

### **GARDENA CITY COUNCIL**

#### Regular Meeting Notice and Agenda

Council Chamber at City Hall
1700 West 162nd Street, Gardena, California
Website: www.cityofgardena.org

Tuesday, August 10, 2021 Closed Session 7:00 p.m. Open Session 7:30 p.m.

TASHA CERDA, Mayor RODNEY G. TANAKA, Mayor Pro Tem PAULETTE C. FRANCIS, Council Member ART KASKANIAN, Council Member MARK E. HENDERSON, Council Member MINA SEMENZA, City Clerk
J. INGRID TSUKIYAMA, City Treasurer
CLINT OSORIO, City Manager
CARMEN VASQUEZ, City Attorney
LISA KRANITZ, Assistant City Attorney
PETER L. WALLIN, Deputy City Attorney

In order to minimize the spread of the COVID 19 virus Governor Newsom has issued Executive Orders that temporarily suspend requirements of the Brown Act. Please be advised that the Council Chambers are closed to the public and that some, or all, of the Gardena City Council Members may attend this meeting telephonically.

If you would like to participate in this meeting, you can participate via the following options:

- 1. VIEW THE MEETING live on SPECTRUM CHANNEL 22 or ONLINE at youtube.com/CityofGardena
- PARTICIPATE BEFORE THE MEETING by emailing the Deputy City Clerk at <u>publiccomment@cityofgardena.org</u> by 5:00p.m. on the day of the meeting and write "Public Comment" in the subject line.
- 3. PARTICIPATE DURING THE MEETING VIA ZOOM WEBINAR
  - Join Zoom Meeting Via the Internet or Via Phone Conference
  - https://us02web.zoom.us/i/83796071091
     Phone number: US: +1 669 900 9128, Meeting ID: 837 9607 1091
  - o If you wish to speak live on a specific agenda item during the meeting you, may use the "Raise your Hand" feature during the item you wish to speak on. For Non-Agenda Items, you would be allowed to speak during Oral Communications, and during a Public Hearing you would be allowed to speak when the Mayor opens the Public Hearing. Members of the public wishing to address the City Council will be given three (3) minutes to speak.
- 4. The City of Gardena, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access, attend and/or participate in the City meeting due to disability, to please contact the City Clerk's Office by phone (310) 217-9565 or email <a href="mailto:bromero@cityofgardena.org">bromero@cityofgardena.org</a> at least 24 hours prior to the scheduled general meeting to ensure assistance is provided. Assistive listening devices are available.

The City of Gardena thanks you in advance for taking all precautions to prevent spreading the COVID 19 virus.

#### STANDARDS OF BEHAVIOR THAT PROMOTE CIVILITY AT ALL PUBLIC MEETINGS

- Treat everyone courteously;
- Listen to others respectfully;
- Exercise self-control;
- Give open-minded consideration to all viewpoints;
- Focus on the issues and avoid personalizing debate; and
- Embrace respectful disagreement and dissent as democratic rights, inherent components of an inclusive public process, and tools for forging sound decisions.

Thank you for your attendance and cooperation

#### 1. ROLL CALL

#### **PUBLIC COMMENT ON CLOSED SESSION**

The City Council will hear from the public only on the items that have been described on this agenda (GC §54954.3)

#### 2. CLOSED SESSION

#### 2.A CONFERENCE WITH LABOR NEGOTIATORS

Government Code Section 54957.6

Agency Designated Representative: Clint Osorio, City Manager Employee Organizations:

- Gardena Police Officers Association (GPOA), Matt Hassholdt, Association President
- Gardena Management Employees Organization (GMEO), Vicky L. Barker, Attorney
- 3. Gardena Municipal Employees Association (GMEA), Fred G. Quiel, Attorney
- 4. Confidential/ Unrepresented Employees

#### 2.B CONFERENCE WITH REAL PROPERTY NEGOTIATIONS

Government Code Section 54956.8

Property: 2501 W. Rosecrans Ave Gardena CA 90249

Agency Negotiator: Clint Osorio, City Manager

Negotiating Parties: Casey Metcalf, JP Morgan Chase BK NA

Under Negotiation: Price and Terms of Payment

#### 2.C CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

(One [1] Matter)

#### 3. PLEDGE OF ALLEGIANCE

Garrett Larks, Recreation Leader II - 2021 Graduate California State Long Beach Constantino Lima, Recreation Leader I

#### 4. **INVOCATION**

Presented by Council Member Rodney Tanaka

#### 5. **PRESENTATIONS**

5.A Recall Election Presentation by City Clerk Mina Semenza

#### 6. **PROCLAMATIONS**

6.A To be Proclaimed Only - "City of Gardena 91st Anniversary Day" - September 11, 2021

Proclaim Only-91st Anniv. Day - 2021.pdf

#### 7. APPOINTMENTS

#### 8. **CONSENT CALENDAR**

NOTICE TO THE PUBLIC- Roll Call Vote Required On The Consent Calendar All matters listed under the Consent Calendar will be enacted by one motion unless a Council Member requests Council discussion, in which case that item will be removed from the Consent Calendar and considered separately following this portion of the agenda.

- 8.A Waiver of Reading in Full of All Ordinances Listed on This Agenda and that they Be read by Title Only
- 8.B Approve Minutes:

Study Session - Proposed Amended Budget for Fiscal Year 2021-2022, June 17, 2021

Regular Meeting of the City Council, June 22, 2021

**CONTACT: CITY CLERK** 

2021 06-17 Study Session - Minutes - FINAL.pdf

2021 06-22 REGULAR Minutes Gardena CC Meeting - FINAL.pdf

8.C Ratify Administrative Approval of the Elderly Nutrition Program Contract ENP202105 Amendment Six.

CONTACT: RECREATION AND HUMAN SERVICES FY

2021-22 ENP Allocation Letter (Funding Reallocation)

FY 2021-22 ENP Amendment Six (City of Gardena) (Final) - signed.pdf

8.D <u>RESOLUTION NO. 6526</u>, Reaffirming Proclamation and Resolution No.

