more than \$245,000 using a grant from the CA Governor's Office of Homeland Security (OHS) through the FY2006 Homeland Security Grant Program (HSGP).
	Estimated Maintenance Costs : Maintenance on this vehicle is divided equally amongst participating cities. The estimated annual cost to Redondo Beach is approximately \$500.00.

Government Code Section 7070 (c)(7) - Breaching apparatuses that are explosive in nature

	Royal Arms 12 Gauge Shot Lock
Description	The Royal Arms Breaching Shotgun
Quantity	1
Capability	This tool allows for officers to safely utilize shotgun breaching rounds to facilitate an entry into a target location by defeating deadbolts, door locks, and hinges. The stand-off that is attached to the end of the barrel allows for positive placement of the device into the correct position and vents gasses to prevent overpressure.
Lifespan	Varies on operational usage and wear.
Manufacturer's Description	Royal Arms Breaching Shotgun starts out with the Remington 870 Express Synthetic 12 Ga Shotgun as its base. We then completely modify it with our custom CNC machined parts to be the ultimate Breaching Shotgun. Royal Arms invented the Breachers and Breaching shotguns. The Remington Express Synthetic model is a great option for those who don't need the upgraded performance of the Police model.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	Only SWAT Officers that have been trained in the use of the breaching shotgun are authorized to utilize this tool. SWAT Officers assigned as a breacher must successfully complete an 80-hour SWAT Academy and must attend extensive POST certified breaching courses as well as meet annual training requirements.
Authorized Uses /	It is the policy of the RBPD to utilize the breaching shotgun only for official law
Department Policy	enforcement purposes, by trained personnel, and pursuant to State and Federal laws, including those regarding use of force.
Fiscal Impact	Initial Cost: : \$700
	Estimated Maintenance Costs : The annual maintenance cost for this weapon varies based on operational use and wear

	Defense Technology TKO 12-Gauge Breaching Round
Description	Defense Technology TKO 12-Gauge Breaching Round
Quantity	8
Capability	This tool allows for officers to safely utilize shotgun breaching rounds to
	facilitate an entry into a target location by defeating deadbolts, door locks, and
	hinges. The stand-off that is attached to the end of the barrel allows for positive
	placement of the device into the correct position and vents gasses to prevent
	overpressure.
Lifespan	N/A
Manufacturer's	The 12-Gauge TKO Breaching Round is a 12-Gauge shell loaded with a
Description	compressed zinc slug, utilizing smokeless powder as a propellant. The TKO is a
	widely used method to breach door locks or hinges for entry during tactical
	operations. When properly deployed, the TKO is capable of defeating door lock
	mechanisms, door knobs, hinges, dead bolts, safety chains, and pad locks on
	both wooden or hollow core doors. Upon impact with the target, the zinc slug
	disintegrates in to a fine powder eliminating fragmentation.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	Only SWAT Officers that have been trained in the use of the breaching shotgun
	are authorized to utilize this tool. SWAT Officers assigned as a breacher must
	successfully complete an 80-hour SWAT Academy and must attend extensive
Authorized Uses /	POST certified breaching courses as well as meet annual training requirements.
Authorized Uses /	It is the policy of the RBPD to utilize the breaching shotgun and rounds only for official law enforcement purposes, by trained personnel, and pursuant to State
Department Policy	and Federal laws, including those regarding use of force.
	and rederal laws, including those regarding use of force.
Fiscal Impact	Approximately \$42.99 per round (based on open source internet data)

Fiocchi Master Key Breaching Round	
Description	The Fiocchi Master Key Breaching Round
Quantity	6
Capability	This tool allows for officers to safely utilize shotgun breaching rounds to facilitate an entry into a target location by defeating deadbolts, door locks, and hinges. The stand-off that is attached to the end of the barrel allows for positive placement of the device into the correct position and vents gasses to prevent overpressure.
Lifespan	N/A
Manufacturer's	N/A
Description	
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	Only SWAT Officers that have been trained in the use of the breaching shotgun are authorized to utilize this tool. SWAT Officers assigned as a breacher must successfully complete an 80-hour SWAT Academy and must attend extensive POST certified breaching courses as well as meet annual training requirements.
Authorized Uses /	It is the policy of the RBPD to utilize the breaching shotgun and rounds only for
Department Policy	official law enforcement purposes, by trained personnel, and pursuant to State and Federal laws, including those regarding use of force.
Fiscal Impact	N/A

Government Code Section 7070 (c)(8) - Firearms of .50 caliber or greater – excluding standard issue shotgun

Description Quantity 1 Capability Lifespan Varies on operational usage and wear. Manufacturer's Description The Model 82A1 is a semi-automatic, recoil operated rifle chambered in .50 BM or .416 Barrett. The rifle is fed from a 10 round detachable (.50 BMG) or fixed (.416 Barrett) magazine. With its low felt recoil and self-loading action, the Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot. Purpose These are necessary because there is no reasonable alternative that can achiev	Barrett M82A1 .50 BMG Sniper Rifle		
Capability Lifespan Varies on operational usage and wear. Manufacturer's Description The Model 82A1 is a semi-automatic, recoil operated rifle chambered in .50 BN or .416 Barrett. The rifle is fed from a 10 round detachable (.50 BMG) or fixed (.416 Barrett) magazine. With its low felt recoil and self-loading action, the Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot.	Description	Barrett M82A1 .50 BMG Sniper Rifle	
Lifespan Varies on operational usage and wear. Manufacturer's Description Or .416 Barrett. The rifle is fed from a 10 round detachable (.50 BMG) or fixed (.416 Barrett) magazine. With its low felt recoil and self-loading action, the Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot.	Quantity	1	
Manufacturer's Description The Model 82A1 is a semi-automatic, recoil operated rifle chambered in .50 BN or .416 Barrett. The rifle is fed from a 10 round detachable (.50 BMG) or fixed (.416 Barrett) magazine. With its low felt recoil and self-loading action, the Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot.	Capability	Long range precision shooting rifle	
Description or .416 Barrett. The rifle is fed from a 10 round detachable (.50 BMG) or fixed (.416 Barrett) magazine. With its low felt recoil and self-loading action, the Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot.	Lifespan	Varies on operational usage and wear.	
(.416 Barrett) magazine. With its low felt recoil and self-loading action, the Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot.	Manufacturer's	The Model 82A1 is a semi-automatic, recoil operated rifle chambered in .50 BMG	
Model 82A1 offers rapid, accurate fire power. The muzzle brake, dual barrel springs and long mainspring design make the rifle comfortable to shoot.	Description	or .416 Barrett. The rifle is fed from a 10 round detachable (.50 BMG) or fixed	
springs and long mainspring design make the rifle comfortable to shoot.		(.416 Barrett) magazine. With its low felt recoil and self-loading action, the	
Purpose These are necessary because there is no reasonable alternative that can achiev			
·	Purpose	· ·	
the same objective of Officer and Community safety, and will safeguard the		1	
public's welfare, safety, civil rights and civil liberties.			
Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are	Training Required	, ,	
		subject to ongoing extensive classroom and practical application training in the	
use of this rifle. Additionally, SWAT Officers regularly train on safe device		,,	
deployment in a variety of operational settings.			
Authorized Uses / It is the policy of the RBPD to utilize this rifle only for official law enforcement	· ·		
Department Policy purposes, and pursuant to State and Federal law regarding the use of force.	Department Policy		
RBPD Policy Section 312		,	
312.3 The only authorized .50 BMG rifles are the ones which are owned and			
issued by the Department. These rifles shall be the Barrett M82A1 and the			
		ArmaLite AR50. The Barrett M82A1 is a semi-automatic, magazine fed rifle. The	
ArmaLite AR50 is a single shot bolt action rifle.		Armalite ARSO is a single shot bolt action rifle.	
212 F TRAINING Only SWAT toom members who have suggestfully completed		212 F TRAINING Only SWAT team members who have suggestfully completed	
312.5 TRAINING Only SWAT team members who have successfully completed		Department authorized training and who are currently authorized shall carry and	
i i i i i i i i i i i i i i i i i i i		utilize the .50 BMG. The training shall consist of an initial .50 BMG user's course	
and qualification score with a certified rifle instructor. SWAT personnel shall			
thereafter be required to successfully complete semi-annual training and		,	
qualification with a certified rifle instructor			
qualification with a tertified the first actor		qualification with a certified file filstractor	
312.6 DEPLOYMENT OF THE .50 BMG SNIPER RIFLE All deployments of the .50		312 6 DEPLOYMENT OF THE 50 BMG SNIPER RIFLE All deployments of the 50	
BMG must have the prior approval of the SWAT Commander. Upon approval,		, ,	
SWAT team members may deploy the .50 BMG in any circumstance where the			
		officer can articulate a reasonable expectation that the .50 BMG may be needed.	
The .50 BMG round is not affected by atmospheric conditions at short range		· ·	
(under 500 yards) and obstructions such as vehicles, glass and standard stucco		, ,	
walls.			
312.9 RIFLE STORAGE The .50 BMG sniper rifles shall be stored in the SWAT		312.9 RIFLE STORAGE The .50 BMG sniper rifles shall be stored in the SWAT	
armory.		·	
Fiscal Impact Initial Cost: unknown	Fiscal Impact	Initial Cost: unknown	
Estimated Maintenance Costs: Varies depending on use and wear.	·		

	ArmaLite AR50 .50 BMG Sniper Rifle
Description	ArmaLite AR50 .50 BMG Sniper Rifle
Quantity	1
Capability	Long range precision shooting rifle
Lifespan	Varies on operational usage and wear.
Manufacturer's Description	The AR-50A1 is a single shot bolt action rifle chambered for the powerful .50 BMG cartridge. The rifle features a unique octagonal receiver and utilizes ArmaLite's proprietary V-Channel chassis. Designed for the challenges of longrange shooting, the AR-50A1 is exceptionally accurate with a highly effective muzzle brake.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize this rifle only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 312
	312.3 The only authorized .50 BMG rifles are the ones which are owned and issued by the Department. These rifles shall be the Barrett M82A1 and the ArmaLite AR50. The Barrett M82A1 is a semi-automatic, magazine fed rifle. The ArmaLite AR50 is a single shot bolt action rifle.
	312.5 TRAINING Only SWAT team members who have successfully completed Department authorized training and who are currently authorized shall carry and utilize the .50 BMG. The training shall consist of an initial .50 BMG user's course and qualification score with a certified rifle instructor. SWAT personnel shall thereafter be required to successfully complete semi-annual training and qualification with a certified rifle instructor
	312.6 DEPLOYMENT OF THE .50 BMG SNIPER RIFLE All deployments of the .50 BMG must have the prior approval of the SWAT Commander. Upon approval, SWAT team members may deploy the .50 BMG in any circumstance where the officer can articulate a reasonable expectation that the .50 BMG may be needed. The .50 BMG round is not affected by atmospheric conditions at short range (under 500 yards) and obstructions such as vehicles, glass and standard stucco walls.
	312.9 RIFLE STORAGE The .50 BMG sniper rifles shall be stored in the SWAT armory.
Fiscal Impact	Initial Cost: unknown Estimated Maintenance Costs: Varies depending on use and wear.

	Benelli's M4 Tactical Shotgun
Description	Benelli's M4 Tactical Shotgun
Quantity	2
Capability	Long-barreled firearm designed to shoot a straight-walled cartridge known as a shot shell.
Lifespan	Varies on operational usage and wear.
Manufacturer's	Benelli's M4 Tactical is a unique, Auto-Regulating-Gas-Operated (A.R.G.O.) semi-
Description	automatic shotgun, upon which the U.S. Marine Corps depends. It comes
	standard with a picatinny rail and pistol-grip stock. Other features include a fully
	adjustable ghost-ring aperture rear sight and windage-adjustable front sight.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are
	subject to ongoing extensive classroom and practical application training in the
	use of this rifle. Additionally, SWAT Officers regularly train on safe device
	deployment in a variety of operational settings.
Authorized Uses /	It is the policy of the RBPD to utilize this shotgun only for official law
Department Policy	enforcement purposes, and pursuant to State and Federal law regarding the use
	of force.
	RBPD Policy Section 408.4.2 –
	(d) Semi-annually, each SWAT team member shall perform the SWAT handgun
	and shoulder fired weapon(s) qualification course. Failure to qualify will require
	that officer to seek remedial training from a team firearms instructor approved
	by the SWAT Commander. Team members who fail to qualify must retest within
	30 days. Failure to qualify within 30 days with or without remedial training may
	result in dismissal from the team.
	(e) Semi-annually, each SWAT team member shall complete the SWAT
	qualification course for any specialty weapon issued to, or used by, the team
	member during SWAT operations. Failure to qualify will require that officer to
	seek remedial training from a team firearms instructor approved by the SWAT
	Commander. Team members who fail to qualify on their specialty weapon may
Cional Inc t	not utilize the specialty weapon on SWAT operations until qualified.
Fiscal Impact	Initial Cost: unknown
	Estimated Maintenance Costs: Varies depending on use and wear.

Description Quantity 1 Capability Long-barreled firearm designed to shoot a straight-walled cartridge known as a shot shell. Lifespan Varies on operational usage and wear. Manufacturer's Description Purpose These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties. Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 – (d) Semi-annually, each SWAT team member shall perform the SWAT handgun		Beretta Shotgun Model 1200
Capability Long-barreled firearm designed to shoot a straight-walled cartridge known as a shot shell. Lifespan Varies on operational usage and wear. Manufacturer's Description Purpose These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties. Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —	Description	Beretta Shotgun Model 1200
shot shell. Lifespan Varies on operational usage and wear. Manufacturer's Description Purpose These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties. Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —	Quantity	1
Lifespan Varies on operational usage and wear. Manufacturer's Description Purpose These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties. Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —	Capability	Long-barreled firearm designed to shoot a straight-walled cartridge known as a
Manufacturer's Description Purpose These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties. Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —		shot shell.
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public's welfare, safety, civil rights and civil liberties. Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —	Purpose	•
Training Required SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —		
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use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings. Authorized Uses / It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —	Training Required	, ,
deployment in a variety of operational settings. Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —		, , , , , , , , , , , , , , , , , , , ,
Authorized Uses / Department Policy It is the policy of the RBPD to utilize this shotgun only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —		
Department Policy enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 —		
of force. RBPD Policy Section 408.4.2 –	-	, ,
RBPD Policy Section 408.4.2 —	Department Policy	
		of force.
		DDDD D. Har Coulting 400 4 2
(d) Semi-annually, each SWAT team member shall perform the SWAT handgun		•
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and shoulder fired weapon(s) qualification course. Failure to qualify will require		, , , , , , , , , , , , , , , , , , , ,
that officer to seek remedial training from a team firearms instructor approved		
by the SWAT Commander. Team members who fail to qualify must retest within		
30 days. Failure to qualify within 30 days with or without remedial training may result in dismissal from the team.		, , , , , , , , , , , , , , , , , , , ,
(e) Semi-annually, each SWAT team member shall complete the SWAT		
qualification course for any specialty weapon issued to, or used by, the team		
member during SWAT operations. Failure to qualify will require that officer to		
seek remedial training from a team firearms instructor approved by the SWAT		, , , ,
Commander. Team members who fail to qualify on their specialty weapon may		
not utilize the specialty weapon on SWAT operations until qualified.		, , , , , , , , , , , , , , , , , , , ,
Fiscal Impact Initial Cost: unknown	Fiscal Impact	
Estimated Maintenance Costs: Varies depending on use and wear.	i iscai iiripact	

Government Code Section 7070 (c)(9) Ammunition of .50 caliber or greater – excluding standard issue shotgun

	.50 BMG AAA M-2 Round
Description	.50 BMG AAA M-2 Round
Quantity	177
Capability	Long range precision shooting rifle round
Lifespan	N/A
Manufacturer's	N/A
Description	
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle round. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize this rifle only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.
	RBPD Policy Section 312 312.3 The only authorized .50 BMG rifles are the ones which are owned and issued by the Department. These rifles shall be the Barrett M82A1 and the ArmaLite AR50. The Barrett M82A1 is a semiautomatic, magazine fed rifle. The ArmaLite AR50 is a single shot bolt action rifle. 312.5 TRAINING Only SWAT team members who have successfully completed
	Department authorized training and who are currently authorized shall carry and utilize the .50 BMG. The training shall consist of an initial .50 BMG user's course and qualification score with a certified rifle instructor. SWAT personnel shall thereafter be required to successfully complete semi-annual training and qualification with a certified rifle instructor
	312.6 DEPLOYMENT OF THE .50 BMG SNIPER RIFLE All deployments of the .50 BMG must have the prior approval of the SWAT Commander. Upon approval, SWAT team members may deploy the .50 BMG in any circumstance where the officer can articulate a reasonable expectation that the .50 BMG may be needed. The .50 BMG round is not affected by atmospheric conditions at short range (under 500 yards) and obstructions such as vehicles, glass and standard stucco walls.
	312.9 RIFLE STORAGE The .50 BMG sniper rifles shall be stored in the SWAT armory.
Fiscal Impact	Initial Cost: unknown

Government Code Section 7070 (c)(10) Specialized firearms/ammunition – excluding standard issue service weapons

	HK 416
Description	Heckler & Koch 416 Rifle
Quantity	15
Capability	A rifle that has the ability to be used as a semi-automatic rifle or fully-automatic which fires an intermediate-power cartridge (5.56mm) which is more powerful than a standard pistol but less powerful than a standard rifle. It is a short barreled rifle which allows a trained officer better control inside of structures with greater accuracy than a handgun.
Lifespan	Varies on operational usage and wear.
Manufacturer's Description	The HK416 (5.56 mm) was developed by Heckler & Koch for US special operations forces as a major product improvement of M4/M16-type carbines and rifles. Using the HK-proprietary gas piston system, the HK416 does not introduce propellant gases and carbon fouling back into the weapon's interior, making it the most reliable of any M4/M16 type weapon. An improved and tool-less gas regulator for suppressor use, a redesigned, user-friendly lower receiver, which allows complete ambidextrous operation of the weapon and ensures optimized magazine compatibility, as well as numerous technical improvements to maximize the operator safety, reliability, ammunition compatibility and durability under real operating conditions.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize this rifle only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 — (d) Semi-annually, each SWAT team member shall perform the SWAT handgun and shoulder fired weapon(s) qualification course. Failure to qualify will require that officer to seek remedial training from a team firearms instructor approved by the SWAT Commander. Team members who fail to qualify must retest within 30 days. Failure to qualify within 30 days with or without remedial training may result in dismissal from the team.
Fiscal Impact	Initial Cost: \$3,499.00 per rifle (based on open source internet data) Estimated Maintenance Costs: Varies depending on use and wear.

	Colt Manufacturing M4 Carbine
Description	Colt Manufacturing M4 Carbine
Quantity	3
Capability	A rifle that has the ability to be used as a semi-automatic rifle or fully-automatic which fires an intermediate-power cartridge (5.56mm) which is more powerful than a standard pistol but less powerful than a standard rifle. It is a short barreled rifle which allows a trained officer better control inside of structures with greater accuracy than a handgun.
Lifespan	Varies on operational usage and wear.
Manufacturer's Description	Throughout the world today, Colt's reliability, performance, and accuracy provide our Armed Forces the confidence required to accomplish any mission. Colt's LE6920 series shares many features of its combat-proven brother, the Colt M4.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize this rifle only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. RBPD Policy Section 408.4.2 — (d) Semi-annually, each SWAT team member shall perform the SWAT handgun and shoulder fired weapon(s) qualification course. Failure to qualify will require that officer to seek remedial training from a team firearms instructor approved by the SWAT Commander. Team members who fail to qualify must retest within 30 days. Failure to qualify within 30 days with or without remedial training may result in dismissal from the team.
Fiscal Impact	Initial Cost: unknown Estimated Maintenance Costs: Varies depending on use and wear.