6441, which declared the Existence of a Local Emergency

**CONTACT: CITY MANAGER** 

Reso No. 6526.pdf

8.E Approval of Final Tract Map No. 83182

**CONTACT: PUBLIC WORKS** 

Tract Map 83182.pdf

8.F Acceptance and Notice of Completion For Local Streets Overlay 2018/2019, JN 946, Onyx Paving Co., Inc

**CONTACT: PUBLIC WORKS** 

NOC Local St. Improvement JN 946.doc

8.G Receive and File GTrans Service Restoration Plan

**CONTACT: TRANSPORTATION** 

GTrans\_Service\_Restoration\_Plan\_-\_Agenda\_STAFF\_REPORT\_8\_10\_21 -.pdf Public Hearing Table FINAL.pdf

8.H Authorization to Purchase Six Patrol Vehicles from National Auto Fleet Group in the Amount of \$251,832 and Expend Build-Out Costs in the Amount of \$91,095

**CONTACT: POLICE** 

Staff\_Report.pdf
National Auto Fleet-5 Units.pdf
National Auto Fleet-1 Unit.pdf
SBRPCA Price Quotes.pdf

8.I Personnel Report No. P-2021-15

CONTACT: HUMAN RESOURCES
PERS RPT P-2021-15 08-10-21.doc

8.J Monthly Portfolio, June 2021

CONTACT: CITY TREASURER
June 2021 Investment Report.pdf

8.K Approval of Warrants/Payroll Register, August 10, 2021

**CONTACT: CITY TREASURER** 

Warrants-Payroll Register Memo 08-10-21.pdf

- 9. **EXCLUDED CONSENT CALENDAR**
- 10. PLANNING & ENVIRONMENTAL QUALITY COMMISSION ACTION SHEET

#### ORAL COMMUNICATIONS (LIMITED TO A 30-MINUTE PERIOD)

Oral Communications by the public will be heard for one-half hour at or before 8:30 p.m. or at the conclusion of the last agenda item commenced prior to 8:30 p.m. Oral Communications not concluded at that time shall be resumed at the end of the meeting after Council Reports. Speakers are to limit their remarks to three minutes, unless extended by the Mayor. An amber light will appear to alert the speaker when two minutes are complete, and a red light will appear when three minutes are over. Your cooperation is appreciated.

#### 11. DEPARTMENTAL ITEMS - ADMINISTRATIVE SERVICES

11.A Approval of Blanket Purchase Orders for Fiscal Year 2021-2022

Staff Recommendation: Approve Blanket Purchase Orders Exhibit A.docx

- 11.B Issuance and Sale of Lease Revenue Bonds to Finance a Portion of the Costs of the New Gardena Community Aquatic & Senior Center, to Finance the Costs of Acquiring and Renovating an Existing Building to be Converted Into a New Community Center and to Finance Various Park Improvements, Approving The Form and Authorizing Execution of Related Documents and Approving Related Official Actions
  - a. <u>PUBLIC HEARING: RESOLUTION 6529</u>, Approving Proceedings by the City of Gardena Financing Agency for the Issuance and Sale of Lease Revenue Bonds to Finance a Portion of the Costs of the New Gardena Community Aquatic & Senior Center, to Finance the Costs of Acquiring and Renovating an Existing Building to be Converted Into a New Community Center and to Finance Various Park Improvements, Approving The Form and Authorizing Execution of Related Documents and Approving Related Official Actions
  - <u>RESOLUTION 6528</u>, Resolution Amending Certain 2017 Lease Financing Documents to Provide for the Substitution of the Property and Authorizing and Directing Certain Actions Relating Thereto

#### Staff Recommendation:

- a. Conduct Public Hearing and Adopt Resolutions 6529.
- b. Adopt Resolutions 6528.

CityRes 6529.pdf SFLease.pdf LeaseAgt.pdf GardenaPOS.pdf BondPurchaseAgreement.pdf Reso 6528.pdf 1stAmendSFLease.pdf 1stAmendLeaseAgt.pdf 1stAmendAssignAgt.pdf

#### \*\*\* RECESS TO FINANCING AGENCY MEETING \*\*\*

#### \*\*\* RECONVENE REGULAR CITY COUNCIL MEETING \*\*\*

- 11.C <u>PUBLIC HEARING:</u> Community Development Block Grant (CDBG) Plans and Reports to the U.S. Department of Housing and Urban Development (HUD)
  - a. Five-Year Consolidated Plan 2021-2025 and Action Plan for FY 2021-2022
  - b. Action Plan for FY 2020-2021

Staff Recommendation: Conduct Public Hearing and Approve Five-Year Consolidated Plan 2021-2025 and Action Plan FY 2021-2022; and Approve Action Plan FY 2020-2021

Agenda Staff Report - CDBG.doc 2021-2025 CP (Gardena) DRAFT CC 8-10-2021.docx Action Plan 2020-2021 draft.docx

11.D Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for Fiscal Year Ending June 30, 2020

Staff Recommendation: Receive and File

#### **GFOA Budget Award.pdf**

#### 12. <u>DEPARTMENTAL ITEMS - COMMUNITY DEVELOPMENT</u>

12.A <u>PUBLIC HEARING: RESOLUTION NO. 6527</u>, Approving Conditional Use Permit #4-21 to Allow a Towing Company and Associated Outdoor Storage in the Industrial (M-1) Zone and Direction to Staff to File a Notice of Exemption Following a Call for Review.

Applicant: Rajpal Dhillon

Location: 1638 W. 130th Street

Staff Recommendation: Conduct a Public Hearing, please allow three (3) minutes for each speaker; Adopt Resolution No. 6527, upholding the Planning and Environmental Quality Commission's decision, and approve Conditional Use Permit #4-21.