	Colt Manufacturing M16 A2
Description	Colt Manufacturing M16 A2
Quantity	6
Capability	A rifle that has the ability to be used as a semi-automatic rifle or fully-automatic
	which fires an intermediate-power cartridge (5.56mm) which is more powerful
Lifocnan	than a standard pistol but less powerful than a standard rifle.
Lifespan	Varies on operational usage and wear.
Manufacturer's	The Colt M16A2 was the service rifle of the U.S. Armed Forces and some 55
Description	other countries. It is the latest version of a weapon that has been the U.S.
	standard since 1967, and it has a well-earned combat reputation. The USMC was
	the first US service branch to adopt the improved M16A2 in the mid-1980s, with other service branches following suit.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are
	subject to ongoing extensive classroom and practical application training in the
	use of this rifle. Additionally, SWAT Officers regularly train on safe device
	deployment in a variety of operational settings.
Authorized Uses /	It is the policy of the RBPD to utilize this rifle only for official law enforcement
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.
	RBPD Policy Section 408.4.2 –
	(d) Semi-annually, each SWAT team member shall perform the SWAT handgun
	and shoulder fired weapon(s) qualification course. Failure to qualify will require
	that officer to seek remedial training from a team firearms instructor approved
	by the SWAT Commander. Team members who fail to qualify must retest within
	30 days. Failure to qualify within 30 days with or without remedial training may
	result in dismissal from the team.
	(e) Semi-annually, each SWAT team member shall complete the SWAT
	qualification course for any specialty weapon issued to, or used by, the team
	member during SWAT operations. Failure to qualify will require that officer to
	seek remedial training from a team firearms instructor approved by the SWAT
	Commander. Team members who fail to qualify on their specialty weapon may
	not utilize the specialty weapon on SWAT operations until qualified.
Fiscal Impact	Initial Cost: unknown
	Estimated Maintenance Costs: Varies depending on use and wear.

	Heckler & Koch HK91
Description	Heckler & Koch HK91 Semiautomatic Rifle
Quantity	3
Capability	A rifle that has the ability to be used as a semi-automatic rifle or fully-automatic
	which fires an intermediate-power cartridge (5.56mm) which is more powerful
	than a standard pistol but less powerful than a standard rifle.
Lifespan	Varies on operational usage and wear.
Manufacturer's	The HK is a semiautomatic rifle version of the Heckler & Koch G3 automatic rifle
Description	that was produced by Heckler & Kock for the civilian market in the 1960s.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are
	subject to ongoing extensive classroom and practical application training in the
	use of this rifle. Additionally, SWAT Officers regularly train on safe device
	deployment in a variety of operational settings.
Authorized Uses /	It is the policy of the RBPD to utilize this rifle only for official law enforcement
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.
	RBPD Policy Section 408.4.2 –
	(d) Semi-annually, each SWAT team member shall perform the SWAT handgun
	and shoulder fired weapon(s) qualification course. Failure to qualify will require
	that officer to seek remedial training from a team firearms instructor approved
	by the SWAT Commander. Team members who fail to qualify must retest within
	30 days. Failure to qualify within 30 days with or without remedial training may
	result in dismissal from the team.
	(e) Semi-annually, each SWAT team member shall complete the SWAT
	qualification course for any specialty weapon issued to, or used by, the team
	member during SWAT operations. Failure to qualify will require that officer to
	seek remedial training from a team firearms instructor approved by the SWAT
	Commander. Team members who fail to qualify on their specialty weapon may
Figure I Improper	not utilize the specialty weapon on SWAT operations until qualified.
Fiscal Impact	Initial Cost: unknown
	Estimated Maintenance Costs: Varies depending on use and wear.

	Remington Model 700
Description	Remington Model 700, .308 Bolt Action Rifle
Quantity	4
Capability	Long range precision shooting rifle
Lifespan	Varies on operational usage and wear.
Manufacturer's Description	It's the number one bolt-action of all time, proudly made in the U.S.A. For over 50 years, more Model 700s have been sold than any other bolt-action rifle before or since. The legendary strength of its 3-rings-of-steel receiver paired with a hammer-forged barrel, combine to yield the most popular bolt-action rifle in history.
	Top choice of elite military snipers, the Model 700 is unequalled in tactical precision. Whether defending freedom or pursuing big game, its out-of-the-box accuracy is unmatched.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize this rifle only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.
	RBPD Policy Section 408.4.2 — (d) Semi-annually, each SWAT team member shall perform the SWAT handgun and shoulder fired weapon(s) qualification course. Failure to qualify will require that officer to seek remedial training from a team firearms instructor approved by the SWAT Commander. Team members who fail to qualify must retest within 30 days. Failure to qualify within 30 days with or without remedial training may result in dismissal from the team.
	(e) Semi-annually, each SWAT team member shall complete the SWAT qualification course for any specialty weapon issued to, or used by, the team member during SWAT operations. Failure to qualify will require that officer to seek remedial training from a team firearms instructor approved by the SWAT Commander. Team members who fail to qualify on their specialty weapon may not utilize the specialty weapon on SWAT operations until qualified.
Fiscal Impact	Initial Cost: unknown Estimated Maintenance Costs: Varies depending on use and wear.

	Masterpiece Arms .308 Bolt Action Rifle
Description	Masterpiece Arms .308 Bolt Action Rifle
Quantity	4
Capability	Long range precision shooting rifle
Lifespan	Varies on operational usage and wear.
Manufacturer's	Masterpiece Arms builds World Class Rifles. We start with our industry leading
Description	Chassis System, utilize the Best Actions and Triggers produced, and our
	MPA/Spencer 416R Handlapped Barrels provide some the best shooting, most
	accurate rifles in existence. Designed, Built and Enhanced by Long Range
	Shooters and Hunters, our Rifles fulfill the needs of the most discerning
	shooters.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are
	subject to ongoing extensive classroom and practical application training in the
	use of this rifle. Additionally, SWAT Officers regularly train on safe device
Authorized Hoos /	deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize this rifle only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.
Department Folicy	purposes, and pursuant to State and rederariaw regarding the use of force.
	RBPD Policy Section 408.4.2 –
	(d) Semi-annually, each SWAT team member shall perform the SWAT handgun
	and shoulder fired weapon(s) qualification course. Failure to qualify will require
	that officer to seek remedial training from a team firearms instructor approved
	by the SWAT Commander. Team members who fail to qualify must retest within
	30 days. Failure to qualify within 30 days with or without remedial training may
	result in dismissal from the team.
	(e) Semi-annually, each SWAT team member shall complete the SWAT
	qualification course for any specialty weapon issued to, or used by, the team
	member during SWAT operations. Failure to qualify will require that officer to
	seek remedial training from a team firearms instructor approved by the SWAT
	Commander. Team members who fail to qualify on their specialty weapon may
	not utilize the specialty weapon on SWAT operations until qualified.
Fiscal Impact	Initial Cost: unknown
	Estimated Maintenance Costs: Varies depending on use and wear.

	Heckler & Koch MP5 Submachine Gun 9mm
Description	Heckler & Koch MP5 Submachine Gun 9mm
Quantity	2
Capability	The platform is capable of firing more accurately and quicker than a pistol while
	holding more ammunition in the magazine.
Lifespan	Varies on operational usage and wear.
Manufacturer's	Developed by Heckler & Koch in the mid-1960s, the 9 mm MP5 submachine gun
Description	uses the same delayed blowback operating system found on the famous HK G3
	automatic rifle. Reliability, accuracy, ease of handling, simple maintenance, and
	safety — all the elements of HK excellence are highlighted on the MP5. Firing
	from the closed-bolt position in all modes of fire make MP5 submachine guns
	extremely accurate and controllable.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are
	subject to ongoing extensive classroom and practical application training in the
	use of this rifle. Additionally, SWAT Officers regularly train on safe device
Authorized Uses /	deployment in a variety of operational settings. It is the policy of the RBPD to utilize this submachine gun only for official law
Department Policy	enforcement purposes, and pursuant to State and Federal law regarding the use
Department Policy	of force.
	of force.
	RBPD Policy Section 408.4.2 –
	(d) Semi-annually, each SWAT team member shall perform the SWAT handgun
	and shoulder fired weapon(s) qualification course. Failure to qualify will require
	that officer to seek remedial training from a team firearms instructor approved
	by the SWAT Commander. Team members who fail to qualify must retest within
	30 days. Failure to qualify within 30 days with or without remedial training may
	result in dismissal from the team.
	(e) Semi-annually, each SWAT team member shall complete the SWAT
	qualification course for any specialty weapon issued to, or used by, the team
	member during SWAT operations. Failure to qualify will require that officer to
	seek remedial training from a team firearms instructor approved by the SWAT
	Commander. Team members who fail to qualify on their specialty weapon may
	not utilize the specialty weapon on SWAT operations until qualified.
Fiscal Impact	Initial Cost: unknown
	Estimated Maintenance Costs: Varies depending on use and wear.

	Federal Tactical Tru 308 Win
Description	Federal Tactical Tru 308 Win
Quantity	1170
Capability	Long range precision shooting rifle round
Lifespan	N/A
Manufacturer's Description	Custom made for your Urban Rifle, Tactical Tru was specifically designed for use in semi-automatic rifles or "Urban Rifles," such as variant of the M-16 or Ar-15.
2 000pulo	Tru bullets are specifically engineered, ranging from fragmenting designs for tactically entry to deeper penetrating bullets for patrol. This is particularly
	important in today's urban settings.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are subject to ongoing extensive classroom and practical application training in the use of this rifle round. Additionally, SWAT Officers regularly train on safe device deployment in a variety of operational settings.
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize these rounds only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.
Fiscal Impact	Initial Cost: unknown

Government Code Section 7070 (c)(12) - "Flashbangs" / "Teargas"

Noise Flash Diversionary Device (Flashbang)		
Description	Low Roll II Distraction Device by Defense Technology	
Quantity	13	
Capability	Diversionary Devices are capable of releasing large amounts of stored energy in	
	the form of heat, light, pressure, and noise. They are intended to temporarily	
	distract, confuse, and disorient subjects. They can also be used as "attention-	
	getting" devices.	
Lifespan	5 years from date of manufacture	
Manufacturer's	The 11-Gram Low Roll II® Non-Reloadable Distraction Device, High Humidity	
Description	utilizes an M201A1 type fuse with Hex design steel body. This compact version of	
	the 8933 Low Roll Distraction Device body is the newest version of the first	
	reusable non-bursting canisters that limits movement and rolling once deployed.	
Purpose	These are necessary because there is no reasonable alternative that can achieve	
	the same objective of Officer and Community safety, and will safeguard the	
	public's welfare, safety, civil rights and civil liberties.	
Training Required	SWAT Officers must successfully complete an 80-hour SWAT Academy and are	
	subject to ongoing extensive classroom and practical application training in the	
	use of this rifle. Additionally, SWAT Officers regularly train on safe device	
	deployment in a variety of operational settings.	
Authorized Uses /	It is the policy of the RBPD to utilize NFDDs only for official law enforcement	
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.	
	Diversionary Devices are to be used exclusively by the SWAT Unit. Diversionary	
	Devices can be used in high-risk tactical operations as an attention getting	
	device. They can also be used during high-risk warrants, hostage rescue	
Figure I Improper	incidents, and some mobile field force incidents.	
Fiscal Impact	Initial Cost: \$50.00 each	

Aerial Flashbang	
Description	Exact Impact 40mm Aerial Flashbangs Green Tip (noise flash diversionary device)
Quantity	4
Capability	NFDD can be used to gain compliance, disperse crowds, restore order, or
	temporarily incapacitate dangerous persons.
Lifespan	5 years from date of manufacture
Manufacturer's	CSI manufactures a variety of CTS less lethal products which are under pressure,
Description	pyrotechnic, incendiary, emit projectiles, generate smoke, or are explosive in
	nature. When used in accordance with CTS training guidelines and the individual
	agencies policy, they are intended to cause varying degrees of pain and injury,
	which are temporary. These products are restricted to law enforcement,
	corrections, and military personnel are used to gain compliance, disperse
	crowds, restore order, or temporarily incapacitate dangerous persons.
Purpose	These are necessary because there is no reasonable alternative that can achieve
	the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course
	every two years. The refresher course consists of reading the department policy
	on each less lethal device and related munitions, overview of the use of force
	policy, nomenclature of the projector launcher device and live fire with the
	projectile launchers. Additionally, SWAT members train on the projectile
Authorized Uses /	launcher platforms numerous times throughout the year. It is the policy of the RBPD to utilize NFDDs only for official law enforcement
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.
	Diversionary Devices are to be used exclusively by the SWAT Unit. Diversionary
	Devices can be used in high-risk tactical operations as an attention getting
	device. They can also be used during high-risk warrants, hostage rescue
	incidents, and some mobile field force incidents.
Fiscal Impact	Initial Cost: \$40.00 each

CS Munitions and Canisters		
Description	(Tear Gas) The Redondo Beach Police Department deploys two types of chemical agents in various forms including munitions and canisters. The RBPD deploys CS (2-chlorobenzylidene malononitrile) and OC (oleoresin capsicum) which are commonly used by law enforcement agencies across the United States. CS is an irritating agent and lachrymator (irritates the eyes and causes tears to flow). CS has been medically tested in the UK and US, specifically by the U.S. Army. There are no known allergic reactions to CS. OC was de-regulated in California in 1996, is endorsed by the FBI, and is available to civilians to legally possess (2.5oz or less). OC is an inflammatory agent which causes involuntary closure of eyes (open in 2-5 minutes) and respiratory inflammation (subsides in approximately 2 minutes).	
Quantity	CS Projectile (2 total)	
	CS Riot Grenade (7 total) Defense Technology OC Vapor (spray) (1 total)	
	Defense Technology Pocket Tactical CS (39 total)	
	Defense Technology Riot Control CS (4 total)	
	Triple Chaser CS Grenade (5 total)	
Capability	Chemical Agents are deployed through various means to include hand delivery (canister) or via various munitions including 40mm, 37mm, or 12 gauge rounds and the related less lethal weapons system.	
Lifespan	Typically 5 years from date of manufacture	
Manufacturer's	Varies based on specific munition or canister	
Description		
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.	
Training Required	Only SWAT Officers that have completed a SWAT basic academy are authorized to utilize the equipment listed above. SWAT Officers will conduct continued training with the use of chemical agent devices during supplemental SWAT courses and trainings. Additionally, officers who have received P.O.S.T. certification in the use of chemical agents are authorized to use them.	
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize CS and OC munitions and canisters only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.	
	Policy Section 308.6 (Tear Gas)	
Fiscal Impact	Varies based on specific munition/canister	

CS Munitions and Canisters (Out of Service)		
Description	(Tear Gas) The Redondo Beach Police Department deploys two types of chemical agents in various forms including munitions and canisters. The RBPD deploys CS (2-chlorobenzylidene malononitrile) and OC (oleoresin capsicum) which are commonly used by law enforcement agencies across the United States. CS is an irritating agent and lachrymator (irritates the eyes and causes tears to flow). CS has been medically tested in the UK and US, specifically by the U.S. Army. There are no known allergic reactions to CS. OC was de-regulated in California in 1996, is endorsed by the FBI, and is available to civilians to legally possess (2.5oz or less). OC is an inflammatory agent which causes involuntary closure of eyes (open in 2-5 minutes) and respiratory inflammation (subsides in approximately 2 minutes).	
Quantity	The below listed items are in the SWAT inventory but are no longer in use and will be disposed of in a proper manner: Ferrett 40mm CS Liquid (11 total) Ferrett 40mm OC Liquid (18 total) Ferrett CS Powder (Shotgun Rounds) (24 total)	
Capability	Chemical Agents are deployed through various means to include hand delivery (canister) or via various munitions including 40mm, 37mm, or 12 gauge rounds and the related less lethal weapons system.	
Lifespan	Typically 5 years from date of manufacture	
Manufacturer's Description	Varies based on specific munition or canister	
Purpose	N/A - item pending destruction	
Training Required	Only SWAT Officers that have completed a SWAT basic academy are authorized to utilize the equipment listed above. SWAT Officers will conduct continued training with the use of chemical agent devices during supplemental SWAT courses and trainings. Additionally, officers who have received P.O.S.T. certification in the use of chemical agents are authorized to use them.	
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize CS and OC munitions and canisters only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. Policy Section 308.6 (Tear Gas)	
Fiscal Impact	Varies based on specific munition/canister	

Defense Technology Tri-Chamber Flameless Grenade - CS					
Description	Defense Technology Tri-Chamber Flameless Grenade - CS				
Quantity	5				
Capability	The Tri-Chamber Flameless Grenade is used for riot and disturbance control. The purpose of the Tri-Chamber Flameless Grenade is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects.				
Lifespan	5 years from date of manufacture				
Manufacturer's Description	The Tri-Chamber Flameless Grenade is designed for indoor use. This grenade's pyrotechnic contents are burned within an internal can that is one of three in this design. The internal combustion allows the chemical-laden smoke to be released through three (3) ports on the outer canister side while safely containing any of the fire-producing properties within the two internal canisters. The fuze is shrouded to further protect surrounding materials from the possibility of fire. The Tri-Chamber Flameless Grenade can be used in crowd control as well as tactical deployment situations by Law Enforcement and Corrections, but was designed with the barricade situation in mind. Its applications in tactical situations are primarily to detect and/or dislodge barricaded subjects. The purpose of the Tri-Chamber Flameless Grenade is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects. The Tri-Chamber Flameless Grenade provides the option of delivering a pyrotechnic chemical device indoors, maximizing the chemicals' effectiveness via heat and vaporization, while minimizing or negating the chance of fire to the structure. The actual smoke and chemical content is minimal enough that oxygen displacement concerns and LCT is rarely reached. It is a viable option when chemical-laden powders or liquids are ineffective or inappropriate for the situation. As with all pyrotechnic carriers, contamination will be greater than				
Purpose	that experienced with powders or liquids. These are necessary because there is no reasonable alternative that can achieve				
1 41 4030	the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.				
Training Required	Only SWAT Officers that have completed a SWAT basic academy are authorized to utilize the Riot Control CS Grenade. SWAT Officers will conduct continued training with the use of hand deployed chemical agent devices during supplemental SWAT courses and trainings. Additionally, officers who have received P.O.S.T. certification in the use of chemical agents are authorized to use them.				
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize CS and OC munitions and canisters only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. Policy Section 308.6 (Tear Gas)				
Fiscal Impact	Initial Cost: \$45.00				
Fiscal Impact	Initial Cost: \$45.00				

Safariland Triple Chaser - CS		
Description	Safariland Triple Chaser - CS	
Quantity	35	
Capability	The Flameless Tri-Chamber Pyrotechnic Grenade family is designed primarily for tactical situations to detect and/or dislodge a barricaded subject. Further, the respiratory effects of these grenades can be particularly dramatic, producing rapid incapacitation and equally rapid recovery once the subject is removed to fresh air.	
Lifespan	5 years from date of manufacture	
Manufacturer's	The Triple-Chaser consists of three separate canisters pressed together with	
Description	separating charges between each. When deployed, the canisters separate and land approximately 20 feet apart allowing increased area coverage in a short period of time. This grenade can be hand thrown or launched from a fired delivery system. The grenade is 6.5 in. by 2.7 in. and holds an approximately 3.2 oz. of active agent payload. It has approximate burn time of 20-30 seconds.	
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.	
Training Required	Only SWAT Officers that have completed a SWAT basic academy are authorized to utilize the Riot Control CS Grenade. SWAT Officers will conduct continued training with the use of hand deployed chemical agent devices during supplemental SWAT courses and trainings. Additionally, officers who have received P.O.S.T. certification in the use of chemical agents are authorized to use them.	
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize the Safariland Triple Chaser only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. Policy Section 308.6 (Tear Gas)	
Fiscal Impact	Initial Cost: \$50.00	

Defense Technology Spede-Heat Continuous Discharge Chemical Grenade - CS			
	Defense Technology Spede-Heat Continuous Discharge Chemical Grenade - CS		
Quantity	4		
Capability [Designed specifically for outdoor use in crowd control situations, the Spede-		
	Heat™ Grenade is built on the old style larger canister. It is a high volume		
	continuous burn device that expels its payload in approximately 20 - 40 seconds		
	from a single source.		
	5 years from date of manufacture		
	The Spede-Heat CS Grenade is a high volume, continuous burn it expels its		
1 '	payload in approximately 20-40 seconds. The payload is discharged through gas		
1 1 2	ports on top of the canister, three on the side and one on the bottom. This		
	launchable grenade is 6.12 in. by 2.62 in. and holds approximately 2.9 oz. of		
	active agent.		
	These are necessary because there is no reasonable alternative that can achieve		
	the same objective of Officer and Community safety, and will safeguard the		
	public's welfare, safety, civil rights and civil liberties.		
	Only SWAT Officers that have completed a SWAT basic academy are authorized		
	to utilize the Riot Control CS Grenade. SWAT Officers will conduct continued		
	training with the use of hand deployed chemical agent devices during		
	supplemental SWAT courses and trainings. Additionally, officers who have		
	received P.O.S.T. certification in the use of chemical agents are authorized to use		
	them.		
	It is the policy of the RBPD to utilize the Defense Technology Spede-Heat only for		
1 .	official law enforcement purposes, and pursuant to State and Federal law		
	regarding the use of force.		
	Policy Section 308.6 (Tear Gas)		
	Initial Cost: \$25.00		

Munitions and Diversion Device that has OC powder within that is expelled who detonated. Lifespan 5 years from date of manufacture		Sting-Ball
Capability The sting-ball is intended for use in crowd management as a Less Lethal Impact Munitions and Diversion Device that has OC powder within that is expelled who detonated. Lifespan 5 years from date of manufacture	Description	Sting-ball Model 9590 – No Irritant Sting-Ball Grenade
Munitions and Diversion Device that has OC powder within that is expelled who detonated. Lifespan 5 years from date of manufacture	Quantity	28
Lifespan 5 years from date of manufacture		The sting-ball is intended for use in crowd management as a Less Lethal Impact Munitions and Diversion Device that has OC powder within that is expelled when
NA		5 years from date of manufacture
invaluation in the invaluation of the invaluation o	Manufacturer's	Multi-effect grenades with a loud blast, bright flash and dispersion of
Description stinging .31 caliber pellets. Can also be configured to dispense an	Description	stinging .31 caliber pellets. Can also be configured to dispense an
instantaneous cloud of irritant powder.		instantaneous cloud of irritant powder.
Purpose These are necessary because there is no reasonable alternative that can achiev the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.		
to utilize the Sting-ball. SWAT Officers will conduct continued training with the use of hand deployed chemical agent devices during supplemental SWAT courses and trainings. Additionally, officers who have received P.O.S.T.		courses and trainings. Additionally, officers who have received P.O.S.T. certification in the use of chemical agents/less lethal munitions are authorized to
Authorized Uses / Department Policy of the RBPD to utilize Sting-ball Model 9590 only for official law enforcement purposes, and pursuant to State and Federal law regarding the us of force. Policy Section 300 (Use of Force) and 308 (Control Devices)	Department Policy	enforcement purposes, and pursuant to State and Federal law regarding the use of force.
Fiscal Impact Initial Cost: \$51.97 each		

Government Code Section 7070 (c)(14) 40MM Projectile Launchers, "bean bag," rubber bullet, Special Impact Munition (SIM)

	Defence Technology (Ocean INAT Techical Circle Lourshon			
	Defense Technology 40mm LMT Tactical Single Launcher			
Description	Defense Technology 40mm LMT Tactical Single Launcher			
Quantity	19			
Capability	Delivery of less lethal kinetic energy munitions and delivery of chemical agents.			
Lifespan	Varies based on usage and wear.			
Manufacturer's	The 40LMTS is a tactical 40mm single shot launcher that features an expandable			
Description	stock and an adjustable Integrated Front Grip (IFG) with a light rail. The			
	Ambidextrous Lateral Sling Mount (LSM) and QD mounting systems allow both a			
	single and two point sling attachment. The 40LMTS will fire standard 40mm Less			
	Lethal ammunition, up to 4.8 inches in cartridge length. This weapon is NOT			
	designed to fire 40mm High Velocity HE ammunition. The Picatinny Rail			
	Mounting System will accept a wide array of enhanced optics/sighting systems.			
Purpose	These are necessary because there is no reasonable alternative that can achieve			
-	the same objective of Officer and Community safety, and will safeguard the			
	public's welfare, safety, civil rights and civil liberties.			
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course			
	every two years. The refresher course consists of reading the department policy			
	on each less lethal device, overview of the use of force policy, nomenclature of			
	the projector launcher device and live fire with the projectile launchers.			
	Additionally, SWAT members train on the projectile launcher platforms			
	numerous times throughout the year.			
Authorized Uses /	It is the policy of the RBPD to utilize the Defense Technology 40mm LMT Tactical			
Department Policy	Single Launcher only for official law enforcement purposes, and pursuant to			
	State and Federal law regarding the use of force.			
	Policy Section 300 (Use of Force), 308 (Control Devices and Techniques), 308.9			
	(Kinetic Energy Projectile), 308.11 (Kinetic Energy Projectile Training)			
Fiscal Impact	Initial Cost: \$835.00 each			

Federal Laboratories Model 203 Gas Gun 37mm (not in service)		
Description	Federal Laboratories Model 203 Gas Gun 37mm	
Quantity	1	
Capability	Delivery of less lethal chemical agents.	
Lifespan	Varies based on usage and wear.	
Manufacturer's	N/A	
Description		
Purpose	N/A - item pending destruction	
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course every two years. The refresher course consists of reading the department policy on each less lethal device, overview of the use of force policy, nomenclature of the projector launcher device and live fire with the projectile launchers. Additionally, SWAT members train on the projectile launcher platforms numerous times throughout the year.	
Authorized Uses / Department Policy	It is the policy of the RBPD to utilize the Federal Laboratories Model 203 Gas Gun 37mm only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. Policy Section 300 (Use of Force), 308 (Control Devices and Techniques), 308.9 (Kinetic Energy Projectile), 308.11 (Kinetic Energy Projectile Training)	
Fiscal Impact	Initial Cost: \$835.00 each	

Remington 870 Bean Bag Shotgun (Orange Stock)		
Description	Remington 870 Bean Bag Shotgun (Orange Stock)	
Quantity	10	
Capability	Delivery of less lethal kinetic energy munitions and delivery of chemical agents with a distinct orange stock for instant recognition as a less lethal device.	
Lifespan	Varies based on usage and wear.	
Manufacturer's Description	If the Model 870™ were introduced today, it would be hailed as a major advance in pump-action shotgun design - the ultimate in strength, durability, silky-smooth bind-free action, and sleek classical lines. Yet this remarkable shotgun has been around for more than half a century, and has become the best-selling shotgun of any type in history, with over 11 million made. As one of the most popular shotguns of all time, the Model 870 is offered in dozens of configurations to suite hundreds of applications. Browse all models and you'll see why it's one of the most versatile shotguns ever conceived.	
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.	
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course every two years. The refresher course consists of reading the department policy on each less lethal device, overview of the use of force policy, nomenclature of the projector launcher device and live fire with the projectile launchers. Additionally, SWAT members train on the projectile launcher platforms numerous times throughout the year.	
Authorized Uses /	It is the policy of the RBPD to utilize the Remington 870 Bean Bag Shotgun	
Department Policy	(Orange Stock) only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force. Policy Section 300 (Use of Force), 308 (Control Devices and Techniques), 308.9	
ettr	(Kinetic Energy Projectile), 308.11 (Kinetic Energy Projectile Training)	
Fiscal Impact	Initial Cost: \$700.00 each	

	CSI 12 Gauge Model 2581 Super-Sock "bean bag round"
Description	CSI 12 Gauge Model 2581 Super-Sock "bean bag round"
Quantity	25
Capability	The Super-Sock® is a less lethal munition that is first in its class providing the
	point control accuracy and consistent energy to momentarily incapacitate
	violent, non-compliant subjects.
Lifespan	N/A
Manufacturer's	The Model 2581 Super-Sock® is in its deployed state immediately upon exiting
Description	the barrel. It does not require a minimum range to "unfold" or "stabilize." The
	Super-Sock® is an aerodynamic projectile and it's accuracy is relative to the
	shotgun, barrel length, environmental conditions, and the operator. The Super-
	Sock® is first in its class providing the point control accuracy and consistent
	energy to momentarily incapacitate violent, non-compliant subjects. Effective
D	range is 75ft.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the
	public's welfare, safety, civil rights and civil liberties.
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course
Training Required	every two years. The refresher course consists of reading the department policy
	on each less lethal device, overview of the use of force policy, nomenclature of
	the projector launcher device and live fire with the projectile launchers.
	Additionally, SWAT members train on the projectile launcher platforms
	numerous times throughout the year.
Authorized Uses /	It is the policy of the RBPD to utilize this round only for official law enforcement
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.
	Policy Section 300 (Use of Force), 308 (Control Devices and Techniques), 308.9
	(Kinetic Energy Projectile), 308.11 (Kinetic Energy Projectile Training)
Fiscal Impact	Initial Cost: \$700.00 each

Exact Impact 40MM Standard Range Sponge Round		
Description	Exact Impact 40MM Standard Range Sponge Round	
Quantity	246	
Capability	Kinetic energy projectiles, when used properly, are less likely to result in death	
	or serious physical injury and can be used in an attempt to de-escalate a	
	potentially deadly situation.	
Lifespan	5 years from date of manufacture	
Manufacturer's	The eXact iMpact 40mm Sponge Round is a point-of-aim, point-of-impact direct-	
Description	fire round. This lightweight, high-speed projectile consisting of a plastic body and	
	sponge nose that is spin stabilized via the incorporated rifling collar and the	
	40mm launcher's rifled barrel. The round utilizes smokeless powder as the	
	propellant, and therefore, have velocities that are extremely consistent. Used for	
	Crown Control, Patrol, and Tactical Applications.	
Purpose	These are necessary because there is no reasonable alternative that can achieve	
	the same objective of Officer and Community safety, and will safeguard the	
	public's welfare, safety, civil rights and civil liberties.	
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course	
	every two years. The refresher course consists of reading the department policy	
	on each less lethal device, overview of the use of force policy, nomenclature of	
	the projector launcher device and live fire with the projectile launchers. Additionally, SWAT members train on the projectile launcher platforms	
	numerous times throughout the year.	
Authorized Uses /	It is the policy of the RBPD to utilize this round only for official law enforcement	
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force.	
Department Folicy	parposes, and parsaant to state and reactariaw regarding the use of force.	
	Policy Section 300 (Use of Force), 308 (Control Devices and Techniques), 308.9	
	(Kinetic Energy Projectile), 308.11 (Kinetic Energy Projectile Training)	
Fiscal Impact	Initial Cost: \$17.00 each	

	Direct Impact 40mm OC Crushable Foam Round
Description	Direct Impact 40mm OC Crushable Foam Round
Quantity	16
Capability	Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation. The Direct Impact OC round additionally brings the effects of an irritant powder, maximizing the potential for incapacitation. Its purpose is to minimize the risk to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.
Lifespan	5 years from date of manufacture
Manufacturer's Description	The 40mm Direct Impact® Round has evolved from Defense Technology® design of the eXact iMpact™. This lightweight, high-speed projectile consists of a plastic body and a crushable foam nose which is spin stabilized via the incorporated rifling collar and the 40mm launcher's rifled barrel. The rounds utilize smokeless powder as the propellant and have velocities that are extremely consistent. The 40mm Direct Impact® Round consists of a plastic body and a crushable foam nose that contains a powder payload. This payload area can hold inert, marking, OC or CS powder. The crushable foam nose dissipates energy upon impact while releasing the powder payload. The 40mm Direct Impact® Round is a "point-of-aim, point-of-impact" direct fire round that is most commonly used by tactical teams in situations where greater accuracy and deliverable energy is desired for the incapacitation of an aggressive, non-compliant subject at longer distances.
Purpose	These are necessary because there is no reasonable alternative that can achieve the same objective of Officer and Community safety, and will safeguard the public's welfare, safety, civil rights and civil liberties.
Training Required	Every sworn Redondo Beach Police Officer attends a less lethal refresher course every two years. The refresher course consists of reading the department policy on each less lethal device, overview of the use of force policy, nomenclature of the projector launcher device and live fire with the projectile launchers. Additionally, SWAT members train on the projectile launcher platforms numerous times throughout the year.
Authorized Uses /	It is the policy of the RBPD to utilize this round only for official law enforcement
Department Policy	purposes, and pursuant to State and Federal law regarding the use of force. Policy Section 300 (Use of Force), 308 (Control Devices and Techniques), 308.6 (Tear Gas), 308.9 (Kinetic Energy Projectile), 308.11 (Kinetic Energy Projectile Training)
Fiscal Impact	Initial Cost: \$18.25 each

Redondo Beach PD Policy Manual

Military Equipment

708.1 PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment (Government Code § 7070; Government Code § 7071; Government Code § 7072).

708.1.1 DEFINITIONS

Definitions related to this policy include (Government Code § 7070):

Governing body – The City Council of the City of Redondo Beach.

Military equipment – Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This
 does not include a handheld, one-person ram.
- Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code § 30510 and Penal Code § 30515, with the exception of standard-issue firearms.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (LRADs).
- Kinetic energy weapons and munitions.
- Any other equipment as determined by a governing body or a state agency to require additional oversight.

Redondo Beach PD Policy Manual

708.2 POLICY

It is the policy of the Redondo Beach Police Department that members of this <u>department</u> comply with the provisions of Government Code § 7071 with respect to military equipment.

708.3 MILITARY EQUIPMENT COORDINATOR

The <u>Chief of Police</u> should designate a member of this <u>department</u> to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

- (a) Acting as liaison to the governing body for matters related to the requirements of this policy.
- (b) Identifying <u>department</u> equipment that qualifies as military equipment in the current possession of the <u>D</u> <u>epartment</u>, or the equipment the <u>D</u> <u>epartment</u> intends to acquire that requires approval by the governing body.
- (c) Conducting an inventory of all military equipment at least annually.
- (d) Collaborating with any allied agency that may use military equipment within the jurisdiction of the Redondo Beach Police Department (Government Code § 7071).
- (e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:
 - 1. Publicizing the details of the meeting.
 - 2. Preparing for public questions regarding the <u>Redondo Beach Police</u> <u>Department's funding, acquisition, and use of equipment.</u>
- (f) Preparing the annual military equipment report for submission to the <u>Chief of Police</u> and ensuring that the report is made available on the <u>department</u> website (Government Code § 7072).
- (g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the <u>Department</u> will respond in a timely manner.

708.4 MILITARY EQUIPMENT INVENTORY

The following constitutes a list of qualifying equipment for the **Department**:

Military Equipment Inventory

708.5 APPROVAL

The <u>Chief of Police</u> or the authorized designee shall obtain approval from the governing body by way of an ordinance adopting the military equipment policy. As part of the approval process, the <u>Chief of Police</u> or the authorized designee shall ensure the proposed military equipment policy is submitted to the governing body and is available on the <u>department</u> website at least 30 days prior to any public hearing concerning the military equipment at issue (Government Code § 7071). The military equipment policy must be approved by the governing body prior to engaging in any of the following (Government Code § 7071):

Redondo Beach PD Policy Manual

Military Equipment

- (a) Requesting military equipment made available pursuant to 10 USC § 2576a.
- (b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- (c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
- (d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this department.
- (e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.
- (f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.
- (g) Acquiring military equipment through any means not provided above.

708.6 COORDINATION WITH OTHER JURISDICTIONS

Military equipment should not be used by any other law enforcement agency or member in this jurisdiction unless the military equipment is approved for use in accordance with this policy.

708.7 ANNUAL REPORT

Upon approval of a military equipment policy, the <u>Chief of Police</u> or the authorized designee should submit a military equipment report to the governing body for each type of military equipment approved within one year of approval, and annually thereafter for as long as the military equipment is available for use (Government Code § 7072).

The <u>Chief of Police</u> or the authorized designee should also make each annual military equipment report publicly available on the <u>department</u> website for as long as the military equipment is available for use. The report shall include all information required by Government Code § 7072 for the preceding calendar year for each type of military equipment in <u>department</u> inventory.

708.8 COMMUNITY ENGAGEMENT

Within 30 days of submitting and publicly releasing the annual report, the <u>Department</u> shall hold at least one well-publicized and conveniently located community engagement meeting, at which the <u>Department</u> should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.

708.9 COMPLIANCE

The Chief of Police or designee will conduct an annual audit with the assistance of the SWAT Commander will be notified of any policy violations. Instances of non-compliance will be reported to the Redondo Beach City Council, via the annual military equipment report.

Redondo Beach PD Policy Manual

Military Equipment

Any member of the public can register a question or concern regarding military use equipment by contacting the Redondo Beach Police Department.

Any member of the public can submit a complaint to any member of the Department and in any form (i.e. in person, telephone, email, etc.). Once the complaint is received it should be routed to the Professional Standards Office, 401 Diamond St, Redondo Beach, California, 90277, (310) 379-2477.

City of Redondo Beach

Professional Standards Office

401 Diamond St

Redondo Beach, California, 90277

(310) 379-2477



Assembly Bill No. 481

CHAPTER 406

An act to add Chapter 12.8 (commencing with Section 7070) to Division 7 of Title 1 of the Government Code, relating to military equipment.

[Approved by Governor September 30, 2021. Filed with Secretary of State September 30, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 481, Chiu. Law enforcement and state agencies: military equipment: funding, acquisition, and use.

Existing law designates the Department of General Services as the agency for the State of California responsible for distribution of federal surplus personal property, excepting food commodities, and requires the department to, among other things, do all things necessary to the execution of its powers and duties as the state agency for the distribution of federal personal surplus property, excepting food commodities, in accordance with specified federal law. Existing law, the Federal Surplus Property Acquisition Law of 1945, authorizes a local agency, as defined, to acquire surplus federal property without regard to any law which requires posting of notices or advertising for bids, inviting or receiving bids, or delivery of purchases before payment, or which prevents the local agency from bidding on federal surplus property. Existing federal law authorizes the Department of Defense to transfer surplus personal property, including arms and ammunition, to federal or state agencies for use in law enforcement activities, subject to specified conditions, at no cost to the acquiring agency.

This bill would require a law enforcement agency, defined to include specified entities, to obtain approval of the applicable governing body, by adoption of a military equipment use policy, as specified, by ordinance at a regular meeting held pursuant to specified open meeting laws, prior to taking certain actions relating to the funding, acquisition, or use of military equipment, as defined. The bill would also require similar approval for the continued use of military equipment acquired prior to January 1, 2022. The bill would allow the governing body to approve the funding, acquisition, or use of military equipment within its jurisdiction only if it determines that the military equipment meets specified standards. The bill would require the governing body to annually review the ordinance and to either disapprove a renewal of the authorization for a type, as defined, of military equipment or amend the military equipment use policy if it determines, based on an annual military equipment report prepared by the law enforcement agency, as provided, that the military equipment does not comply with the above-described standards for approval. The bill would specify these provisions do not preclude a county or local municipality from implementing Ch. 406 — 2 —

additional requirements and standards related to the purchase, use, and reporting of military equipment by local law enforcement agencies.

This bill would also require a state agency, as defined, to create a military equipment use policy before engaging in certain activities, publish the policy on the agency's internet website, and provide a copy of the policy to the Governor or the Governor's designee, as specified. The bill would also require a state agency that seeks to continue use of military equipment acquired prior to January 1, 2022, to create a military equipment use policy.

This bill would also include findings that the changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

By adding to the duties of local officials with respect to the funding, acquisition, and use of military equipment, this bill would impose a state-mandated local program.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

- (a) The acquisition of military equipment and its deployment in our communities adversely impacts the public's safety and welfare, including increased risk of civilian deaths, significant risks to civil rights, civil liberties, and physical and psychological well-being, and incurrent of significant financial costs. Military equipment is more frequently deployed in low-income Black and Brown communities, meaning the risks and impacts of police militarization are experienced most acutely in marginalized communities.
- (b) The public has a right to know about any funding, acquisition, or use of military equipment by state or local government officials, as well as a right to participate in any government agency's decision to fund, acquire, or use such equipment.
- (c) Decisions regarding whether and how military equipment is funded, acquired, or used should give strong consideration to the public's welfare, safety, civil rights, and civil liberties, and should be based on meaningful public input.