PEQC Packet dated July 6, 2021 .pdf PEQC Presentation presented by Staff.pdf Resolution No. 6527.pdf

#### 13. <u>DEPARTMENTAL ITEMS - ELECTED & ADMINISTRATIVE OFFICES</u>

13.A COVID-19 Update

- 14. **DEPARTMENTAL ITEMS POLICE**
- 15. **DEPARTMENTAL ITEMS PUBLIC WORKS**
- 16. <u>DEPARTMENTAL ITEMS RECREATION & HUMAN SERVICES</u>
- 17. **DEPARTMENTAL ITEMS TRANSPORTATION**
- 18. **COUNCIL ITEMS** 
  - 18.A Designation of Voting Delegate / Representative for The League of California Cities Annual Conference & Expo - September 22-24, 2021

Staff Recommendation: Designate Voting Delegate League of CA Cities -Voting Delegate Packet.pdf

- 19. **COUNCIL DIRECTIVES**
- 20. CITY MANAGER REMARKS RE: DIRECTIVES / COUNCIL ITEMS
- 21. **COUNCIL REMARKS** 
  - 1. COUNCIL MEMBER HENDERSON
  - 2. COUNCIL FRANCIS
  - 3. MAYOR PRO TEM TANAKA
  - 4. MAYOR CERDA
  - COUNCIL MEMBER KASKANIAN
- 22. ANNOUNCEMENT(S)

#### 23. **REMEMBRANCES**

<u>Bernard Lax</u>, 64 years of age. Founder, owner and CEO of Pulp Studio in Gardena. He was also a board member of the Gardena Police Foundation. He is survived by his wife Lynda and son Taylor.

#### 24. ADJOURNMENT

The Gardena City Council will adjourn to the Closed Session portion of the City Council Meeting at 7:00 p.m. followed by the Regular City Council Meeting at 7:30 p.m. on Tuesday, September 14, 2021.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted in the City Hall lobby not less than 72 hours prior to the meeting. A copy of said Agenda is available on our website at <a href="https://www.CityofGardena.org">www.CityofGardena.org</a>. Dated this 6th day of August, 2021

/s/ MINA SEMENZA
MINA SEMENZA, City Clerk

## "CITY OF GARDENA 91st ANNIVERSARY DAY" ~ SEPTEMBER 11, 2021 ~

The City of Gardena, California, was incorporated on Thursday, September 11, 1930, combining the rural communities of Gardena, Moneta, and Strawberry Park into a Municipal Corporation. At that time, Gardena was a small farming community of about 20,000 people.

Ninety-one years later, with a population of over 61,000 residents, Gardena has developed into a busy, desirable destination for new residents and a welcoming setting for visitors and corporate citizens.

In sustained and fitting recognition of Gardena's 75<sup>th</sup> Anniversary landmark theme, "Celebrating History, Heritage, and Opportunity," we have continued over the past sixteen years to celebrate, with great pride, our cultural wealth and remarkable ethnic diversity through annual City and community events and activities.

Now, Therefore, I, TASHA CERDA, Mayor of the City of Gardena, California, am very proud to proclaim **Saturday, SEPTEMBER 11, 2021**, to be

# CITY OF GARDENA 91st ANNIVERSARY DAY

to bring appropriate recognition and awareness of our beautiful community's multi-faceted history and rich heritage, and to look forward to opportunities to celebrate its progress and success far into our City's future.

#### MINUTES STUDY SESSION City of Gardena City Council Thursday, June 17, 2021

In order to minimize the spread of the COVID-19 virus Governor Newsom has issued Executive Orders that temporarily suspend requirements of the Brown Act. Please be advised that the Council Chambers are closed to the public and that some, or all, of the Gardena City Council Members may attend this meeting telephonically.

The Study Session of the City Council of the City of Gardena, California, was held via Zoom and was called to order at 6:04p.m., on Thursday, June 17, 2021; Mayor Tasha Cerda presiding.

#### 1. ROLL CALL

Present: Mayor Tasha Cerda; Mayor Pro Tem Rodney G. Tanaka; Council Member Mark E. Henderson; Council Member Art Kaskanian; and Council Member Paulette C. Francis. Other City Officials and Employees Present: City Manager Clint Osorio; City Attorney Carmen Vasquez; Chief Financial Officer Ray Beeman and City Clerk Mina Semenza.

#### 2. **PRESENTATION**

Presentation of the City of Gardena's Proposed Amended Budget for Fiscal Year 2021-2022

#### 3. PUBLIC COMMENT ON STUDY SESSION - None

#### 4. ADJOURNMENT

There being no further business, Mayor Cerda adjourned the Study Session at 8:43 p.m. to the Closed Session portion of the Regular City Council Meeting on Tuesday, June 22, 2021.

MINA SEMENZA
City Clerk of the City of Gardena and
Ex-officio Clerk of the Council

|                    | Ву                              |
|--------------------|---------------------------------|
|                    | Becky Romero, Deputy City Clerk |
| APPROVED:          |                                 |
| Tasha Cerda. Mayor |                                 |

#### **MINUTES**

#### Regular Meeting of the Gardena City Council Tuesday, June 22, 2021

In order to minimize the spread of the COVID 19 virus, Governor Newsom has issued Executive Orders that temporarily suspend requirements of the Brown Act. Please be advised that the Council Chambers are closed to the public and that some, or all, of the Gardena City Council Members may attend this meeting telephonically.

The Regular Meeting Notice and Agenda of the Gardena City Council of the City of Gardena, California, was held via Zoom and was called to order at 7:00p.m. on Tuesday, June 22, 2021; Mayor Tasha Cerda presiding.

#### 1. ROLL CALL

Present: Mayor Tasha Cerda; Mayor Pro Tem Tanaka; Council Member Mark E. Henderson; Council Member Art Kaskanian; and Council Member Paulette C. Francis. Other City Officials and Employees Present: City Manager Clint Osorio; City Attorney Carmen Vasquez; City Clerk Mina Semenza; and Deputy City Clerk Becky Romero

At 7:05 p.m., the City Council recessed into Closed Session in the Management Information Center of the Council Chamber at City Hall, with the following in attendance: Mayor Tasha Cerda; Mayor Pro Tem Rodney G. Tanaka; Council Member Mark E. Henderson; Council Member Art Kaskanian; Council Member Paulette C. Francis; City Manager Clint Osorio; and City Attorney Carmen Vasquez.