3 Ch. 406

- (d) Legally enforceable safeguards, including transparency, oversight, and accountability measures, must be in place to protect the public's welfare, safety, civil rights, and civil liberties before military equipment is funded, acquired, or used.
- (e) The lack of a public forum to discuss the acquisition of military equipment jeopardizes the relationship police have with the community, which can be undermined when law enforcement is seen as an occupying force rather than a public safety service.
- SEC. 2. Chapter 12.8 (commencing with Section 7070) is added to Division 7 of Title 1 of the Government Code, to read:

Chapter 12.8. Funding, Acquisition, and Use of Military Equipment

7070. For purposes of this chapter, the following definitions shall apply:

- (a) "Governing body" means the elected body that oversees a law enforcement agency or, if there is no elected body that directly oversees the law enforcement agency, the appointed body that oversees a law enforcement agency. In the case of a law enforcement agency of a county, including a sheriff's department or a district attorney's office, "governing body" means the board of supervisors of the county.
 - (b) "Law enforcement agency" means any of the following:
- (1) A police department, including the police department of a transit agency, school district, or any campus of the University of California, the California State University, or California Community Colleges.
 - (2) A sheriff's department.
 - (3) A district attorney's office.
 - (4) A county probation department.
 - (c) "Military equipment" means the following:
 - (1) Unmanned, remotely piloted, powered aerial or ground vehicles.
- (2) Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers. However, police versions of standard consumer vehicles are specifically excluded from this subdivision.
- (3) High mobility multipurpose wheeled vehicles (HMMWV), commonly referred to as Humvees, two and one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached. However, unarmored all-terrain vehicles (ATVs) and motorized dirt bikes are specifically excluded from this subdivision.
- (4) Tracked armored vehicles that provide ballistic protection to their occupants and utilize a tracked system instead of wheels for forward motion.
- (5) Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
 - (6) Weaponized aircraft, vessels, or vehicles of any kind.
- (7) Battering rams, slugs, and breaching apparatuses that are explosive in nature. However, items designed to remove a lock, such as bolt cutters,

Ch. 406 — 4 —

or a handheld ram designed to be operated by one person, are specifically excluded from this subdivision.

- (8) Firearms of .50 caliber or greater. However, standard issue shotguns are specifically excluded from this subdivision.
- (9) Ammunition of .50 caliber or greater. However, standard issue shotgun ammunition is specifically excluded from this subdivision.
- (10) Specialized firearms and ammunition of less than .50 caliber, including assault weapons as defined in Sections 30510 and 30515 of the Penal Code, with the exception of standard issue service weapons and ammunition of less than .50 caliber that are issued to officers, agents, or employees of a law enforcement agency or a state agency.
- (11) Any firearm or firearm accessory that is designed to launch explosive projectiles.
- (12) "Flashbang" grenades and explosive breaching tools, "tear gas," and "pepper balls," excluding standard, service-issued handheld pepper spray.
- (13) Taser Shockwave, microwave weapons, water cannons, and the Long Range Acoustic Device (LRAD).
- (14) The following projectile launch platforms and their associated munitions: 40mm projectile launchers, "bean bag," rubber bullet, and specialty impact munition (SIM) weapons.
- (15) Any other equipment as determined by a governing body or a state agency to require additional oversight.
- (16) Notwithstanding paragraphs (1) through (15), "military equipment" does not include general equipment not designated as prohibited or controlled by the federal Defense Logistics Agency.
- (d) "Military equipment use policy" means a publicly released, written document governing the use of military equipment by a law enforcement agency or a state agency that addresses, at a minimum, all of the following:
- (1) A description of each type of military equipment, the quantity sought, its capabilities, expected lifespan, and product descriptions from the manufacturer of the military equipment.
- (2) The purposes and authorized uses for which the law enforcement agency or the state agency proposes to use each type of military equipment.
- (3) The fiscal impact of each type of military equipment, including the initial costs of obtaining the equipment and estimated annual costs of maintaining the equipment.
 - (4) The legal and procedural rules that govern each authorized use.
- (5) The training, including any course required by the Commission on Peace Officer Standards and Training, that must be completed before any officer, agent, or employee of the law enforcement agency or the state agency is allowed to use each specific type of military equipment to ensure the full protection of the public's welfare, safety, civil rights, and civil liberties and full adherence to the military equipment use policy.
- (6) The mechanisms to ensure compliance with the military equipment use policy, including which independent persons or entities have oversight

__5__ Ch. 406

authority, and, if applicable, what legally enforceable sanctions are put in place for violations of the policy.

- (7) For a law enforcement agency, the procedures by which members of the public may register complaints or concerns or submit questions about the use of each specific type of military equipment, and how the law enforcement agency will ensure that each complaint, concern, or question receives a response in a timely manner.
- (e) "State agency" means the law enforcement division of every state office, officer, department, division, bureau, board, and commission or other state body or agency, except those agencies provided for in Article IV (except Section 20 thereof) or Article VI of the California Constitution.
- (f) "Type" means each item that shares the same manufacturer model number.
- 7071. (a) (1) A law enforcement agency shall obtain approval of the governing body, by an ordinance adopting a military equipment use policy at a regular meeting of the governing body held pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2) or the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5), as applicable, prior to engaging in any of the following:
- (A) Requesting military equipment made available pursuant to Section 2576a of Title 10 of the United States Code.
- (B) Seeking funds for military equipment, including, but not limited to, applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- (C) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
- (D) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the territorial jurisdiction of the governing body.
- (E) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body pursuant to this chapter.
- (F) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of, military equipment.
- (G) Acquiring military equipment through any means not provided by this paragraph.
- (2) No later than May 1, 2022, a law enforcement agency seeking to continue the use of any military equipment that was acquired prior to January 1, 2022, shall commence a governing body approval process in accordance with this section. If the governing body does not approve the continuing use of military equipment, including by adoption pursuant to this subdivision of a military equipment use policy submitted pursuant to subdivision (b), within 180 days of submission of the proposed military equipment use policy to the governing body, the law enforcement agency shall cease its use of

Ch. 406 — 6 —

the military equipment until it receives the approval of the governing body in accordance with this section.

- (b) In seeking the approval of the governing body pursuant to subdivision (a), a law enforcement agency shall submit a proposed military equipment use policy to the governing body and make those documents available on the law enforcement agency's internet website at least 30 days prior to any public hearing concerning the military equipment at issue.
- (c) The governing body shall consider a proposed military equipment use policy as an agenda item for an open session of a regular meeting and provide for public comment in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2) or the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5), as applicable.
- (d) (1) The governing body shall only approve a military equipment use policy pursuant to this chapter if it determines all of the following:
- (A) The military equipment is necessary because there is no reasonable alternative that can achieve the same objective of officer and civilian safety.
- (B) The proposed military equipment use policy will safeguard the public's welfare, safety, civil rights, and civil liberties.
- (C) If purchasing the equipment, the equipment is reasonably cost effective compared to available alternatives that can achieve the same objective of officer and civilian safety.
- (D) Prior military equipment use complied with the military equipment use policy that was in effect at the time, or if prior uses did not comply with the accompanying military equipment use policy, corrective action has been taken to remedy nonconforming uses and ensure future compliance.
- (2) In order to facilitate public participation, any proposed or final military equipment use policy shall be made publicly available on the internet website of the relevant law enforcement agency for as long as the military equipment is available for use.
- (e) (1) The governing body shall review any ordinance that it has adopted pursuant to this section approving the funding, acquisition, or use of military equipment at least annually and, subject to paragraph (2), vote on whether to renew the ordinance at a regular meeting held pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2) or the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5), as applicable.
- (2) The governing body shall determine, based on the annual military equipment report submitted pursuant to Section 7072, whether each type of military equipment identified in that report has complied with the standards for approval set forth in subdivision (d). If the governing body determines that a type of military equipment identified in that annual military equipment report has not complied with the standards for approval set forth in subdivision (d), the governing body shall either disapprove a renewal of the authorization for that type of military equipment or require modifications

—7— Ch. 406

to the military equipment use policy in a manner that will resolve the lack of compliance.

- (f) Notwithstanding subdivisions (a) to (e), inclusive, if a city contracts with another entity for law enforcement services, the city shall have the authority to adopt a military equipment use policy based on local community needs.
- 7072. (a) A law enforcement agency that receives approval for a military equipment use policy pursuant to Section 7071 shall submit to the governing body an annual military equipment report for each type of military equipment approved by the governing body within one year of approval, and annually thereafter for as long as the military equipment is available for use. The law enforcement agency shall also make each annual military equipment report required by this section publicly available on its internet website for as long as the military equipment is available for use. The annual military equipment report shall, at a minimum, include the following information for the immediately preceding calendar year for each type of military equipment:
- (1) A summary of how the military equipment was used and the purpose of its use.
- (2) A summary of any complaints or concerns received concerning the military equipment.
- (3) The results of any internal audits, any information about violations of the military equipment use policy, and any actions taken in response.
- (4) The total annual cost for each type of military equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing costs, and from what source funds will be provided for the military equipment in the calendar year following submission of the annual military equipment report.
 - (5) The quantity possessed for each type of military equipment.
- (6) If the law enforcement agency intends to acquire additional military equipment in the next year, the quantity sought for each type of military equipment.
- (b) Within 30 days of submitting and publicly releasing an annual military equipment report pursuant to this section, the law enforcement agency shall hold at least one well-publicized and conveniently located community engagement meeting, at which the general public may discuss and ask questions regarding the annual military equipment report and the law enforcement agency's funding, acquisition, or use of military equipment.
- 7073. (a) A state agency shall create a military equipment use policy prior to engaging in any of the following:
- (1) Requesting military equipment made available pursuant to Section 2576a of Title 10 of the United States Code.
- (2) Seeking funds for military equipment, including, but not limited to, applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- (3) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.

Ch. 406 — 8 —

- (4) Collaborating with a law enforcement agency or another state agency in the deployment or other use of military equipment within the territorial jurisdiction of the governing body.
- (5) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body pursuant to this chapter.
- (6) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, or to apply to receive, acquire, use, or collaborate in the use of, military equipment.
- (7) Acquiring military equipment through any means not provided by this subdivision.
- (b) No later than May 1, 2022, a state agency seeking to continue the use of any military equipment that was acquired prior to January 1, 2022, shall create a military equipment use policy.
- (c) A state agency that is required to create a military equipment use policy pursuant to this section shall do both of the following within 180 days of completing the policy:
- (1) Publish the military equipment use policy on the agency's internet website
- (2) Provide a copy of the military equipment use policy to the Governor or the Governor's designee.
- 7074. The Legislature finds and declares that ensuring adequate oversight of the acquisition and use of military equipment is a matter of statewide concern rather than a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this chapter applies to all cities, including charter cities and shall supersede any inconsistent provisions in the charter of any city, county, or city and county.
- 7075. Nothing in this chapter shall preclude a county or local municipality from implementing additional requirements and standards related to the purchase, use, and reporting of military equipment by local law enforcement agencies.
- SEC. 3. The Legislature finds and declares that Section 1 of this act, which adds Chapter 12.8 (commencing with Section 7070) to Division 7 of Title 1 of the Government Code, furthers, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

Requiring local agencies to hold public meetings prior to the acquisition of military equipment further exposes that activity to public scrutiny and enhances public access to information concerning the conduct of the people's business.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district under this act would

9 Ch. 406

result from a legislative mandate that is within the scope of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution.

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CITY OF REDONDO BEACH

EXEMPTION DECLARATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DATE:

May 24, 2022

PROJECT LOCATION:

City-wide, Redondo Beach

PROPOSED PROJECT: Amendment to Redondo Beach Municipal Code

(RBMC) to add Chapter 14 "Military Equipment Policy"

to Title 3 "Public Safety"

In accordance with Chapter 3, Title 10, Section 10-3.301(c) of the Redondo Beach Municipal Code, the above-referenced project is Categorically Exempt from the requirement for preparation of environmental review documents pursuant to:

Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of Guidelines for Implementation of the California Environmental Quality Act, which state, in part, actions undertaken which do not result in a direct or reasonably foreseeable indirect change or significant effect to the environment are exempt from environment review.

This finding is supported by the fact that the proposed action is an amendment to the municipal code regulating administrative functions of local governing which do not involve any activity that would affect a change to the physical environment. Further, the action is not define as a "Project" subject to Section 15378(b)(5) of CEQA Guidelines, which states that administrative activities of governments that will not result in a potentially significant physical impact on the environment are not considered a "project."

orbes AICP

Community Development Director



City of Redondo Beach

NOTICE OF PUBLIC HEARING BEFORE THE CITY COUNCIL

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BEFORE THE CITY COUNCIL OF THE CITY OF REDONDO BEACH ON THE FOLLOWING MATTER. ANY AND ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD.

SUBJECT OF THE HEARING: Public hearing to consider an ordinance amending Redondo Beach Municipal Code Title 3 Public Safety by adding Chapter 16 to govern the use of military equipment by the Redondo Beach Police Department and approving a military equipment use policy pursuant to the requirements of State Assembly Bill 481.

The City Council will also consider adoption of findings/exemptions under the California Environment Quality Act (CEQA), including but not limited to findings that said additional regulations and/or amendments of existing regulations are not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the CEQA Guidelines, and that the code amendments are not a "project" subject to Section 15378(b)(5).

PUBLIC HEARING: The public hearing on this matter will take place before the City Council on Tuesday, August 2nd, 2022 at 6:00 p.m., or as soon thereafter as possible, in the Redondo Beach City Council Chamber, 415 Diamond Street, Redondo Beach, California, or for public participation by Virtual Meeting. The meeting will also be live streamed on the City's website at www.youtube.com/c/CityofRedondoBeach1, and broadcast live through Spectrum Channel 8 and Frontier Communications Channel 41. Members of the public may participate during the meeting as 41. Members of the public may participate during the meeting as

PUBLIC COMMENT: There will be three options for public testimony

- In person oral testimony can be provided by attending the meeting in the City of Redondo Beach City Council Chamber at the address noted above. Interested persons may submit a written eComment through the City's agenda webpage at https://redondo.legistar.com/Calendar.aspx. Specific instructions for eComment will be provided on the agenda cover page when it is released at least 72 hours prior to the meeting. eComments may be read out loud by City staff during the public hearing and are limited to 3 minutes in length (up to 2200 characters). Only one eComment per person. 2.
- per person.
 Oral public testimony can be provided live by joining the virtual Zoom meeting by computer or phone-in. Registration is required. The registration link will be provided on the agenda coversheet when it is released at least 72 hours prior to the 3.

A person may either comment live or submit an eComment, but cannot do both.

For those that cannot participate during the public hearing, written comments for the City Council on this matter may be submitted by email to CityClerk@redondo.org. Written comments will be accepted up to 3:00 p.m. the day of the public hearing, August 2, 2022, to allow time for distribution to the City Council as a Blue Folder item.

The agenda packet with the administrative report and materials related The agenica packet wint the administrative leport and interest selected to this matter will be available for review at least 72 hours prior to the public hearing, pursuant to State Law and local ordinance, on the City of Redondo Beach website https://redondo.legistar.com/Calendar.aspx. Select the August 2, 2022 City Council meeting.

If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

CITY OF REDONDO BEACH, CALIFORNIA

City Clerk of the City of Redondo Beach
Easy Reader Inc/Redondo Beach News/July 21, 2022/RD22-051

GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT AND APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481

CONSIDERATION OF NEW ORDINANCE
August 2, 2022
RBMC Title 3, Chapter 16



Military Equipment Defined / RBPD Policy Section 708

Military Equipment Defined:

- California Government Code § 7070 subsections (c)(1) through (c)(16) define what is military equipment per AB 481.
- It is important to note, the Redondo Beach Police Department does not participate in the Department of Defense 1033 program for procuring surplus military equipment.

RBPD Policy Section 708

- 708.1 the purpose of this policy is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment (Government Code § 7070; Government Code § 7071; Government Code § 7072).
- It is the policy of the RBPD to utilize the equipment described in this presentation only for official law enforcement purposes, by trained personnel, and pursuant to State and Federal laws, including those regarding use of force.



Militar	y Equipment List per CA Government Code Section 7070	Yes	No
(c)(1)	Unmanned, remotely piloted, powered aerial, or ground vehicles	X	
(c)(2)	Armored Vehicle	X	
(c)(3)	Humvee (High Mobility Multipurpose Wheeled Vehicles)		X
(c)(4)	Tracked Armored Vehicle		X
(c)(5)	Command and Control Vehicles		X
(c)(6)	Weaponized aircraft, vessels, or vehicles of any kind		X
(c)(7)	Breaching apparatuses that are explosive in nature	X	
(c)(8)	Firearms of .50 caliber or greater – excluding standard issue SG	Χ	
(c)(9)	Ammunition of .50 caliber or greater – excluding standard issue SG	X	
(c)(10)	Specialized firearms/ammunition- excluding standard issue SW	X	
(c)(11)	Firearm/firearm accessory designed to launch explosive projectile		X
(c)(12)	"Flashbangs," "tear gas"	X	
(c)(13)	Taser Shockwave, Microwave weapons, water cannons, LRAD		X
(c)(14)	40MM Projectile Launchers, "bean bag," rubber bullet, SIM	X	
(c)(15)	Any other equipment to require additional oversight		X



Unmanned, remotely piloted, powered aerial or ground vehicles

- Unmanned Aerial System
 - Gathering information
 - Drone as First Responder (DFR)
 - Search/Rescue, Tactical Operations, Crime Scene Documentation etc.
 - Flying Lion





DJI Mavic 2 Enterprise Advance





Armored Vehicle

- Armored Vehicle
 - Ballistic Protection
 - High Risk Tactical Situations Active Shooter, Warrant Services, Barricaded Suspects, Hostage Rescue, Training etc.
 - Community Engagement Tool



Lenco Bear Cat G2
Tactical Armored Vehicle



Breaching apparatuses that are explosive in nature

- Breaching Shotgun
 - Standard shotgun platform modified to facilitate breaching tasks
 - Defeats deadbolts, door locks, hinges
 - High Risk Tactical Situations Active Shooter, Warrant Services, Barricaded Suspects, Hostage Rescue, Training etc.
 - Only available for use by qualified members of the RBPD SWAT Team
 - Ammunition specifically designed to facilitate breaching tasks zinc slug which disintegrates in to a fine powder eliminating fragmentation.