#### PUBLIC COMMENT ON CLOSED SESSION - None

#### 2. CLOSED SESSION

#### 2.A CONFERENCE WITH LABOR NEGOTIATORS

Government Code Section 54957.6

Agency Designated Representative: Clint Osorio, City Manager Employee Organizations:

- Gardena Police Officers Association (GPOA), Matt Hassholdt, Association President
- Gardena Management Employees Organization (GMEO), Vicky L. Barker, Attorney
- 3. Gardena Municipal Employees Association (GMEA), Fred G. Quiel, Attorney Confidential / Unrepresented Employees

#### 2.B CONFERENCE WITH REAL PROPERTY NEGOTIATIONS

Government Code Section 54956.8

Property: 2501 W. Rosecrans Ave Gardena CA 90249

Agency Negotiator: Clint Osorio, City Manager

Negotiating Parties: Casey Metcalf, JP Morgan Chase BK NA

Under Negotiation: Price and Terms of Payment

Mayor Cerda reconvened the meeting to the Regular Open Session at 8:21 p.m., and the City Clerk noted the return of all Council Members who were present at the meeting.

When City Attorney Vasquez was asked if there were any reportable actions from the Closed Session, she stated that no reportable action had been taken.

#### 3. PLEDGE OF ALLEGIANCE

Dulce Ordonez led the Pledge of Allegiance. Dulce is currently City of Gardena Youth Commissioner. She graduated from Dr. Richard Vladovic Harbor Teacher Preparation Academy and will be attending Cal State Long Beach in the Fall.

#### 4. INVOCATION

Council Member Rodney G. Tanaka led the Invocation.

- 5. PRESENTATIONS No Items
- 6. PROCLAMATIONS No Items

#### 7. APPOINTMENTS

- 7.A Council Appointments to Commissions, Committees, Councils and Boards (Appointees to be Ratified and Sworn In)
  Planning and Environmental Quality Commission Jules Kanhan (Appointed by Mayor Cerda)
- 7.B Rent Mediation Board (Tenant) Margie Hoyt (Appointed by Council Member Francis)

It was moved by Mayor Cerda, seconded by Council Member Francis, and carried by the following roll call vote to Appoint Jules Kanhan to the Planning and Environmental Quality Commission and Margie Hoyt to the Rent Mediation Board:

Ayes: Mayor Cerda, Council Member Francis, Mayor Pro Tem Tanaka

Council Members Henderson and Kaskanian,

Noes: None Absent: None

#### 8. CONSENT CALENDAR

8.A Waiver of Reading in Full of All Ordinances Listed on This Agenda and that they Be read by Title Only

**CONTACT: CITY CLERK** 

8.B Approve Minutes: Regular Meeting of the City Council, May 11, 2021

**CONTACT: CITY CLERK** 

8.C Receive and File of Minutes: Planning & Environmental Quality

Commission, May 18, 2021 CONTACT: CITY CLERK

8.D Approval of Warrants/Payroll Register, June 22, 2021

**CONTACT: CITY TREASURER** 

<u>June 22, 2021: Wire Transfer: 12015- 12021; Check Nos. 163498 -163678 – for a total Warrants issued in the amount of \$3,041,257.98; Total Payroll Issued for June 18, 2021: \$1,857,458.00.</u>

8.E Monthly Portfolio, April 2021

**CONTACT: CITY TREASURER** 

8.F Monthly Portfolio, May 2021

**CONTACT: CITY TREASURER** 

8.G RESOLUTION NO. 6521, Reaffirming Proclamation and Resolution No. 6441, which declared the Existence of a Local Emergency

**CONTACT: CITY MANAGER** 

#### **RESOLUTION NO. 6521**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

8.H Contract and Payment Approval for Software Maintenance from Progressive Solutions, Inc. for Fiscal Year 2021-2022

**CONTACT: ADMINISTRATIVE SERVICES** 

8.I Personnel Report No. P-2021-12

**CONTACT: HUMAN RESOURCES** 

Council Member Henderson stated that he really appreciates how we as a City work to recycle our Gardena dollars with our Gardena businesses.

It was moved by Council Member Henderson, seconded by Mayor Pro Tem Tanaka, and carried by the following roll call vote to Approve all Items on the Consent Calendar:

Ayes: Council Member Henderson, Mayor Pro Tem Tanaka, Council

**Members Kaskanian and Francis and Mayor Cerda** 

Noes: None Absent: None

#### 9. EXCLUDED CONSENT CALENDAR

#### 10. PLANNING & ENVIRONMENTAL QUALITY COMMISSION ACTION SHEET

#### 10.A <u>JUNE 15, 2021</u>

#### Conditional Use Permit #2-21

The Commission considered a request for a conditional use permit to allow the onsite sale and consumption of beer and wine ancillary to an existing restaurant located in the General Commercial (C-3) zone and direct staff to file a Notice of Exemption.

LOCATION: 15435 S. Western Avenue #115 APPLICANT: Real Roo, Inc. Seung Wuk Shin

Commission Action: The Commission approved Resolution #7-21,

approving Conditional Use Permit #2-21

City Council Action: Call for Council Review or Receive and File

#### Received and Filed

#### ORAL COMMUNICATIONS

(1) Zahid Ahmed, recommended that the City not purchase the Chase Bank property due to structural damage and cost. Also, recommends that the City pool be resurfaced and not removed. In addition, he suggested that the City sell and/or rent the recent City own apartment building to support housing in our City.

#### 11. DEPARTMENTAL ITEMS - ADMINISTRATIVE SERVICES

11.A <u>RESOLUTION NO. 6523</u>, Adopting the City of Gardena's Amended Budget for Fiscal Year 2021-2022

#### **RESOLUTION NO. 6523**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ADOPTING AN AMENDED BUDGET FOR SAID CITY FOR THE FISCAL YEAR JULY 1, 2021, TO AND INCLUDING JUNE 30, 2022

City Manager Osorio presented a PowerPoint Presentation.

Mayor Cerda opened the Public Hearing at 8:40 p.m. and asked if there were any comments from the public.

#### **Public Speakers:**

Zahid Ahmed, spoke about what a great job was done on the budget; and wanted to know if there was a way to amend or add two new job classification/positions: EMT-Emergency Medical Technician for the Parks and Recreation Department, and the Police Department.

There was no further comment; Mayor Cerda closed the Public Hearing at 8:46 p.m.

It was moved by Mayor Pro Tem Tanaka, seconded by Council Member Kaskanian, and carried by the following roll call vote to Adopt Resolution No. 6523:

Ayes: Mayor Pro Tem Tanaka; Council Members Kaskanian, Henderson and

Francis and Mayor Cerda

Noes: None Absent: None

11.B Authorization to Bind Excess Insurance Coverage Policies for Fiscal Year 2021-2022

City Manager Osorio presented the Staff Report.