Firearms of .50 Caliber or Greater – excluding Standard Issue Shotgun & Related Ammunition

- .50 BMG Sniper Rifle / Benelli's M4 Tactical Shotgun / Beretta Shotgun Model 1200
 - Long range precision shooting rifle / Long-barreled firearm designed to shoot a straight-walled cartridge known as a shot shell.
 - High Risk Tactical Situations Active Shooter, Warrant Services, Barricaded Suspects, Hostage Rescue, Training etc.
 - Only available for use by qualified members of the RBPD SWAT Team



Barrett M82A1 .50 BMG Sniper Rifle



Specialized firearms/ammunition – excluding standard issue SW & Related Ammunition

- HK 416 Rifle / Colt M4 Carbine / Colt M16 A2 / Remington Model 700 / Masterpiece Arms .308 Bolt Action Rifle / HK MP5
 - These weapons platforms, bolt-action, semi-automatic, fully automatic, offer Tactical Officers greater accuracy over a long distance.
 - Allows Tactical Officers to engage suspects at distances greater than the effective range of their handgun – creating a tactical advantage
 - Only available for use by qualified members of the RBPD SWAT Team



HK 416



"Flashbangs"

- A Noise Flash Diversionary Device (NFDD) also known as a "Flashbang"
 - Bright Flash + Loud Sound
 - Ideal for distracting dangerous suspects during high risk tactical situations, the use of an NFDD can cause shortterm (approx. 6-8 second) physiological/psychological sensory deprivation to give Officers a tactical advantage
 - High Risk Tactical Situations Active Shooter, Warrant Services, Barricaded Suspects, Hostage Rescue, Training etc.
 - Aerial Flashbang crowd control during civil unrest incidents such as a riot



Low Roll II Distraction Device by Defense Technology



"Tear Gas"

- Tear Gas
 - CS and OC
 - Deployed in various ways including Munitions and Canisters
 - CS irritating agent, medically tested, no known allergic reactions to CS
 - OC inflammatory agent which causes temporary involuntary closure of eyes, respiratory inflammation. De-regulated in California in 1996, available to citizens to legally posses

- Sting Ball
 - Multi-effect grenades with a loud blast, bright flash and dispersion of stinging
 .31 caliber pellets
 - used to gain compliance, disperse crowds, restore order, or temporarily incapacitate dangerous persons





40MM Projectile Launchers, "Bean Bag," Rubber Bullet, SIM

- 40MM Projectile Launcher
 - Capable of firing a variety of munitions including chemical agents, sponge baton rounds, or combined use sponge baton OC chemical agent rounds
 - Less lethal tool, de-escalation tool
 - Can be used to control individuals who demonstrate assaultive or lifethreatening behavior



Defense Technology 40MM LMT Tactical Single Launcher

- Bean Bag Shotgun
 - Remington 870 platform w/orange stock
 - Less lethal force option, de-escalation tool
 - Can be used to control individuals who demonstrate assaultive or life-threatening behavior





GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT AND APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481

Recommended Action

INTRODUCE FOR FIRST READING AND BY TITLE ONLY AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING TITLE 3, CHAPTER 16 TO THE REDONDO BEACH MUNICIPAL CODE GOVERNING THE USE OF MILITARY EQUIPMENT BY THE REDONDO BEACH POLICE DEPARTMENT AND APPROVING THE MILITARY EQUIPMENT USE POLICY PURSUANT TO ASSEMBLY BILL 481



Administrative Report

N.1., File # 22-4499 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING INTERSECTION MODIFICATIONS AT SIGNALIZED INTERSECTIONS ALONG ARTESIA BOULEVARD

APPROVE THE RECOMMENDED SIGNALIZED INTERSECTION IMPROVEMENT OPTION AND AUTHORIZE THE DESIGN AND COMPLETION OF CONSRUCTION DOCUMENTS FOR IMPLEMENTATION OF THE PROPOSED MODIFICATIONS ALONG ARTESIA BOULEVARD

EXECUTIVE SUMMARY

In response to the concerns of residents, the City Council approved a project as part of the Fiscal Year 2021-22 Capital Improvement Program Budget to address left turn safety at certain signalized intersections along Artesia Blvd., between Inglewood Avenue and Aviation Blvd. Additionally, the Council approved a strategic plan objective to complete design of improvements that would increase safety of left turning movements at these intersections. To that end, staff engaged an on-call Traffic Engineering consultant, AGA Engineers, Inc., to advance conceptual designs and determine probable costs to make the most economical improvements. AGA has completed its report on the proposed improvements and provided cost estimates for two options.

The report considered options to improve safety for drivers making the east-bound and west-bound left turn movements at several signalized intersections along Artesia Blvd. One identified option is to improve line of sight for left turning motorists by reducing the medians and adjusting the alignment of the respective left turn pockets. The intersections that would benefit under this approach include those at Aviation Way, Green Lane, Rindge Lane, MacKay Lane and Felton Lane. Improvements at these intersections include reducing the width of the raised medians for eastbound and westbound approaches, realignment of east-west left turn lanes, and minor signing, striping and traffic signal equipment improvements. The option however is expensive and greatly exceeds the project budget of \$200,000.

The second, and recommended, option is to reduce potential left turn conflicts with oncoming vehicles by total or partial elimination of permissive left turn movements through improved technology utilizing new protected permissive left turn flashing yellow arrow (FYA) signal heads. These FYA signal heads are proposed and in design for the intersection of Inglewood and 152nd and are programmable to eliminate permissive left turns at all or certain parts of the day. The intersections that would benefit from this approach include those at Green Lane, Rindge Lane, Slauson Lane, Vail Avenue, MacKay Lane and Felton Lane.

The order of magnitude cost presented in the report from AGA to implement option one, the median

N.1., File # 22-4499 Meeting Date: 8/2/2022

and lane realignment improvements, is \$776,000. The second (recommended) option, which would replace the signal heads with the newer technology equipment described above, has an order of magnitude cost of about \$198,000 for six intersections, or approximately \$33,000 per intersection. This estimate includes projected design costs of \$7,000 per intersection and construction. The advantage of this approach is that signal heads could be replaced independently of the others to accommodate a smaller budget if needed.

It is recommended that the City Council authorize the design and completion of construction documents to replace the signal heads as described in option two. Approximately 95% of the initial \$200,000 project budget remains, which is sufficient to cover the estimated \$42,000 cost of final design. If the construction bid results exceed the then remaining project funds, the City Council can elect to add funding to cover all six intersections, or reduce the number of intersections being upgraded at the time of contract award.

Separately, staff would recommend considering funding for the left turn pocket realignment improvements discussed in option one as part of a future capital budget item or that they be included as part of the eventual Artesia Boulevard Resurfacing Project.

BACKGROUND

Staff began to receive concerns regarding safety of certain intersections along Artesia Blvd. in the first half of 2021. At the end of budget deliberations for FY 2021-22, the Council approved a \$200,000 appropriation for a project to address these safety concerns. Following the budget approval, staff reviewed the Blvd's accident history but it did not point to any specific pattern of collisions that could be corrected with isolated infrastructure changes alone. Staff also performed a line-of-sight analysis at several of the intersections and found that there was potential to improve conditions along the Blvd. if the left turn pockets could be realigned to improve the visibility of oncoming traffic for drivers making a left turn. Staff also evaluated existing traffic signal hardware to see if improvements to intersection operations might achieve the desired effects without creating undue delays in traffic flow along the corridor. Staff later engaged AGA Engineers, one of its on-call consulting firms, to evaluate these concepts and, upon approval of the approach by City Council, to produce procurement and construction documents for the improvements.

AGA's conceptual design report is attached. It provides the line of sight analysis for the intersections where median reduction and left turn lane realignment is proposed. The analysis shows a comparison of existing conditions with proposed future condition. In each case, the appropriate sight distance is achieved by left turn lane realignment for the speed limit along the roadway. A detailed list and description of needed improvements at each of the seven intersections is provided in the report. A reduction in width of the raised concrete medians for both the westbound and eastbound dedicated left turn lane approaches to offset their alignment is recommended for five of the intersections. The other two intersections, at Slauson Lane and Vail Avenue, do not have an opposing left turn lane and so sight lines are not impaired by opposing left turning vehicles. These intersections will also require restriping, pavement repairs and lowering of existing utility boxes. There are also recommendations to replace worn signs, and/or upgrade signal head and pedestrian push button equipment at each of the intersections. U-turn restriction signs would be added to each east or west bound approach for five of the seven intersections. This is due to the reduced width for a turning radius as a result of moving the left turn lane closer to the opposing curb, which may prohibit most vehicles from making U-turns in a single maneuver. Finally, the report includes a

N.1., File # 22-4499 Meeting Date: 8/2/2022

detailed cost estimate for the proposed improvements at each intersection, which totals \$776,000 as an order of magnitude planning budget for the project's construction. The cost to construct the improvements at all seven intersections is considerably beyond what has been budgeted to date (the intersections requiring the median improvements - five of the seven - are estimated to cost an average of \$150,000) and therefor is recommended to be considered as part of future capital budgets or be included and designed as part of the Artesia Blvd Resurfacing Project.

Due to the high cost of median realignment improvements, staff also asked AGA to evaluate the potential of and provide costs for replacement of current protective/permissive "doghouse" style left turn signal heads with programmable protected permissive FYA left turn signal heads. Replacement of the signal heads and needed upgrades to the intersection controllers were expected to be much less expensive as staff review indicates that upgrades to the poles and mast arms do not appear to be required at this time. There is also the potential for operational changes to the left turn movements, going from protected/permissive to protected only, to negatively impact traffic operation along the corridor. However, staff has discussed this with staff from Los Angeles County who maintain the corridor and has learned that this is very unlikely given the vehicle counts making those movements.

Therefore, staff is recommending a two-phase approach. The first phase includes directing AGA to finalize design and construction documents to improve the left turn signal heads to FYA style heads at six locations. This can be accomplished with the existing budget. After bids are received, actual costs will be known and staff will present a recommendation to award a construction contract that is based on the remaining project budget or completed in its entirety with a modest additional appropriation.

The second phase would entail the completion of design and construction documents for the identified median and left turn lane realignments and appropriate the additional funding needed to complete construction during future budget considerations or as part of the Artesia Blvd. Resurfacing Project.

COORDINATION

Coordination of the safety evaluation and the conceptual design work took place within the Public Works Department, with input from the Los Angeles County Public Works Department and AGA.

FISCAL IMPACT

Funding for the cost to complete the design and construction documents for the recommended improvement concept is available in the \$200,000 project budget for the Artesia Blvd. Intersection Safety Improvements project, Job No. 41330.

APPROVED BY:

Mike Witzansky, City Manager

<u>ATTACHMENTS</u>

N.1., File # 22-4499 Meeting Date: 8/2/2022

- Conceptual Design Memorandum by AGA Engineers
- Preliminary Cost Estimate for Left Turn Lane Signal Head Improvements



MEMORANDUM July 11, 2022

To: Andrew Winje, P.E., City Engineer, City of Redondo Beach

From: Ignacio Sanchez, P.E., Senior Transportation Engineer, AGA Engineers, Inc.

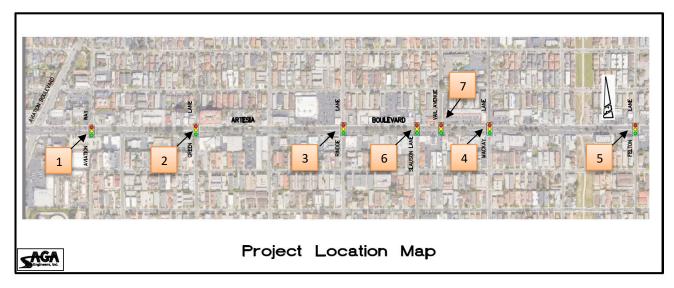
Subject: Artesia Boulevard Intersections Safety Improvements – Conceptual Design Plans

Via the City's Capital Improvement Program, the City of Redondo Beach has funded a project to improve safety at various intersections along Artesia Boulevard by improving the line of sight conditions for drivers making the eastbound and westbound left-turn movements. The improved line of sight is accomplished by modifying the alignment of eastbound and westbound left-turning lanes at five signalized intersections along Artesia Boulevard. The five intersections are as follows.

- Artesia Boulevard at Aviation Way
- Artesia Boulevard at Green Lane
- Artesia Boulevard at Rindge Lane
- Artesia Boulevard at Mackay Lane
- Artesia Boulevard at Felton Lane

The City of Redondo Beach requested AGA Engineers, Inc. to prepare conceptual plans and develop an estimate of probable construction cost for proposed improvements. The proposed improvements include reduced width of raised medians for eastbound and westbound approaches, asphalt repairs, realignment of left-turn and through lanes, addition of buffers next to left turn pockets, lowering or abandonment of existing pull boxes on medians, and other appurtenant work, including minor signing and striping and traffic signal improvements.

In addition to the five study intersections, two intersections (traffic signals) along Artesia Boulevard: at Slauson Lane and at Vail Avenue, are also included in this assessment, but will only include minor traffic signal equipment improvements as no median work is proposed at these two intersections. The figure on next page shows the project location map.



All project intersections along Arteria Boulevard are currently signalized. Artesia Boulevard is classified as a major arterial and is also a truck route. The posted speed limit on Artesia Boulevard is 35 mph. Artesia Boulevard is a four lane facility and there is an existing raised median on Artesia Boulevard at the project intersections. Protected/permissive left-turn traffic signal operation is utilized at all study intersections with the exception of Artesia Boulevard/Aviation Way, that intersection utilizes permissive left-turn phasing.

Field reviews were conducted to identify specific improvements at each of the project intersections. Typical improvements at the five intersections along Artesia Boulevard include:

- Raised median modifications: reducing the width of the raised median, and realigning the leftturn pocket with a 4-foot right side buffer to improve the left-turning line of sight for the eastbound and westbound approaches.
- Implementing roadway striping modifications.
- Relocating the existing No-U-Turn signs for the eastbound and westbound traffic from the raised median to traffic signal mast-arm.
- Replacing left-turn vehicle detection loops with new loops as necessary, adjacent to the reconstructed median.
- Upgrading vehicle signal head and back plates.
- Upgrading to ADA compliant pedestrian push buttons as appropriate.
- Replacing faded signs to current standards.

Mr. Andrew Winje, P.E July 11, 2022 Page 3 of 16

Exhibits showing available sight distance under existing conditions and with proposed median modifications are attached. With the proposed realignment of left-turn lanes on Artesia Boulevard, all five intersections will exceed expected sight distance.

At the two additional locations, both of which are T-intersections – Artesia Blvd/Slauson and Artesia Blvd/Vail Avenue, no median modification work is proposed at these two locations as left-turn lane is provided in only one direction and there is no impact to sight distance as there is no opposing left turn movement. Minor traffic signal upgrades are recommended at the two intersections.

The following exhibits show photographs of existing conditions along with typical proposed improvements at each intersection. Conceptual plans of proposed improvements are included for the five intersections where left-turn pockets will be realigned via median modifications. A typical curb median modification is included in the attachments. An order of magnitude cost estimate of proposed improvements is \$776,000. Preliminary cost estimates of proposed improvements at each intersection are included in the attachments.

Upon receipt of City approval of the proposed improvements identified in this memorandum, AGA team will conduct topographical survey for median modifications, and prepare detailed engineering plans for the proposed improvements.

Artesia Boulevard at Aviation Way, Proposed Improvements:

- Raised median modifications
- Roadway striping modifications
- Install "No U-Turn" signs for eastbound and westbound traffic
- Replace faded traffic signs

Exhibit 1-1. Artesia Boulevard at Aviation WayPhotographs of Existing Conditions



Artesia Boulevard Existing west-leg raised median and signs



Artesia Boulevard Existing east-leg raised median and signs

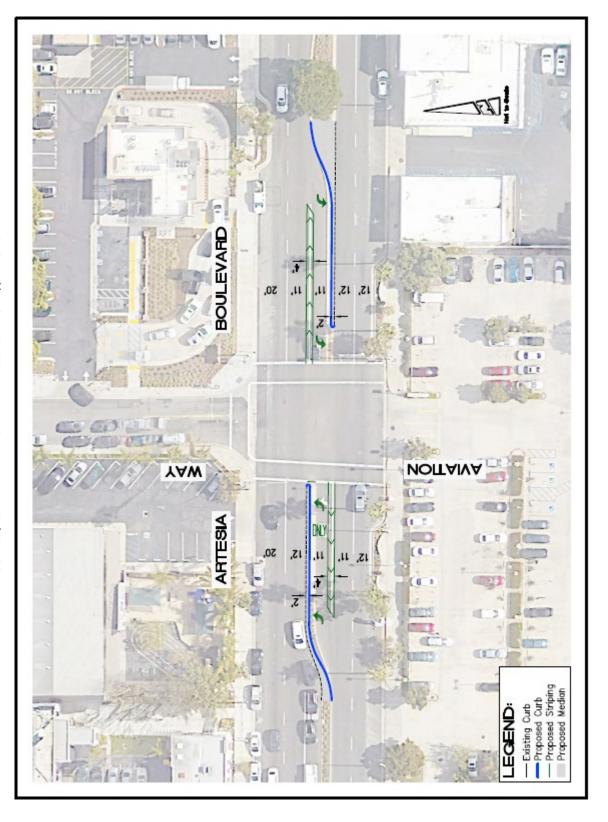


Signal equipment to be upgraded



Pedestrian push-button to be upgraded

Exhibit 1-2. Artesia Boulevard at Aviation Way Conceptual Plan – Left Turn Pocket Realignment



Artesia Boulevard at Green Lane, Proposed Improvements:

- Raised median modifications
- Roadway striping modifications
- Install "No U-Turn" signs for eastbound and westbound traffic
- Replace faded traffic signs
- Upgrade vehicle signal heads and backplates
- Remove unused equipment

Exhibit 2-1. Artesia Boulevard at Green LanePhotographs of Existing Conditions



Artesia Boulevard Existing west-leg raised median and sign



Artesia Boulevard Existing east-leg raised median and signs



Unused equipment to be removed



Pedestrian push-button to be upgraded

BOULEVARD Z 50, DESCRIPTION OF THE PERSON OF T **BNA**J CHEEN ARTESIA ZI. - Existing Curb
- Proposed Curb
- Proposed Striping
- Proposed Medion LEGEND

Exhibit 2-2. Artesia Boulevard at Green Lane Conceptual Plan – Left Turn Pocket Realignment

<u>Artesia Boulevard at Rindge Lane, Proposed Improvements:</u>

- Raised median modifications
- Roadway striping modifications
- Install "No U-Turn" signs for eastbound and westbound traffic
- Replace faded traffic signs
- Upgrade vehicle signal heads and backplates

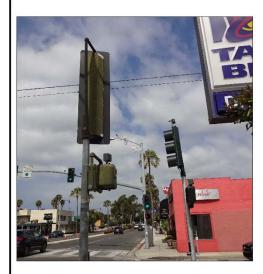
Exhibit 3-1. Artesia Boulevard at Rindge LanePhotographs of Existing Conditions



Artesia Boulevard Existing west-leg raised median



Artesia Boulevard Existing east-leg raised median



Existing equipment to be upgraded — evaluated during design phase



Pedestrian push-button sign to be upgraded

BOULEVARD 50, 15, 11, 50, ,11 . HINDOE **BNA**J 50, 50, 15, - Existing Curb
- Proposed Curb
- Proposed Striping
- Proposed Median LEGEND

Exhibit 3-2. Artesia Boulevard at Ridge Lane Conceptual Plan – Left Turn Pocket Realignment

<u>Artesia Boulevard at Mackay Boulevard, Proposed Improvements:</u>

- Raised median modifications
- Roadway striping modifications
- Install "No U-Turn" signs for eastbound and westbound traffic
- Replace faded traffic signs
- Upgrade vehicle head backplates

Exhibit 4-1. Artesia Boulevard at Mackay Boulevard Photographs of Existing Conditions



Artesia Boulevard Existing west-leg raised median



Artesia Boulevard Existing east-leg raised median

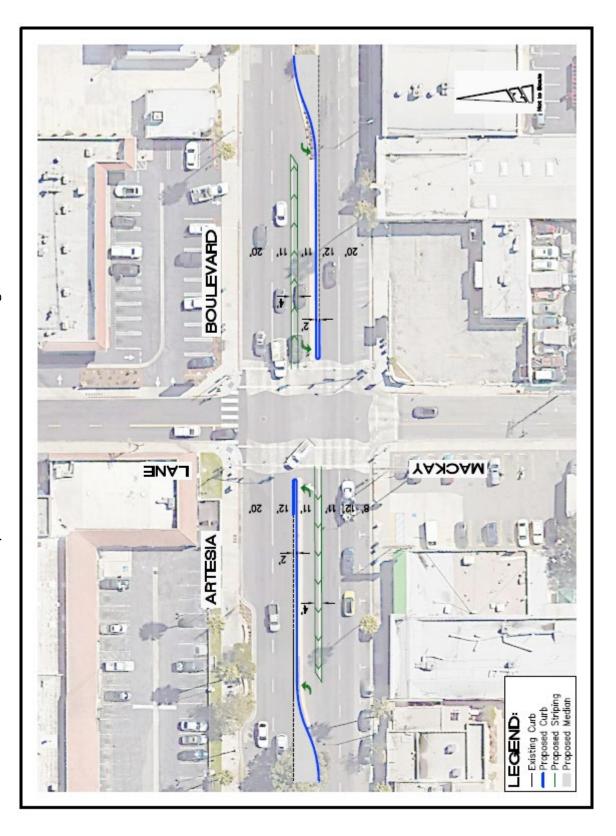


Existing faded mast-arm sign to be upgraded to latest standard



Pedestrian push-button sign to be upgraded

Exhibit 4-2. Artesia Boulevard at Mackay BoulevardConceptual Plan – Left Turn Pocket Realignment



Artesia Boulevard at Felton Lane, Proposed Improvements:

- Raised median modifications
- Roadway striping modifications
- Install "No U-Turn" signs for eastbound and westbound traffic
- Replace faded traffic signs
- Upgrade vehicle head backplates