Council Member Henderson asked City Manager Osorio if he could explain the reasons why we go through a JPA to purchase our insurance. City Manager Osorio explained that if you go through a JPA then you share the cost with other entities; the costs are spread by the size of the pool, therefore making costs much less.

It was moved by Council Member Henderson, seconded by Mayor Pro Tem Tanaka, and carried by the following roll call vote to Approve purchase of excess Insurance Policies:

Ayes: Council Member Henderson, Mayor Pro Tem Tanaka, Council Members

**Kaskanian and Francis and Mayor Cerda** 

Noes: None Absent: None

11.C <u>RESOLUTION NO. 6519</u>, Establishing the Appropriations Limit for Fiscal Year 2021-2022 (GANN Limit)

#### RESOLUTION NO. 6519

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ESTABLISHING ITS APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021 2022

City Manager Osorio presented the Staff Report.

Mayor Cerda opened the Public Hearing at 8:54 p.m. and asked if there were any comments from the public.

Being there was none; Mayor Cerda closed the Public Hearing at 8:55 p.m.

It was moved by Council Member Kaskanian, seconded by Council Member Francis, and carried by the following roll call vote to Adopt Resolution No. 6519:

Ayes: Council Members Kaskanian and Francis, Mayor Pro Tem Tanaka,

Council Member Henderson, and Mayor Cerda

Noes: None Absent: None

### 11.D <u>RESOLUTION NO. 6520</u>, Acknowledging the Receipt and Filing of the Annual Statement of Investment Policy for the Fiscal Year 2021-2022

#### **RESOLUTION NO. 6520**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ACKNOWLEDGING THE RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE FISCAL YEAR 2021-2022

City Manager Osorio presented the Staff Report.

Council Member Henderson asked City Manager Osorio to confirm that we are not allowed to invest in anything high risk such as crypto currency. City Manager Osorio confirmed that was correct.

#### **Public Speaker:**

Zahid Ahmed, spoke by giving his ideas and concerns regarding the City forming an LLC to purchase property.

It was moved by Mayor Pro Tem Tanaka, seconded by Council Member Kaskanian, and carried by the following roll call vote to Adopt Resolution No. 6520:

Ayes: Mayor Pro Tem Tanaka, Council Members Kaskanian, Henderson and

**Francis and Mayor Cerda** 

Noes: None Absent: None

#### 12. DEPARTMENTAL ITEMS - COMMUNITY DEVELOPMENT

12.A PUBLIC HEARING: Conditional Use Permit #3-20

Applicants: Happiness Garden, Susumu Anoda, Brent Fraser

City Manager Osorio presented the Staff Report.

Interim Director Gregg McClain gave the Power Point presentation.

Applicant: Brent Fraser came into the meeting and was available for any questions.

Mayor Cerda opened the Public Hearing at 9:03 p.m. and asked if there were any comments from the public.

#### **Public Speakers:**

Traci Saruwatari, Jen Harris and Gracie Rodriguez all spoke against the project.

There was a discussion with Mayor, Council and the Applicant. The Applicant answered all questions and explained the purpose of the business. Every member of the Council expressed their concerns and point of views in detail. It was unanimous that they denied the Conditional Use Permit for Happiness Garden.

There were no further comments; Mayor Cerda closed the Public Hearing at 11:07 p.m.

It was moved by Mayor Cerda, seconded by Mayor Pro Tem Tanaka, and carried by the following roll call vote to Deny the Conditional Use Permit:

Ayes: Mayor Cerda, Mayor Pro Tem Tanaka, Council Members Henderson,

Kaskanian, and Francis

Noes: None Absent: None

#### 13. DEPARTMENTAL ITEMS - ELECTED & ADMINISTRATIVE OFFICES

13.A COVID-19 Update

City Manager Osorio presented the update.

#### 14. <u>DEPARTMENTAL ITEMS - POLICE</u> - No Items

#### 15. DEPARTMENTAL ITEMS - PUBLIC WORKS

15.A Authorize professional services contract renewal with CWE Corporation in the amount of \$299,633 for MS4 and NPDES Permit monitoring and compliance services

City Manager Osorio presented the Staff Report.

Council Member Francis asked what the basis was for the evaluation that was done. Public Works Director Allan Rigg came into the meeting and stated that the City was on their own with a unique type of permit; we were challenged by the MS4 litigation and went to bid for a consultant; CWE was brought in and made those problems go away; he indicated that in this case we will be well-served by CWE.

It was moved by Mayor Pro Tem Tanaka, seconded by Council Member Henderson, and carried by the following roll call vote to Authorize Professional Services Contract Renewal:

Ayes: Mayor Pro Tem Tanaka, Council Members Henderson, Kaskanian and

Francis and Mayor Cerda

Noes: None Absent: None

#### 16. <u>DEPARTMENTAL ITEMS - RECREATION & HUMAN SERVICES</u>

16.A <u>RESOLUTION NO. 6516</u> Approving Local Agreement CCTR-1084 with the California Department of Social Services for funding of the Gardena Family Child Care Program.

#### **RESOLUTION NO. 6516**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, APPROVING LOCAL AGREEMENT CCTR-1084 WITH THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

City Manager Osorio presented the Staff Report.

Council Member Francis asked if Social Services carries their own liability insurance. City Attorney Vasquez asked if she meant do the childcare providers carry their own liability insurance. She continued to say that every childcare provider that contracts with the City carries their own insurance.

It was moved by Council Member Henderson, seconded by Council Member Kaskanian, and carried by the following roll call vote to Adopt Resolution No. 6516:

Ayes: Council Members Henderson and Kaskanian, Mayor Pro Tem Tanaka,

**Council Member Francis, and Mayor Cerda** 

Noes: None Absent: None

16.B <u>RESOLUTION NO. 6517</u> Authorizing the City Manager to Execute an Agreement for the Elderly Nutrition Program on Behalf of the City for Fiscal Year 2021-2022

#### **RESOLUTION NO. 6517**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR THE ELDERLY NUTRITION PROGRAM ON BEHALF OF THE CITY FOR FISCAL YEAR 2021/2022

City Manager Osorio presented the Staff Report.

#### **Public Speakers:**

(1) Zahid Ahmed asked about a program being funded by FEMA that is free that the City can apply for; City Manager Osorio responded with the purpose of this program is to provide free meals.

It was moved by Council Member Francis, seconded by Council Member Kaskanian, and carried by the following roll call vote to Adopt Resolution No. 6517:

Ayes: Council Member Francis and Kaskanian, Mayor Pro Tem Tanaka, Council

Member Henderson, and Mayor Cerda

Noes: None Absent: None

16.C <u>RESOLUTION NO. 6518</u> Authorizing the City Manager to Execute an Agreement for the Supportive Services Program on Behalf of the City for Fiscal Year 2021-2022

#### **RESOLUTION NO. 6518**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR THE SUPPORTIVE SERVICES PROGRAM ON BEHALF OF THE CITY FOR FISCAL YEAR 2021/2022

City Manager Osorio presented the Staff Report.

Mayor Cerda asked for confirmation that this program is for seniors who need help with shopping, taking them to the doctor, etc. City Manager Osorio confirmed that was correct and stated that we currently have 125 seniors on this program.

It was moved by Mayor Pro Tem Tanaka, seconded by Council Member Henderson, and carried by the following roll call vote to Adopt Resolution No. 6518:

Ayes: Mayor Pro Tem Tanaka, Council Members Henderson, Kaskanian and

Francis and Mayor Cerda

Noes: None Absent: None

- 17. DEPARTMENTAL ITEMS TRANSPORTATION No Items
- 18. COUNCIL ITEMS No Items
- 19. COUNCIL DIRECTIVES

#### Council Member Henderson

1. Requested for a Resolution to be drafted or a Letter in support of Opposition SB-9 Housing Development; Mayor Pro Tem Tanaka seconded the motion.

#### Council Member Francis

 Asked if the City has an Ordinance for street vendors. City Attorney Vasquez replied and told Council Member Francis that she is working on bringing an Ordinance to Council

#### Mayor Cerda

Requested if a Juneteenth Day event can be organized starting next year;
 Council Member Kaskanian seconded the motion and asked if it could be more like a festival.

#### 20. CITY MANAGER REMARKS RE: DIRECTIVES / COUNCIL ITEMS

City Manager Osorio gave a verbal report of information to follow-up on matters that had been directed or requested by the Mayor and Members of Council. Those items were, as follows:

- 1. US Tow audit conducted by the Gardena Police Department and it was determined that US Tow is in compliance. A memo has been provided to Council.
- 2. Video Recreation and Human Services event highlights.

#### 21. COUNCIL REMARKS

- 1. COUNCIL MEMBER KASKANIAN No report
- 2. <u>COUNCIL MEMBER HENDERSON</u> Thanked all his fellow council colleagues for being engaged and active in a lot of the issues happening around the region.
- 3. <u>COUNCIL MEMBER FRANCIS</u> Attended the Neighborhood Watch District 2 meeting, South Bay State Holders meeting, and 2020 Homeownership Fair. Encouraged everyone to watch the Mayor's State of the City. Council Member Francis thanked Mayor Cerda for recognizing June 19<sup>th</sup> as a holiday. Also shared the importance of getting tested and mentioned Gardena has a testing center at Rowley Park on Tuesday, Thursday, and Saturday. Lastly, she encourages everyone to continue to wear a mask and practice social distancing.
- 4. MAYOR CERDA Attended the monthly CCGA, Sanitation, Metro Vermont Transit Corridor, South Bay Extension Feasibility Study, and budget study session meetings. Mayor Cerda wished everyone has a great Father's Day. Mayor Cerda added that during the adjournment she would like to mention County Firefighter Tory Carlone he was killed a few weeks ago during an active shooting which happened at his fire station. Lastly, urged all Gardena residents to report and notify of any loud noises from airplanes as the city is trying to report them during the Airport Committee meetings and thanked City Manager Osorio and Director Santin for putting together the GARDENA sign at the City Hall complex.
- 5. MAYOR PRO TEM TANAKA Recognized Mayor Cerda, City Manager and Chief for doing a great job during the Mayor's State of the City. Attended the PPE giveaway, District 2 Zoom Meeting, COVID Testing and Vaccination, South Bay COG Steering Committee Meeting, Budget Study Session, and LA Metro Vermont Corridor Project. Council Member Tanaka apologized to the family of Grace Barnett as he missed her funeral, she was part of the Friends of the Library. Reminded everyone that during 4<sup>th</sup> of July only safe and sane fireworks are allowed and to be safe.

#### 22. ANNOUNCEMENT(S)

#### Mayor Cerda announced:

- City of Gardena Bingo Bonanza; Wednesday, July 28, 2021, from 10: a.m. and 12:00 p.m. Located at the Nakaoka Community Center Auditorium 1670 W. 162nd St. Gardena. Register by calling the Senior Citizens Bureau at 310-217-9552 or online at www.cityofgardena.org/events.
- City of Gardena Jazz Festival; Sunday, August 22, 2021. Ticket Sales begin Wednesday, June 23, 2021, or to purchase tickets visit www.gardenajazzfestival.com/tickets. For more information or assistance please contact the Recreation Department at (310)217-9537.
- 3. City of Gardena Walking Club begins June 10, 2021, and meeting every Thursday at 10 a.m. at the Gardena Willows Wetland Preserve. Club will meet at the Willows entrance located at Arthur Johnson Park 1200 W. 170th St. Gardena. For more information, please call the Senior Citizens Bureau at 310-217-9552.
- 4. The Gardena Police Department Presents District 2 Ride Tour, July 10, 2021, from 10:00 a.m. 2:00 p.m.
- 5. The Gardena Police Department will be hosting their second Etch and Catch, June 26, 2021, from 9:00 a.m. 1:00 p.m. at 1718 W. 162nd Street (west parking lot of the Police Department). Reservations is required. Sign up online at <a href="https://gpdetchcatch.eventbrite.com/">https://gpdetchcatch.eventbrite.com/</a>.
- 6. Safe and Sane Fireworks can only be used in Gardena on Sunday, July 4, 2021, from 12:00 p.m. to 10:00 p.m. Mayor Cerda confirm that the Firework show at Rowley Park was cancelled this year.
- 7. Welcome Back Gardena! City Hall is now open to the public and in-person services will be provided by appointment only. To make an appointment or to obtain information related to online services, please scan the QR code form your mobile device for appropriate City services or contact (310)217-9500.