Exhibit 5-1. Artesia Boulevard at Felton Lane Photographs of Existing Conditions



Artesia Boulevard Existing west-leg raised median



Artesia Boulevard Existing east-leg raised median

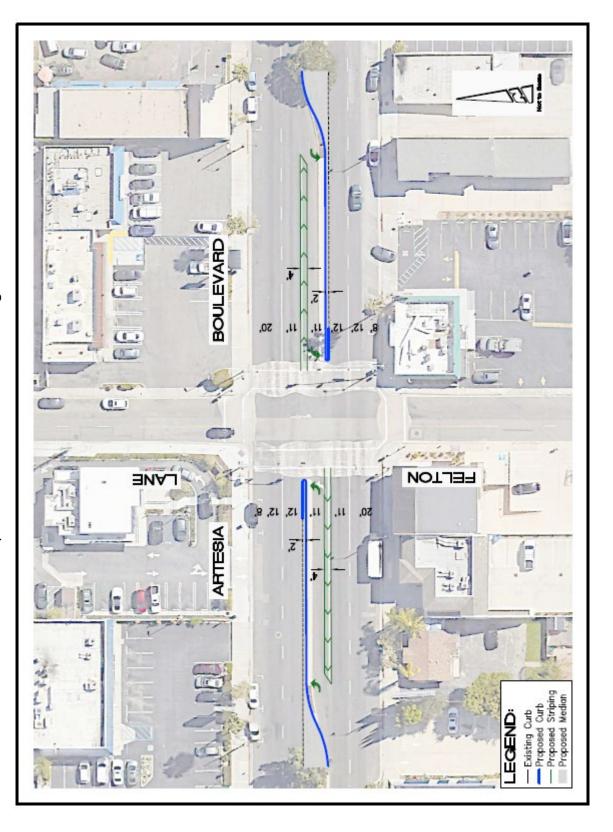


Existing faded mast-arm sign to be upgraded to latest standard



Existing equipment to be upgraded – evaluated during design phase

Exhibit 5-2. Artesia Boulevard at Felton LaneConceptual Plan – Left Turn Pocket Realignment



Artesia Boulevard at Slauson Lane, Proposed Improvements:

- Install "No U-Turn" sign for westbound traffic
- Install "No Left-Turn/U-Turn" sign for eastbound traffic
- Replace faded traffic signs
- Upgrade vehicle head backplates

Exhibit 6-1. Artesia Boulevard at Slauson LanePhotographs of Existing Conditions



Existing faded mast-arm sign to be upgraded to latest standard



Existing faded pole sign to be upgraded to latest standard



Existing signal equipment to be upgraded



Pedestrian push-button sign to be upgraded

Artesia Boulevard at Vail Avenue, Proposed Improvements:

- Install "No U-Turn" sign for eastbound traffic
- Install "No Left-Turn/U-Turn" sign for westbound traffic
- Replace faded traffic signs
- Upgrade vehicle head backplates

Exhibit 7-1. Artesia Boulevard at Vail LanePhotographs of Existing Conditions



Existing faded mast-arm sign to be upgraded to latest standard



Existing faded pole sign to be upgraded to latest standard



Existing signal equipment to be upgraded



Pedestrian push-button sign to be upgraded

Order of Magnitude Cost Estimate Artesian Blvd Safety Improvements Aviation Wy to Felton Lane				
No.	INTERSECTION			ESTIMATED AMOUNT
1	Artesia Boulevard at Aviation Way		\$	152,000.00
2	Artesia Boulevard at Green Lane		\$	135,000.00
3	Artesia Boulevard at Rindge Lane		\$	159,000.00
4	Artesia Boulevard at MacKay Lane		\$	155,000.00
5	Artesia Boulevard at Felton Lane		\$	150,000.00
6	Artesia Boulevard at Slauson Lane		\$	14,000.00
7	Artesia Boulevard at Vail Avenue		\$	13,000.00
		Grand Total:	\$	776,000.00

Attachments:

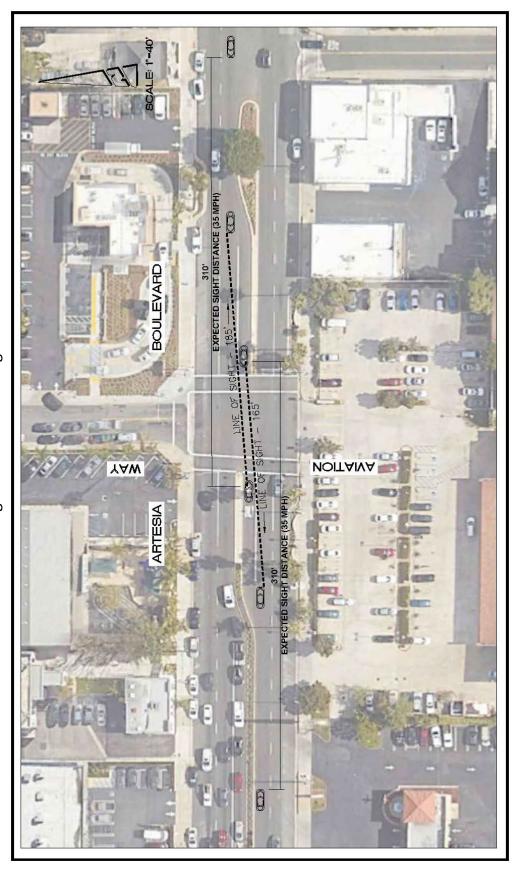
- Sight Distance Assessment
- Typical Curb Median Modification
- Order of Magnitude Cost Estimates

Sight Distance Assessment





Attachment 1A. Artesia Boulevard at Aviation Way
Sight Distance – Existing



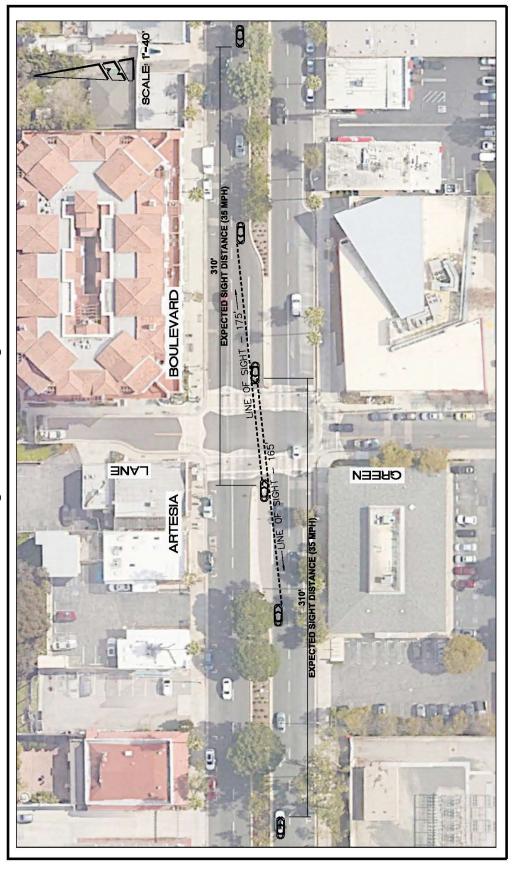


310' EXPECTED SIGHT DISTANCE (35 MPH) BOULEVARD 50, NOITAIVA YAW ARTESIA LINE OF SIGHT - 310'
310'
EXPECTED SIGHT DISTANCE (35 MPH)

Attachment 1B. Artesia Boulevard at Aviation Way
Sight Distance with Proposed Left Turn Pocket Realignment



Attachment 2A. Artesia Boulevard at Green Lane Sight Distance –Existing



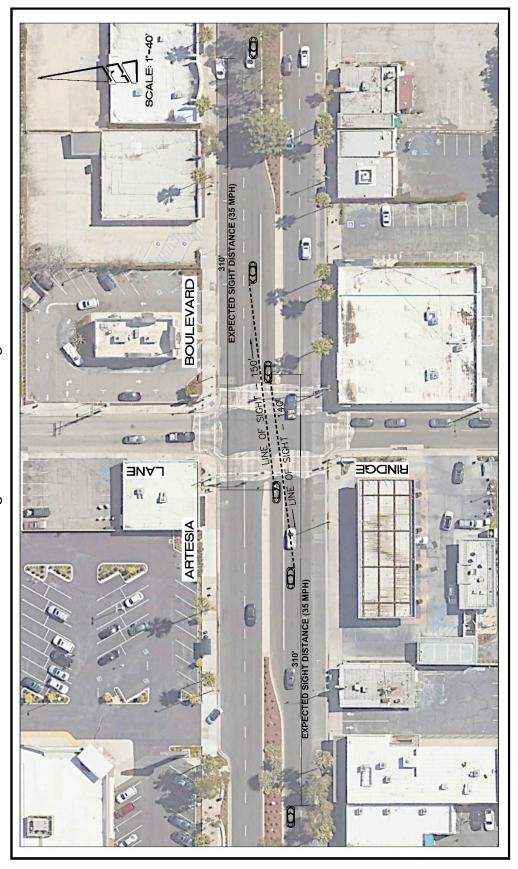


SCALE SYPECTED SIGHT DISTANCE (35) BOULEVARD BNAJ SEED! CHEEN ARTESIA 310' EXPECTED SIGHT DISTANCE (35 MPH)

Attachment 2B. Artesia Boulevard at Green Lane Sight Distance with Proposed Left Turn Pocket Realignment



Attachment 3A. Artesia Boulevard at Ridge Lane Sight Distance – Existing



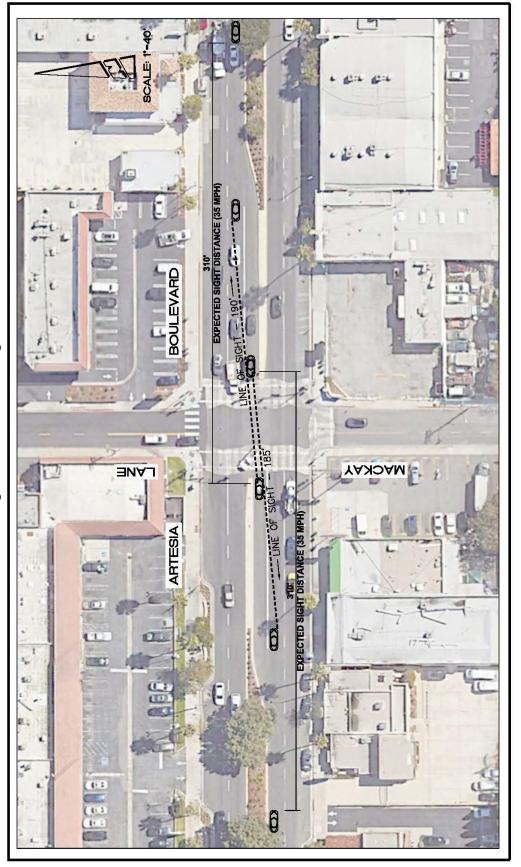


310' S EXPECTED SIGHT DISTANCE (35 MPH [0] Sight Distance with Proposed Left Turn Pocket Realignment BOULEVARD 50, 15, BINDOE ARTESIA 50, 15, 50,

Attachment 3B. Artesia Boulevard at Ridge Lane



Attachment 4A. Artesia Boulevard at Mackay Boulevard
Sight Distance – Existing





310' STANCE (35 MP TINE OF SIGHT - 310'-BOULEVARD **BNA**J **MACKAY** 50, ,21 ARTESIA

Attachment 4B. Artesia Boulevard at Mackay Boulevard Sight Distance with Proposed Left Turn Pocket Realignment



Attachments 5A. Artesia Boulevard at Felton Lane Sight Distance – Existing

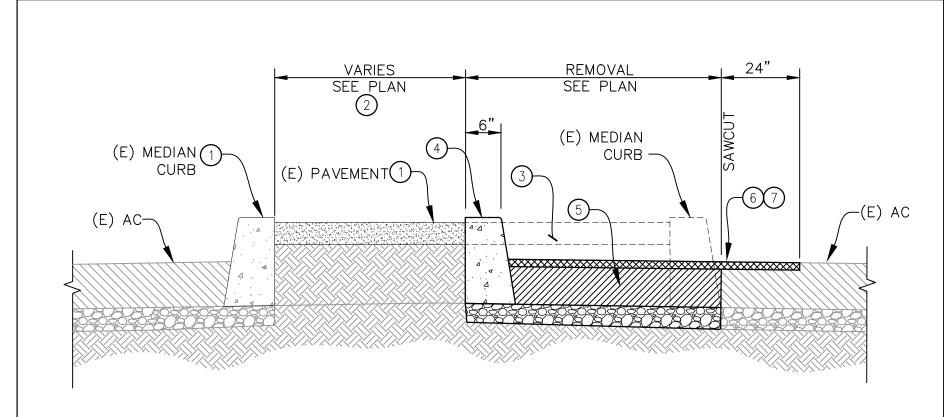




310' EXPECTED SIGHT DISTANCE (35 MPH) LINE OF SIGHT Sight Distance with Proposed Left Turn Pocket Realignment Attachments 5B. Artesia Boulevard at Felton Lane BOULEVARD PELTON ARTESIA ī EXPECTED SIGHT 6

Typical Curb Median Modification





CONSTRUCTION NOTES

- 1)— PROTECT IN PLACE AS NOTED.
- 2— CLEANING AND GRUBBING (INCLUDES REMOVAL OF SIGNS, SHRUBS, LANDSCAPE.)
- (3)— REMOVE AND DISPOSE EXISTING MEDIAN CURB AND PAVEMENT.
- (4)— CONSRUCT 6 INCH PCC CURB PER SPPWC STD. PLAN 120-2. A1-6 (150)
- 5— REMOVE EXISTING AND CONSTRUCT 6-INCH THICK ASPHALT PAVEMENT B (PG-64-10) OVER 4-INCH CMB TO 90% RC
- 6 COLD MILL 2-INCH EXISTING AC PAVEMENT
- (7)— CONSTRUCT 2-INCH AC PAVEMENT ARHM-CG-C (PG-64-16)
- 8 ADJUST EXISTING WATER/GAS VALVE CAN/IRRIGATION METER BOX/PULL BOX COVER TO GRADE.
- 9 RELOCATE EXISTING SIGN AND POLE.

CURB MEDIAN DETAIL

NO SCALE

Order of Magnitude Cost Estimates



	Table 1. Order of Magnitude Cost Estimat	e - Arte	esia Blv	d at Aviation	Wy
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	0.00	3,000.00
2	Traffic Control	LS	1	0.00	4,000.00
3	Furnish and install new "No U-turn" sign on mast-arm	EA	2	800.00	1,600.00
4	Furnish and install new sign and post	EA	2	900.00	1,800.00
5	Furnish and install new sign	EA	2	300.00	600.00
6	Remove sign and post	EA	2	500.00	1,000.00
7	Replace backplates with new backplates with 2" reflective tape	EA	11	500.00	5,500.00
8	Remove existing striping	LS	1	1,000.00	1,000.00
9	Roadway striping	LS	1	3,000.00	3,000.00
10	Remove existing pull box	EA	5	1,000.00	5,000.00
11	Furnish and install new pull box	EA	2	1,800.00	3,600.00
12	Type E Loop (6' Round)	EA	8	500.00	4,000.00
13	3-12" Head (LED)	EA	11	1,200.00	13,200.00
14	Pedestrian Push Button	EA	4	400.00	1,600.00
	Raised Median Recon	structio	n		
1	Clearing and Grubbing (includes removal of Signs, Shrubs, Landscape.)	LS	1	25,000.00	25,000.00
2	Remove and dispose existing median curb and concrete.	SF	750	20.00	15,000.00
3	Construct 6 inch pcc curb per sppwc std. plan 120-2. A1-6 (150)	LF	275	80.00	22,000.00
4	Construct 6-inch thick Asphalt Pavement B (PG-64-10)	Ton	28	160.00	4,480.00
5	Construct 4-inch thick Crushed Misc Base (CMB)	Ton	18	140.00	2,520.00
6	Cold Mill 2-feet wide of 2-inch existing AC Pavement	SF	520	0.40	208.00
7	Construct 2-inch AC Pavement ARHM-CG-C (PG-64-16)	Ton	16	130.00	2,080.00
8	Adjust existing Pull Box/ meter box//pull box cover to grade.	EA	5	250.00	1,250.00
9	Relocate Existing Sign and Pole.	EA	2	1,000.00	2,000.00
10	Median Inspection and Construction Management	LS	1	8,255.00	8,255.00
	Artesia Blvd at Aviation Wy	SUB TO	ΓAL:		132,000
		15% COI	NTINGEN	CIES:	19,800
	TOTAL:				151,800
		CALL:			\$152,000

	Table 2. Order of Magnitude Cost Estima	ate - Ar	tesia B	lvd at Green L	.n
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	1,500.00	1,500.00
2	Traffic Control	LS	1	4,000.00	4,000.00
3	Furnish and install new "No U-turn" sign on mast-arm	EA	2	800.00	1,600.00
4	Furnish and install new sign and post	EA	2	900.00	1,800.00
5	Furnish and install new sign	EA	2	300.00	600.00
6	Remove sign and post	EA	2	500.00	1,000.00
7	Replace backplates with new backplates with 2" reflective tape	EA	13	500.00	6,500.00
8	Remove existing striping	LS	1	1,000.00	1,000.00
9	Roadway striping	LS	1	2,000.00	2,000.00
10	Remove existing pull box	EA	4	1,000.00	4,000.00
11	Furnish and install new pull box	EA	2	1,800.00	3,600.00
	Raised Median Recon	structio	n		•
1	Clearing and Grubbing (includes removal of Signs, Shrubs, Landscape.)	LS	1	25,000.00	25,000.00
2	Remove and dispose existing median curb and concrete.	SF	875	20.00	17,500.00
3	Construct 6 inch pcc curb per sppwc std. plan 120-2. A1-6 (150)	LF	280	80.00	22,400.00
4	Construct 6-inch thick Asphalt Pavement B (PG-64-10)	Ton	33	160.00	5,280.00
5	Construct 4-inch thick Crushed Misc Base (CMB)	Ton	20	140.00	2,800.00
6	Cold Mill 2-feet wide of 2-inch existing AC Pavement	SF	580	0.40	232.00
7	Construct 2-inch AC Pavement ARHM-CG-C (PG-64-16)	Ton	18	130.00	2,340.00
8	Adjust existing Pull Box/ meter box//pull box cover to grade	EA	6	250.00	1,500.00
9	Relocate Existing Sign and Pole.	EA	2	1,000.00	2,000.00
10	Median Inspection and Construction Management	LS	1	10,693.00	10,693.00
	Artesia Blvd at Green Ln	SUB TOTAL:			117,000
		15% CONTINGENCIES:			17,550
		TOTAL:	134,550		
		CALL:			\$135,000

	Table 3. Order of Magnitude Cost Estima	ate - Ari	tesia Bl	vd at Rindge l	Ln
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	1,500.00	1,200.00
2	Traffic Control	LS	1	4,000.00	4,000.00
3	Furnish and install new "No U-turn" sign on mast-arm	EA	2	800.00	1,600.00
4	Furnish and install new sign and post	EA	2	900.00	1,800.00
5	Furnish and install new sign	EA	2	300.00	600.00
6	Remove sign and post	EA	2	500.00	1,000.00
7	Replace backplates with new backplates with 2" reflective tape	EA	12	500.00	6,000.00
8	Remove existing striping	LS	1	1,000.00	1,000.00
9	Roadway striping	LS	1	3,000.00	3,000.00
10	Remove existing pull box	EA	4	1,000.00	4,000.00
11	Furnish and install new pull box	EA	2	1,800.00	3,600.00
	Raised Median Recon	structio	n		•
1	Clearing and Grubbing (includes removal of Signs, Shrubs, Landscape.)	LS	1	25,000.00	25,000.00
2	Remove and dispose existing median curb and concrete.	SF	1,140	20.00	22,800.00
3	Construct 6 inch pcc curb per sppwc std. plan 120-2. A1-6 (150)	LF	420	80.00	33,600.00
4	Construct 6-inch thick Asphalt Pavement B (PG-64-10)	Ton	43	160.00	6,880.00
5	Construct 4-inch thick Crushed Misc Base (CMB)	Ton	27	140.00	3,780.00
6	Cold Mill 2-feet wide of 2-inch existing AC Pavement	SF	850	0.40	340.00
7	Construct 2-inch AC Pavement ARHM-CG-C (PG-64-16)	Ton	25	130.00	3,250.00
8	Adjust existing Pull Box/ meter box//pull box cover to grade	EA	6	250.00	1,500.00
9	Relocate Existing Sign and Pole.	EA	2	1,000.00	2,000.00
10	Median Inspection and Construction Management 10%	LS	1	11,341.00	11,341.00
	Artesia Blvd at Rindge Ln	SUB TOTAL:			138,000
		15% COI	20,700		
		TOTAL:	158,700		
		CALL:			\$159,000