#### 23. REMEMBRANCES

<u>Tory Carlon</u>, Los Angeles County Fire Fighter Specialist. He was shot and killed while on duty.

Mayor Cerda left the meeting at 11:57 p.m.

#### 24. ADJOURNMENT

At 11:57 p.m., Mayor Pro Tem Tanaka adjourned the Gardena City Council Meeting to the Closed Session portion of the City Council Meeting at 7:00 p.m., and the Regular City Council Meeting at 7:30 p.m. on Tuesday, July 13, 2021.

|                    | MINA SEMENZA City Clerk of the City of Gardena and Ex-officio Clerk of the Council |
|--------------------|--|
| APPROVED:          |  |
|                    | By:  |
| Tasha Cerda, Mayor | Becky Romero, Deputy City Clerk  |

Agenda Item No. 8.C Section: CONSENT CALENDAR Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: RATIFY ADMINISTRATIVE APPROVAL OF THE ELDERLY NUTRITION PROGRAM CONTRACT ENP202105 AMENDMENT SIX.

**CONTACT: RECREATION AND HUMAN SERVICES** 

#### **COUNCIL ACTION REQUIRED:**

#### **RECOMMENDATION AND STAFF SUMMARY:**

Staff respectfully recommends that the City Council ratify administrative approval of the Elderly Nutrition Program Contract No. ENP 202105 Amendment Six between the City of Gardena and the County of Los Angeles' Department of Workforce Development, Aging, and Community Services. The Elderly Nutrition Program includes serving congregate and homedelivered meals as well as conducting telephone reassurance to the older and functionally impaired adult population. Amendment Six to this contract allows for unspent funding from FY 2020-21 to be reallocated and utilized during FY 2021-22. The unspent funding from FY 2020-21 was provided to the City of Gardena through both the Families First Coronavirus Response Act (FFCRA) and the California Department of Aging Coronavirus Aid, Relief, and Economic Security (CDA CARES) Act. These funds are available for use July 1, 2021 through September 30, 2021.

#### FINANCIAL IMPACT/COST:

Total Funding Allocation added to FY 2021-22: \$73,415

FY 2020-21 FFCRA Funding Reallocation: \$6,546

FY 2020-21 CDA CARES Act Funding Reallocation: \$66,869

#### **ATTACHMENTS:**

FY 2021-22 ENP Allocation Letter (Funding Reallocation) FY 2021-22 ENP Amendment Six (City of Gardena) (Final) - signed.pdf APPROVED:

Clint Osorio, City Manager

Cleurom .



#### **BOARD OF SUPERVISORS**

Hilda L. Solis

Holly J. Mitchell

Sheila Kuehl

Janice Hahn

Kathryn Barger

#### **EXECUTIVE LEADERSHIP**

Otto Solórzano

Acting Director

Paul Goldman

Contract & Administrative Services

Jose R. Perez Workforce Development

Lorenza C. Sánchez Aging & Adult Services

Robin S. Toma
Human Relations

#### **CONTACT INFORMATION**

510 S. Vermont Avenue Los Angeles, CA 90020 WDACS (888-211-0644) APS hotline (1-877-477-3646) info@wdacs.lacounty.gov wdacs.lacounty.gov



July 29, 2021

City of Gardena Attention: Ms. Tasha Cerda 1700 West 162<sup>nd</sup> Street Gardena, CA 90247

### FISCAL YEAR 2020-21 FUNDING REALLOCATION FOR ELDERLY NUTRITION PROGRAM SERVICES

Dear Ms. Cerda:

County of Los Angeles Workforce Development, Aging and Community Services (County) intends to amend City of Gardena's (Subrecipient's) Elderly Nutrition Program (ENP) Subaward. The Subaward Amendment information is outlined below:

- Purpose: Subrecipient shall utilize unspent balance of Fiscal Year (FY) 2020- 21 Families First Coronavirus Response Act (FFCRA) funding and unspent balance of California Department of Aging (CDA) Coronavirus Aid, Relief, and Economic Security (CARES) Act funding to provide defined and contracted ENP Title III C-1 and Title III C-2 Services during FY 2021-22.
- Subaward Number: ENP202105
- Amendment Number: Six
- Subaward Term: July 1, 2021 through June 30, 2022
- Total Funding Allocation: \$73,415
  - FY 2020-21 FFCRA Funding Reallocation: \$6,546
     FY 2020-21 CDA CARES Act Funding Reallocation
  - FY 2020-21 CDA CARES Act Funding Reallocation: \$66,869
- Period Funds are available for use (Subject to execution of Amendment): July 1, 2021 through September 30, 2021
- Service Area: Supervisorial District 2

City of Gardena FY 2020-21 Funding Reallocation Elderly Nutrition Program Page 2

Funding Source(s) and Service Category(ies) are as follows:

| Funding<br>Source  | Service Category | Unit Rate | Allocation<br>Amount  | Total Amount |
|--|------------------|-----------|-----------------------|--------------|
| FFCRA OAA<br>Title III HDC2  | Hot Meals        | \$8.15    | \$6,546 <sup>1</sup>  | \$6,546      |
|  | Frozen Meals     | \$6.21    |                       |              |
|  | Emergency Meals  | \$8.15    |                       |              |
|  |                  |           |                       |              |
|  | American Meals   | \$6.21    | \$23,869 <sup>2</sup> |              |
|  | Ethnic Meals     |           |                       | \$66,869     |
| CDA CARES Act *  |                  |           |                       |              |
|  | Hot Meals        | \$8.15    |                       |              |
|  | Frozen Meals     | \$6.21    | \$43,000 <sup>3</sup> |              |
|  | Emergency Meals  | \$8.15    |                       |              |
| FY 2020-21 Funding Reallocation  |                  |           | \$73,415              |              |
| Baseline Funding (Refer to FY 2020-21 Baseline Funding Allocation Letter)                    |                  |           |                       | \$421,000    |
| Subaward Sum Year 2 (SSY2) (FY 2020-21 Funding Reallocation and FY 2021-22 Baseline Funding) |                  |           | \$494,415             |              |

<sup>\*</sup> Indirect costs are not allowable for CDA CARES Act funding

If you have any questions, please contact Irma Panosian of my staff by phone or e-mail as follows: (323) 336-5426 or <a href="mailto:ipanosian@wdacs.lacounty.gov">ipanosian@wdacs.lacounty.gov</a>.