	Table 4. Order of Magnitude Cost Estimate	- Artes	sia Blvd	at Mackay Lr	1
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	1,500.00	1,000.00
2	Traffic Control	LS	1	4,000.00	4,000.00
1	Furnish and install new "No U-turn" sign on mast-arm	EA	2	800.00	1,600.00
2	Furnish and install new sign and post	EA	2	900.00	1,800.00
3	Furnish and install new sign	EA	2	300.00	600.00
4	Remove sign and post	EA	2	500.00	1,000.00
5	Replace backplates with new backplates with 2" reflective tape	EA	12	500.00	6,000.00
6	Remove existing striping	LS	1	1,100.00	1,100.00
7	Roadway striping	LS	1	3,000.00	3,000.00
8	Remove existing pull box	EA	3	1,000.00	3,000.00
9	Furnish and install new pull box	EA	0	1,800.00	0.00
10	Raised median reconstruction	LS	1	0.00	0.00
11	Mobilization	LS	1	0.00	0.00
12	NPDES, SWPPP Plan and Implementation	LS	1	0.00	0.00
13	Traffic Control	LS	1	0.00	0.00
	Raised Median Reconst	ruction			
1	Clearing and Grubbing (includes removal of Signs, Shrubs, Landscape.)	LS	1	25,000.00	25,000.00
2	Remove and dispose existing median curb and concrete.	SF	1,260	20.00	25,200.00
3	Construct 6 inch pcc curb per sppwc std. plan 120-2. A1-6 (150)	LF	420	80.00	33,600.00
4	Construct 6-inch thick Asphalt Pavement B (PG-64-10)	Ton	47	160.00	7,520.00
5	Construct 4-inch thick Crushed Misc Base (CMB)	Ton	29	140.00	4,060.00
6	Cold Mill 2-feet wide of 2-inch existing AC Pavement	SF	900	0.40	360.00
7	Construct 2-inch AC Pavement ARHM-CG-C (PG-64-16)	Ton	27	130.00	3,510.00
8	Adjust existing Pull Box/ meter box//pull box cover to grade.	EA	7	250.00	1,750.00
9	Relocate Existing Sign and Pole.	EA	2	1,000.00	2,000.00
10	Median Inspection and Construction Management 10%	LS	1	8,702.00	8,702.00
~	Artesia Blvd at MacKay Ln	SUB TO		-,	135,000
	15% CONTINGENCIES: TOTAL: CALL:				20,250 155,250 \$155,000

	Table 5. Order of Magnitude Cost Estimate - Artesia Blvd at Felton Ln							
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)			
1	Signal Equipment Mobilization	LS	1	1,500.00	1,000.00			
2	Traffic Control	LS	1	4,000.00	4,000.00			
1	Furnish and install new "No U-turn" sign on mast-arm	EA	2	800.00	1,600.00			
2	Furnish and install new sign and post	EA	2	900.00	1,800.00			
3	Furnish and install new sign	EA	2	300.00	600.00			
4	Remove sign and post	EA	2	500.00	1,000.00			
5	Replace backplates with new backplates with 2" reflective tape	EA	12	500.00	6,000.00			
6	Remove existing striping	LS	1	1,000.00	1,000.00			
7	Roadway striping	LS	1	3,000.00	3,000.00			
8	Remove existing pull box	EA	3	1,000.00	3,000.00			
9	Furnish and install new pull box	EA	0	1,800.00	0.00			
10	Raised median reconstruction	LS	1	0.00	0.00			
11	Mobilization	LS	1	0.00	0.00			
12	NPDES, SWPPP Plan and Implementation	LS	1	0.00	0.00			
13	Traffic Control	LS	1	0.00	0.00			
	Raised Median Reconst	ruction						
1	Clearing and Grubbing (includes removal of Signs, Shrubs, Landscape.)	LS	1	25,000.00	25,000.00			
2	Remove and dispose existing median curb and concrete.	SF	1,160	20.00	23,200.00			
3	Construct 6 inch pcc curb per sppwc std. plan 120-2. A1-6 (150)	LF	400	80.00	32,000.00			
4	Construct 6-inch thick Asphalt Pavement B (PG-64-10)	Ton	44	160.00	7,040.00			
5	Construct 4-inch thick Crushed Misc Base (CMB)	Ton	27	140.00	3,780.00			
6	Cold Mill 2-feet wide of 2-inch existing AC Pavement	SF	800	0.40	320.00			
7	Construct 2-inch AC Pavement ARHM-CG-C (PG-64-16)	Ton	25	130.00	3,250.00			
8	Adjust existing Pull Box/ meter box//pull box cover to grade.	EA	3	250.00	750.00			
9	Relocate Existing Sign and Pole.	EA	2	1,000.00	2,000.00			
10	Median Inspection and Construction Management 10%	LS	1	9,721.00	9,721.00			
	Artesia Blvd at Felton Ln	SUB TO		<u> </u>	130,000			
			NTINGEN	CIES:	19,500			
TOTAL:					149,500			
CALL:					\$150,000			

	Table 6. Order of Magnitude Cost Estimate - Artesia Blvd at Slauson Ln							
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)			
1	Signal Equipment Mobilization	LS	1	1,500.00	1,000.00			
2	Traffic Control	LS	1	4,000.00	500.00			
3	Furnish and install new "No U-turn" sign on mast-arm	EA	1	800.00	800.00			
4	Furnish and install new "No Left Turn" sign on mast-arm	EA	1	800.00	800.00			
5	Replace existing sign	EA	9	300.00	2,700.00			
6	Furnish and install new sign	EA	6	300.00	1,800.00			
7	Replace backplates with new backplates with 2" reflective tape	EA	9	500.00	4,500.00			
	Artesia Blvd at Slauson Ln	SUB TO	ΓAL:		12,000			
	15% CONTINGENCIES: TOTAL: CALL:				1,800 13,800 \$14,000			

	Table 7. Order of Magnitude Cost Estimate - Artesia Blvd at Vail Ave							
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)			
1	Signal Equipment Mobilization	LS	1	1,500.00	1,000.00			
2	Traffic Control	LS	1	4,000.00	500.00			
1	Signal Equipment Mobilization	LS	1	1,500.00	600.00			
2	Traffic Control	LS	1	4,000.00	500.00			
1	Furnish and install new "No U-turn" sign on mast-arm	EA	1	800.00	800.00			
2	Furnish and install new "No Left Turn" sign on mast-arm	EA	1	800.00	800.00			
3	Furnish and install new sign	EA	8	300.00	2,400.00			
4	Replace backplates with new backplates with 2" reflective tape	EA	9	500.00	4,500.00			
	Artesia Blvd at Vail Ave	SUB TOT 15% CON TOTAL: CALL:	TAL: NTINGENO	CIES:	11,000 1,650 12,650 \$13,000			

Phase 1

Order of Magnitude Cost Estimate for the Convesion to Flashing Yellow Arrow (FYA) or Fully Protected Left Turn Phasing

Artesia Boulevard from Green Lane to Felton Lane

No.	INTERSECTION	IMPROVEMENTS SUBTOTAL	TOTAL
1	Artesia Boulevard at Green Lane	27,000	34,000
2	Artesia Boulevard at Rindge Lane	26,000	33,000
3	Artesia Boulevard at Slauson Lane	27,000	34,000
4	Artesia Boulevard at Vail Avenue	25,000	31,000
5	Artesia Boulevard at MacKay Lane	26,000	33,000
6	Artesia Boulevard at Felton Lane	26,000	33,000
	Grand Total:	157,000	\$198,000

Phase 1 Order of Magnitude Cost Estimate - Artesia Blvd at Green Ln Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing

	•	•			
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	1,200.00	1,200.00
2	Traffic Control	LS	1	1,000.00	1,000.00
3	Furnish and replace sign on mast-arm	EA	2	800.00	1,600.00
4	Furnish and replace "No U-turn" sign on median	EA	1	300.00	300.00
5	Furnish and replace "One Way" sign on median	EA	1	300.00	300.00
6	Replace backplates with new backplates with 2" reflective tape	EA	13	500.00	6,500.00
7	5-12" Head (LED)	EA	4	1,600.00	6,400.00
8	Conflict Monitor with FYA capability	EA	1	2,500.00	2,500.00
9	Design plans and specifications	LS	1	7,000.00	7,000.00
SUB TOTAL:					27,000
	25% CONTINGENCIES:			6,750	
	TOTAL:				
	CALL:				

Phase 1 Order of Magnitude Cost Estimate - Artesia Blvd at Rindge Ln Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing

Conversion to Flashing Tellow Arrow or Fully Protected Left Phasing							
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)		
1	Signal Equipment Mobilization	LS	1	1,100.00	1,100.00		
2	Traffic Control	LS	1	1,000.00	1,000.00		
3	Furnish and replace sign on mast-arm	EA	2	800.00	1,600.00		
4	Replace backplates with new backplates with 2" reflective tape	EA	12	500.00	6,000.00		
5	5-12" Head (LED)	EA	4	1,600.00	6,400.00		
6	Conflict Monitor with FYA capability	EA	1	2,500.00	2,500.00		
7	Design plans and specifications	LS	1	7,000.00	7,000.00		
		SUB TO	ΓAL:		26,000		
		25% CONTINGENCIES:			6,500		
		TOTAL:			32,500		
	CALL:						

Phase 1 Order of Magnitude Cost Estimate - Artesia Blvd at Slauson Ln Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing

No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)	
1	Signal Equipment Mobilization	LS	1	1,200.00	1,200.00	
2	Traffic Control	LS	1	1,000.00	1,000.00	
3	Furnish and replace sign on mast-arm	EA	2	800.00	1,600.00	
4	Replace existing sign on existing post	EA	2	300.00	600.00	
5	Furnish and install new sign	EA	6	300.00	1,800.00	
6	Replace backplates with new backplates with 2" reflective tape	EA	9	500.00	4,500.00	
7	5-12" Head (LED)	EA	4	1,600.00	6,400.00	
8	Conflict Monitor with FYA capability	EA	1	2,500.00	2,500.00	
9	Design plans and specifications	LS	1	7,000.00	7,000.00	
	SUB TOTAL:					
25% CONTINGENCIES:					6,750	
		TOTAL:			33,750	
		CALL:			\$34,000	

Phase 1 Order of Magnitude Cost Estimate - Artesia Blvd at Vail Ave Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing

	Conversion to Flashing Tellow Arrow of Fully Protected Left Phashing						
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)		
1	Signal Equipment Mobilization	LS	1	1,100.00	1,100.00		
2	Traffic Control	LS	1	1,000.00	1,000.00		
3	Furnish and replace sign on mast-arm	EA	2	800.00	1,600.00		
4	Furnish and replace "No U-turn" sign on median	EA	1	300.00	300.00		
5	Furnish and replace "No turn" sign on existing post or pole	EA	2	300.00	600.00		
6	Furnish and replace "One Way" sign on median	EA	1	300.00	300.00		
7	Replace backplates with new backplates with 2" reflective tape	EA	9	500.00	4,500.00		
8	5-12" Head (LED)	EA	4	1,600.00	6,400.00		
9	Conflict Monitor with FYA capability	EA	1	2,500.00	2,500.00		
10	Design plans and specifications	LS	1	7,000.00	7,000.00		
		SUB TO	ΓAL:		25,000		
	25% CONTINGENCIES:			6,250			
	TOTAL:				31,250		
		CALL:			\$31,000		

Phase 1 Order of Magnitude Cost Estimate - Artesia Blvd at Mackay Ln Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing

Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing					
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	1,100.00	1,100.00
2	Traffic Control	LS	1	1,000.00	1,000.00
3	Furnish and replace sign on mast-arm	EA	2	800.00	1,600.00
4	Replace backplates with new backplates with 2" reflective tape	EA	12	500.00	6,000.00
5	5-12" Head (LED)	EA	4	1,600.00	6,400.00
6	Conflict Monitor with FYA capability	EA	1	2,500.00	2,500.00
7	Design plans and specifications	LS	1	7,000.00	7,000.00
		SUB TO	TAL:		26,000
	25% CONTINGENCIES:		6,500		
		TOTAL:			32,500
		CALL:			\$33,000

Phase 1
Order of Magnitude Cost Estimate - Artesia Blvd at Felton Ln
Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing

Conversion to Flashing Yellow Arrow or Fully Protected Left Phasing					
No.	DESCRIPTION	UNIT	QTY	PRICE (\$)	AMOUNT (\$)
1	Signal Equipment Mobilization	LS	1	1,100.00	1,100.00
2	Traffic Control	LS	1	1,000.00	1,000.00
3	Furnish and install new "No U-turn" sign on mast-arm	EA	2	800.00	1,600.00
4	Replace backplates with new backplates with 2" reflective tape	EA	12	500.00	6,000.00
5	5-12" Head (LED)	EA	4	1,600.00	6,400.00
6	Conflict Monitor with FYA capability	EA	1	2,500.00	2,500.00
7	Design plans and specifications	LS	1	7,000.00	7,000.00
		SUB TO	ΓAL:		26,000
	25% CONTINGENCIES:		6,500		
	TOTAL:		32,500		
		CALL:			\$33,000



Administrative Report

N.2., File # 22-4381 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A FOURTH EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE FOURTH EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a fourth extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, the Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns. The County completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit.

N.2., File # 22-4381 Meeting Date: 8/2/2022

Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021.

Since the initial 60-day period, DBH has submitted applications for three extensions, as allowed by the Coastal Land Use Plan Implementing Ordinance, RBMC Section 10-5.2228. During the extended time, engineering consultant work was initiated on the scope and design of the repair project, and DBH began analyzing estimated project costs and potential sources of funding. The third extension was scheduled to expire on July 25, 2022.

On July 22, 2022, DBH submitted an application to the City for a fourth 60-day extension to the emergency closure permit to allow time to complete additional engineering design work and to appropriate funding. DBH has obtained a cost estimate of \$2.5 million for the project. DBH is seeking approval to utilize \$2.5 million of the Department's operating budget to complete the capital project. The Community Development Director approved the fourth extension on July 27, 2022.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- 4th Extension to Emergency Coastal Development Permit
- 3rd Extension to Emergency Coastal Development Permit
- 2nd Extension to Emergency Coastal Development Permit
- 1st Extension to Emergency Coastal Development Permit
- Emergency Coastal Development Permit
- Application for 4th extension to Emergency Coastal Development Permit

N.2., File # 22-4381 Meeting Date: 8/2/2022

- City Council Administrative Report June 14, 2022 3rd Extension
- City Council Administrative Report April 12, 2022 2nd Extension
- City Council Administrative Report February 8, 2022 1st Extension
- City Council Administrative Report December 7, 2021 Original Emergency Permit
- RBMC Section 10-5.2228



July 27, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on July 27, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: CDP-2021-12

County of Los Angeles / Department of Beaches and Harbors Applicant:

13837 Fiji Way

Marina Del Rey, CA 90292

Applicant's Representative: Porsche White

County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Location: Esplanade at Avenue A, Redondo Beach

Original Date of Permit Issuance: November 30, 2021

January 28, 2022 (60 days) Original Permit Expiration Date: **Extension Expiration Date:** March 29, 2022 (60 days) 2nd Extension Expiration Date: May 27, 2022 (60 days) 3rd Extension Expiration Date: July 25, 2022 (60 days)

September 22, 2022 (60 days) 4th Extension Expiration Date:

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

- 1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
- 2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
- 3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on July 27, 2022.
- 4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
- 5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
- 6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

- 1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
- Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal

Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.

- 3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
- 4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
- 5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:

Brandy Forbes, AICP

Community Development Director



May 27, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on May 27, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: CDP-2021-12

Applicant: County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Applicant's Representative: Porsche White

County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Location: Esplanade at Avenue A, Redondo Beach

Original Date of Permit Issuance: November 30, 2021

Original Permit Expiration Date: January 28, 2022 (60 days)

Extension Expiration Date: March 29, 2022 (60 days)

2nd Extension Expiration Date: May 27, 2022 (60 days)

3rd Extension Expiration Date: July 25, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

- 1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
- 2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
- 3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on May 27, 2022.
- 4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
- The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
- 6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.

- 2. Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
- 3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
- 4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
- 5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:

Brandy Forbes, AICP Community Development Director



April 7, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on April 1, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: CDP-2021-12

Applicant: County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Applicant's Representative: Porsche White

County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Location: Esplanade at Avenue A, Redondo Beach

Original Date of Permit Issuance: November 30, 2021

Original Permit Expiration Date: January 28, 2022 (60 days)

Extension Expiration Date: March 29, 2022 (60 days)

2nd Extension Expiration Date: May 27, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

- 1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
- 2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
- 3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on April 7, 2022.
- 4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
- 5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
- 6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.

- 2. Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
- 3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
- 4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
- 5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:

Brandy Forbes, AICP
Community Development Director



January 31, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on January 31, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: CDP-2021-12

Applicant: County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Applicant's Representative: Porsche White

County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Location: Esplanade at Avenue A, Redondo Beach

Original Date of Permit Issuance: November 30, 2021

Original Permit Expiration Date: January 28, 2022 (60 days)

Extension Expiration Date: March 29, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an extension of the original emergency permit to allow additional time for development of the plans. The plans will be included with an application for a full Coastal Development Permit for the rehabilitation project.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

- 1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
- 2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. An application for Coastal Development Permit shall be submitted for repair work within sixty (60) days.
- 3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on February 1, 2022.
- 4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
- 5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
- 6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

- 1. Within sixty (60) days of the issuance of this extension to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
- Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
- 3. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
- 4. This extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of issuance by the Community Development Director unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.
- 5. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
- 6. Within 60 days, the applicant shall submit an application for a Coastal Development Permit for repair work to the access ramp located on Esplanade at Avenue A.

Issued By:

Brandy Forbes, AICP

Community Development Director



November 30, 2021

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an emergency coastal permit was rendered on November 30, 2021 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: CDP-2021-12

Applicant:

County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Applicant's Representative:

Porsche White

County of Los Angeles / Department of Beaches and Harbors

13837 Fiji Way

Marina Del Rey, CA 90292

Location: Eplanade at Avenue A, Redondo Beach

Date of Permit Issuance:

November 30, 2021

Permit Expiration Date:

January 28, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

- 1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
- 2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. An application for Coastal Development Permit shall be submitted for repair work within sixty (60) days.
- 3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on December 1, 2021.
- 4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
- 5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
- 6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Conditions:

- 1. Within sixty (60) days of the issuance of this Emergency Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
- 2. Any development or structures constructed pursuant to this Emergency Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.

- 3. Any installations authorized in this Emergency permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
- 4. This Emergency Permit shall be valid for sixty (60) days from the date of issuance by the Community Development Director unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.
- 5. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
- 6. Within 60 days, the applicant shall submit an application for a Coastal Development Permit for repair work to the access ramp located on Esplanade at Avenue A.

The Community Development Director shall report in writing and orally, the granting of this Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director. The report shall include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. Copies of the report shall be available at the meeting and shall be mailed to the Coastal Commission and to all persons requesting such notification of local coastal development decisions.

Issued By:

Brandy Forbes, AICP

Community Development Director

Attachments:

• Application for Emergency Coastal Development Permit with attachments.

CITY OF REDONDO BEACH

PLANNING DIVISION

APPLICATION FOR COASTAL DEVELOPMENT PERMIT (or application for exemption or categorical exclusion)

RECEIVED BY:	
DATE RECEIVED:	
APPLICATION NO:	

PLEASE NOTE: Within 30 days of receipt of an application, the Planning Division will inform the applicant in writing if the application is <u>incomplete</u>, and what items must be submitted to complete the application. <u>Processing of the application will not begin until it is complete</u>, pursuant to Section 10-5.2210 of the Municipal Code.

Application is hereby made to the City of Redondo Beach, for a Coastal Development Permit, pursuant to Article 10 of Chapter 5, Title 10 of the Redondo Beach Municipal Code.

A	APPLICANT INFORMATION			
	STREET ADDRESS OF PROPERTY: Avenue A and Esplanade, Redondo Beach, CA 90277			
	EXACT LEGAL DESCRIPTION OF THE PROPERTY:		ZONING:	
	LOT: Refer to the parcel profile report BLOCK: TRACE	CT:	P-PRO	
	RECORDED OWNER'S NAME:	AUTHORIZED AGENT'S N	AME:	
	County of Los Angeles, Department of Beaches and Harbors			
	MAILING ADDRESS:	MAILING ADDRESS:		
	13837 Fiji Way, Marina del Rey, CA 90292	13837 Fiji Way, Marina del Re	ey, CA 90292	
	TELEPHONE: 424-526-7755	TELEPHONE: 424-526-7755		
	PROJECT DEVELOPER:	PROJECT ARCHITECT/FII	RM/PRINCIPAL:	
	n/a	n/a		
	MAILING ADDRESS:	MAILING ADDRESS:		
	TELEPHONE:	TELEPHONE:	LICENSE NO.	
В	TYPE OF APPLICATION (Consult with Planning Di	vision staff)		
	Exempt			
	Categorical Exclusion			
	Coastal Development Permit public hearing waiver			
	Coastal Development Permit public hearing	g required		
	X Emergency Coastal Development Permit			

C	PROJECT DESCRIPTION. (Provide a detailed description of the project.)		
	On November 30, 2021, the City of Redondo Beach (City) approved emergency coastal development permit (eCDP) No. CDP-2021-12 authorizing the closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade in Redondo Beach, California. The County of Los Angeles Department of Beaches and Harbors (DBH) requested the closure following an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety. The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2"		
	diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A CMU retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.		
	On May 27, 2022, the City issued an eCDP extension for the access ramp closure, which is set to expire on July 25, 2022. DBH is requesting an additional extension of eCDP No. CDP-2021-12 to allow for more time to complete construction drawings for the ramp repair project. A subsequent coastal development permit will be submitted for the replacement of the access ramp. If you have any questions, please feel free to contact Porsche White at PWhite@bh.lacounty.gov or (424) 526-7745.		
D	PROJECT INFORMATION: (Note: Please provide a detailed project description on a separate page.)		
	Where questions do not apply to your project, indicate "NOT APPLICABLE" or N.A.		
	1. TYPE OF PROJECT N/A ☐ New Sq. Ft.		
	Addition Sq. Ft.		
	Demolition Sq. Ft.		
	Change of use from to to		
	Grading Cu. Yds.		
	☐ Fence Height Length ☐ Paving Amount		
	OtherAmount		

2. ADDITIONAL INFORMATION Note: If <u>yes</u> to any of the items b through h, please explain on a separate sheet.
a. Has any application for development on this site been submitted previously to the California Coastal Zone Conservation Commission or Coastal Commission? ☐ YES ☐ NO If yes, state previous Application Number:
b. Are any utility extensions necessary to serve the project? If yes, explain. YES NO
c. Does the development involve diking, filling, dredging or placing structures in open coastal waters? If yes, explain and indicate whether the U.S. Army Corps of Engineers Permit has been applied for. YES X NO
d. Will the development extend into or adjoin any beach, tidelands, submerged lands or public trust lands? **EX** YES** INO**
e. Is the development in or near: • Sensitive habitat areas? ☐ YES ☒ NO • 100 year floodplain? ☐ YES ☒ NO • Park or recreation area? ☒ YES ☐ NO
f. Will the development harm existing lower-cost visitor and recreational facilities? YES NO Will the development provide public or private recreational opportunities? YES NO
g. Does the site contain any: • Historic resources? YES NO • Archaeological Resources? YES NO
 h. Will the proposed development be visible from: • Park, beach or recreation areas? ▼ YES □ NO • Harbor area? □ YES ▼ NO
 i. Is the project a "Priority Project" as defined by the City's NPDES Permit pursuant to Section 5-7.103 of the Redondo Beach Municipal Code? ☐ YES ▼ NO • If yes, are copies (2 or 25 copies, as applicable) of the Low Impact Development (LID) report attached? ☐ YES ▼ NO
j. Is the a project with "Planning priority project characteristics" as defined by the City's NPDES Permit pursuant to Section 5-7.103 of the Redondo Beach Municipal Code? ☐ YES ▼ NO • If yes, are copies (2 or 25 copies, as applicable) of the Low Impact Development (LID) report attached? ☐ YES ▼ NO

E	SHOWINGS: Explain how the project is consistent with the Certified Local Coastal Program.
	1. Is the project designed in full accordance with the development standards and other provisions of the Zoning Ordinance for the Coastal Zone? If not, explain. Not Applicable.
	2. If the proposed development is located between the sea and the first public road paralleling the sea, indicate how it is in conformity with the public access and public recreation policies of Chapter 3 of Division 20 of the California Public Resources Code.
	The proposed development is located between the sea and the first public road. Section 30604(c) of the Coastal Act requires that every coastal development permit issued for any development between the nearest public road and the sea include a specific finding that the development is in conformance with the public access and recreation policies of Chapter 3 of the Coastal Act. As proposed, the closure of the Avenue A access ramp will temporarily reduce pedestrian beach access from Avenue A. However, immediate closure of the ramp is required due to concerns with public safety. Alternate accessways are available at Knob Hill, 0.1 mile to the north, and Avenue C, 0.15 mile to the south.

3. Will the project have an effect on public access to and along the shoreline, either directly or indirectly (e.g. removing parking used for access to the beach)? If yes, describe the effect.
The proposed closure will temporarily reduce access to the beach from Avenue A. However, alternate accessways are available at Knob Hill, 0.1 mile to the north, and Avenue C, 0.15 mile to the south.

OWNER'S AFFIDAVIT

Project address:	Avenue A and Esplanade,	Redondo Beach	ch, CA 90277
Project description:	Closure of Avenue A and	Esplanade Acce	ess Ramp
requirements printed he	rein. I (we) further ce erein are in all respects	ertify, under p is true and cor	worn, depose and say I am (we are) the owner(s) of cation has been prepared in compliance with the penalty of perjury that the foregoing statements and correct to the best of my (our) knowledge and belief. On behalf of County of Los Angeles Department of Beaches and Harbors
	А	ddress:	13837 Fiji Way, Marina del Rey, CA 90292
	Р		(Res.)
Subscribed and sworn	to (or affirmed) befo	re me this _ , pr	day of, 20 by proved to me on the basis of satisfactory
evidence to be the pers	son(s) who appeared	before me.	
			FILING CLERK OR NOTARY PUBLIC
State of California County of Los Angeles) ;) ss		Seal



Administrative Report

N.1., File # 22-4261 Meeting Date: 6/14/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A THIRD EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE THIRD EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a third extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to temporarily address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, The Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns. The County completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit.

N.1., File # 22-4261 Meeting Date: 6/14/2022

Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021. The emergency permit would have expired on January 28, 2022, if not extended.

Since the initial 60-day period, DBH has submitted applications for two extensions, as allowed by the Coastal Land Use Plan Implementing Ordinance, RBMC Section 10-5.2228. During the extended time, engineering consultant work was initiated on the scope and design of the repair project, and DBH began analyzing project costs and funding. The second extension was set to expire May 27, 2022.

On May 26, 2022, DBH submitted an application to the City for a third 60-day extension to the emergency closure permit to allow time to complete additional engineering design work and appropriate funding. DBH has obtained a cost estimate of \$2.5 million for the project. DBH is seeking approval to utilize \$2.5 million of the Department's operating budget to complete the capital project.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

3rd Extension to Emergency Coastal Development Permit

2nd Extension to Emergency Coastal Development Permit

1st Extension to Emergency Coastal Development Permit

Emergency Coastal Development Permit

Public Notice of 3rd Extension of Emergency Coastal Development Permit

Application for 3rd extension to Emergency Coastal Development Permit

N.1., File # 22-4261 Meeting Date: 6/14/2022

City Council Administrative Report April 12, 2022 2nd Extension City Council Administrative Report February 8, 2022 1st Extension City Council Administrative Report December 7, 2021 Original Emergency Permit RBMC Section 10-5.2228



Administrative Report

N.4., File # 22-3974 Meeting Date: 4/12/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S ISSUANCE OF A SECOND EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE SECOND EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a second extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to temporarily address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, The Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp on at Esplanade and Avenue A due to public safety concerns. The County had completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action

N.4., File # 22-3974 Meeting Date: 4/12/2022

more quickly than permitted by the procedures for a traditional Coastal Development Permit. Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021. The emergency permit would have expired on January 28, 2022, if not extended.

On January 27, 2022, DBH submitted an application to extend the emergency permit, noting that additional time was needed to complete the full construction drawings for the rehabilitation project. The Zoning Code allows the Community Development Director to extend the emergency permit if a subsequent application is filed. On January 31, 2022 a 60-day extension was approved to allow DBH additional time to complete the construction drawings for improvements to the access ramp. The new expiration date of the emergency permit was March 29, 2022.

On March 24, 2022, DBH submitted an application for an additional 60-day extension, to continue work on the construction drawings. It is now anticipated that the project cost will exceed the current funding allocation. DBH will pursue additional funding through Los Angeles County's annual budget process, which will occur in Fall 2022. As well, DBH is finalizing the plans for submittal. The email explaining this status is included with the latest application for extension attached to this Administrative Report. The Community Development Director approved the second extension on April 7, 2022.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

2nd Extension to Emergency Coastal Development Permit 1st Extension to Emergency Coastal Development Permit

N.4., File # 22-3974 Meeting Date: 4/12/2022

Emergency Coastal Development Permit
Public Notice of Extension of Emergency Coastal Development Permit
Application for extension to Emergency Coastal Development Permit
City Council Administrative Report February 8, 2022 1st Extension
City Council Administrative Report December 7, 2021 Original Emergency Permit
RBMC Section 10-5.2228



Administrative Report

N.2., File # 22-3690 Meeting Date: 2/8/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S ISSUANCE OF AN EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) to extend the Emergency Coastal Development Permit issued on November 30th, 2021, temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is a result of public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The code allows the Director to approve extensions to the permit if a subsequent application is filed. DBH filed an application to extend the permit on January 27, 2022. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, The Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp on at Esplanade and Avenue A due to public safety concerns. The County had completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community

N.2., File # 22-3690 Meeting Date: 2/8/2022

Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit. Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021. The emergency permit would have expired on January 28, 2022, if not extended.

On January 27, 2022, DBH submitted an application to extend the emergency permit, noting that additional time was needed to complete the full construction drawings for the rehabilitation project. The Zoning Code allows the Community Development Director to extend the emergency permit if a subsequent application is filed.

On January 31, 2022 the Community Development Director approved a 60-day extension to allow DBH additional time to complete the construction drawings for improvements to the access ramp. The new expiration date of the emergency permit is now March 29, 2022. It is anticipated that ahead of the new expiration date, DBH will submit a full application for a Coastal Development Permit for ramp improvements, including drawings for the complete rehabilitation project.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report and corresponding presentation at the February 8, 2022 City Council meeting serve as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Extension to Emergency Coastal Development Permit
Emergency Coastal Development Permit
Public Notice of Extension of Emergency Coastal Development Permit
Application for extension to Emergency Coastal Development Permit

N.2., File # 22-3690 Meeting Date: 2/8/2022

City Council Administrative Report December 7, 2021 RBMC Section 10-5.2228



Administrative Report

N.5., File # 21-3409 Meeting Date: 12/7/2021

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S ISSUANCE OF AN EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns associated with the ramp's degraded condition. The Community Development Director issued the emergency permit for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

The Los Angeles County Department of Beaches and Harbors submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp on at Esplanade and Avenue A due to public safety concerns. The County recently completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an emergency permit for temporary closure of the ramp, which will impact beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists the requires action more quickly than permitted by the procedures for a Coastal Development Permit. Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full

N.5., File # 21-3409 Meeting Date: 12/7/2021

Coastal Development Permit for the corrective work which is expected to take over a year to complete.

A public notice of the emergency permit issuance has been posted at the location.

COORDINATION

The issuance of the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Emergency Coastal Development Permit
Public Notice of Emergency Coastal Development Permit issuance
Application for Emergency Coastal Development Permit
RBMC Section 10-5.2228

Redondo Beach Municipal Code

Up Previous Next Main Search Print No Frames

<u>Title 10 PLANNING AND ZONING</u>

<u>Chapter 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE</u>

Article 10. Coastal Development Permits

10-5.2228 Emergency Coastal Development Permit.

- (a) In the event of an emergency as defined in Section 10-5.2204, temporary emergency authorization to proceed with remedial measures may be given by the Community Development Director until such time as a full Coastal Development Permit application shall be filed.
- (1) **Application.** Application shall be made to the Community Development Director by letter if time allows, or in person or by telephone, if time does not allow. The information, to be reported at the time of the emergency or within three (3) days after the emergency, shall include the following:
 - a. Nature of the emergency;
 - b. Cause of the emergency, insofar as this can be established;
 - c. Location of the emergency;
 - d. The remedial, protective, or preventative work required to deal with the emergency;
- e. The circumstances during the emergency that appeared to justify the cause(s) of action taken, including the probable consequences of failing to take action.
- (2) **Limitations.** The Community Development Director shall not grant an emergency Coastal Development Permit for any development that falls within an area in which the Coastal Commission retains direct permit review authority. In such areas and for such developments, a request for an emergency authorization must be made to the Coastal Commission.
- a. In addition, a waiver from coastal development permit requirements may be obtained from the Coastal Commission Executive Director for development that is required to protect life or public property in accordance with Section 30611 of the Coastal Act.
- (3) **Notice.** The Community Development Director shall provide notice of the proposed emergency action. The extent and type of the notice shall be determined on the basis of the nature of the emergency. If the nature of the emergency does not allow sufficient time for public notice to be given before the emergency work begins, the Community Development Director shall provide public notice of the action taken, or being taken, as soon as is practical. Public notice of the nature of the emergency and the remedial actions to be taken shall be posted on the site in a conspicuous place and mailed to all persons the Community Development Director has reason to know would be interested in such action and to the Coastal Commission.
- (4) **Findings and conditions.** The Community Development Director may grant an emergency Coastal Development Permit upon reasonable terms and conditions, which shall include an expiration date, the necessity for a regular permit application later, and the requirement that the permitee apply for a Coastal Development Permit pursuant to Section 10-5.2210 for the removal of work authorized by the Emergency Permit if the retention of the work is denied in the follow-up regular permit application, if the Community Development Director finds that:
- a. An emergency exists that requires action more quickly than permitted by the procedures for a Coastal Development Permit and the work can and will be completed within thirty (30) days unless otherwise specified by the terms of the permit.
 - b. Public comment on the proposed emergency action has been reviewed, if time allows.
 - c. The work proposed is consistent with the requirements of the Certified Local Coastal
- d. The work proposed is the minimum action necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Program.

- (5) **Contents of Emergency Permit.** The Emergency Permit shall be a written document that includes the following information:
 - a. The date of issuance;
 - b. An expiration date;
 - c. The scope of work to be performed;
 - d. Terms and conditions of the permit;
- e. A provision stating that within sixty (60) days of issuance of the Emergency Permit, a regular Coastal Development Permit application shall be submitted and properly filed consistent with the requirements of this chapter;
- f. A provision stating that any development or structures constructed pursuant to an Emergency Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of an emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures;
- g. A provision that states that: The development authorized in the Emergency Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of the Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
- (6) **Expiration of the Emergency Permit.** An Emergency Permit shall be valid for sixty (60) days from the date of issuance by the Community Development Director unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.
- (7) **Report to City Council and Coastal Commission.** The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director. The report shall include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. Copies of the report shall be available at the meeting and shall be mailed to the Coastal Commission and to all persons requesting such notification of local coastal development decisions.

(§ 1, Ord. 2905 c.s., eff. August 5, 2003, as amended by § 1, Ord. 3107 c.s., eff. February 8, 2013)

View the mobile version.



Administrative Report

P.1., File # 22-4298 Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

TITLE

DISCUSSION AND CONSIDERATION OF DESIGNATING THE VOTING DELEGATE AND ALTERNATE FOR 2022 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND AUTHORIZE THE CITY CLERK TO FORWARD THE VOTING DELEGATE FORM

EXECUTIVE SUMMARY

Council is asked to designate the voting delegate and alternate for the League of California Cities 2022 Annual Conference to be held September 7-9, 2022.

On June 1, 2022, the League of California Cities announced that the Cal Cities 2022 Annual Conference & Expo is scheduled to be held in Long Beach, California.

On June 21, 2022, the City Council adopted Resolution No. CC-2206-059 appointing Councilmember Loewenstein as the delegate, and Mayor Brand as the alternate City representatives to the General League of California Cities. The resolution also appointed Mayor Brand as the delegate and Councilmember Loewenstein as the alternate to the Los Angeles Council Division of the League of California Cities.

BACKGROUND

Annually, each City Council is asked to designate a voting representative and an alternate who would be registered and present at the League General Assembly Meeting during the annual conference. Traditionally, the City Council has confirmed the designated voting delegate for the Annual Business Meeting when the membership takes action on conference resolutions. This also confirms that the appointed delegate (or alternate in his/her absence) would be a registered attendant at the conference and may vote on behalf of the City on matters of League Policy.

APPROVED BY:

Eleanor Manzano, City Clerk

FISCAL IMPACT

None.

ATTACHMENTS

League of California Cities - Voting Delegate Form



Council Action Advised by August 31, 2022

DATE: June 1, 2022

TO: City Managers and City Clerks

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES

League of California Cities Annual Conference & Expo – September 7-9, 2022

Cal Cities 2022 Annual Conference & Expo is scheduled for September 7-9, 2022 in Long Beach. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly) on Friday, September 9. At this meeting, Cal Cities membership considers and acts on resolutions that establish Cal Cities policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote if the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to Cal Cities office no later than Friday, September 2. This will allow us time to establish voting delegate/alternate records prior to the conference.

Please view Cal Cities' event and meeting policy in advance of the conference.

- Action by Council Required. Consistent with Cal Cities bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- Conference Registration Required. The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration will open by June 1 on the Cal Cities website. In order to cast a vote, at least one voter must be present at the Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.



- Transferring Voting Card to Non-Designated Individuals Not Allowed. The voting delegate card may be transferred freely between the voting delegate and alternates, but only between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may not transfer the voting card to another city official.
- Seating Protocol during General Assembly. At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Long Beach Convention Center, will be open at the following times: Wednesday, September 7, 8:00 a.m. – 6:00 p.m.; Thursday, September 8, 7:00 a.m. – 4:00 p.m.; and Friday, September 9, 7:30 a.m. – 12:30 p.m. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to Cal Cities office by Friday, September 2. If you have questions, please call Darla Yacub at (916) 658-8254.

Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form



Annual Conference Voting Procedures

- 1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to Cal Cities policy.
- 2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the Cal Cities Credentials Committee.
- 3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
- 4. **Signing Initiated Resolution Petitions**. Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
- 5. **Voting.** To cast the city's vote, a city official must have in their possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
- 6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
- 7. **Resolving Disputes**. In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



1. VOTING DELEGATE

CITY: REDONDO BEACH

2022 ANNUAL CONFERENCE VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to Cal Cities office by Friday, <u>September 2</u>, <u>2022</u>. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate <u>one voting delegate and up to two alternates</u>.

To vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

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Name:	
Title:	
2. VOTING DELEGATE - ALTERNATE	3. VOTING DELEGATE - ALTERNATE
Name:	Name:
	T'11
Title:	Title:
ATTACH COUNCIL RESOLUTION DESIGNATING	
	VOTING DELEGATE AND ALTERNATES OR
ATTACH COUNCIL RESOLUTION DESIGNATING ATTEST: I affirm that the information provided	VOTING DELEGATE AND ALTERNATES OR I reflects action by the city council to e(s).

Please complete and return by Friday, September 2, 2022 to:

Darla Yacub, Assistant to the Administrative Services Director

E-mail: dyacub@calcities.org; Phone: (916) 658-8254