Thank you.

Carol Domingo, Program Manager Contracts Management Division

Carol Domingo

<sup>&</sup>lt;sup>1</sup> Complete one (1) budget and one (1) MPS for the Allocation Amount.

<sup>&</sup>lt;sup>2</sup> Complete one (1) budget and one (1) MPS for the Allocation Amount.

<sup>&</sup>lt;sup>3</sup>Complete one (1) budget and one (1) MPS for the Allocation Amount.

## ELDERLY NUTRITION PROGRAM (ENP) SUBAWARD NUMBER ENP202105 SUBAWARD PERIOD JULY 2020 – JUNE 2022

#### AMENDMENT SIX

This Amendment is made and entered into by and between

COUNTY OF LOS ANGELES THROUGH ITS DEPARTMENT OF WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES ("County" or "WDACS")

County's Business Address 510 South Vermont Avenue, 11<sup>th</sup> Floor Los Angeles, CA 90020

and

#### CITY OF GARDENA

("Contractor" or "Subrecipient")

Subrecipient's Business Address 1700 West 162<sup>nd</sup> Street Gardena, CA 90247

WHEREAS, reference is made to that certain document entitled "Elderly Nutrition Program (ENP) Subaward Number ENP202105 Subaward Period July 2020 – June 2021" dated July 1, 2020, which is renamed as "Elderly Nutrition Program (ENP) Subaward Number ENP202105 Subaward Period July 2020 – June 2022", and the Amendments thereto (hereafter collectively referred to as "Contract" or "Subaward"); and

WHEREAS, the parties hereto have previously entered into the above referenced Subaward for the purpose of providing Elderly Nutrition Program (ENP) Services, which include serving congregate meals and home-delivered meals as well as conducting telephone reassurance to the older adult population in Los Angeles County (excluding the City of Los Angeles); and

WHEREAS, County and Subrecipient recognize and agree that specific terms (including, but not limited to, Contract, Subaward, Contractor, Subrecipient, Subcontract, Lower Tier Subaward, Subcontractor and Lower Tier Subrecipient) are used interchangeably throughout this Amendment in order to comply with federal, State, and County regulations; and

WHEREAS, it is the intent of the parties to amend this Subaward to reallocate Fiscal Year (FY) 2020-21 Families First Coronavirus Response Act (FFCRA) funds in the amount of \$6,546, which shall be reimbursed to Subrecipient in exchange for additional defined and contracted ENP Home-Delivered Meal Services as specified herein to be provided by Subrecipient during FY 2021-22; and

WHEREAS, it is the intent of the parties to also amend this Subaward to reallocate FY 2020-21 California Department of Aging (CDA) Coronavirus Aid, Relief, and Economic Security (CARES) Act funds in the cumulative amount of \$66,869, which shall be reimbursed to Subrecipient in exchange for additional defined and contracted ENP Congregate Meal and Home-Delivered Meal Services as specified herein to be provided by Subrecipient during FY 2021-22; and

**WHEREAS**, it is the intent of the parties to also amend this Subaward to provide for the other changes set forth herein; and

**WHEREAS**, the Subaward provides that changes to its terms may be made in the form of a written Amendment, which is formally approved and executed by the parties.

#### NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

- I. This Amendment shall commence upon execution by all parties.
- II. Subparagraph 2.2 is deleted in its entirety and replaced as follows:
  - 2.2 Federal and County Terms
    - 2.2.1 In compliance with the requirements of Title 45 Code of Federal Regulations Part 75 et seq. and Title 2 Code of Federal Regulations Part 200 et seq., the following terms shall be used to refer to this Agreement:
      - 2.2.1.1 **Subaward:** Subaward By and Between County of Los Angeles Workforce Development, Aging and Community Services and City of Gardena for Elderly Nutrition Program (ENP) Services Subaward Number ENP202105 Subaward Period July 1, 2020 June 30, 2021;
      - 2.2.1.2 **Subrecipient:** The party to this Agreement who is identified as **City of Gardena**
      - 2.2.1.3 **Lower Tier Subaward:** A third-party agreement; and

- 2.2.1.4 **Lower Tier Subrecipient:** A third-party
- 2.2.2 In compliance with County of Los Angeles statutes and Board mandates, the following terms also may be used to refer to this Agreement in certain instances:
  - 2.2.2.1 Contract: Subaward By and Between County of Los Angeles Workforce Development, Aging and Community Services and City of Gardena for Elderly Nutrition Program (ENP) Services Subaward Number ENP202105 Subaward Period July 1, 2020 June 30, 2021;
  - 2.2.2.2 **Contractor:** The party to this Agreement who is identified as **City of Gardena**;
  - 2.2.2.3 **Subcontract:** A third-party agreement
  - 2.2.2.4 **Subcontractor:** A third-party
- 2.2.3 In all cases, when the terms Subaward, Subrecipient, Lower Tier Subaward, and Lower Tier Subrecipient are used, then these shall have the meaning provided herein and as noted in Exhibit P (Definitions).
- III. Subparagraph 5.1.4 is deleted in its entirety and replaced as follows:
  - 5.1.4 Subaward Sum Year 2 Funding Source(s)
    - 5.1.4.1 The Subaward Sum Year 2 for this Subaward is comprised of monies which are identified by the funding source(s) or governing statute(s) listed below. The funding source(s) and governing statute(s) authorize County to use these monies to provide Program Services.
    - 5.1.4.2 Older Americans Act (OAA) Title III B (Supportive Services and Senior Centers) original baseline funds
      - 5.1.4.2.1 Subaward Sum: **\$1,000**
      - 5.1.4.2.2 Service Area: Supervisorial District 2
      - 5.1.4.2.3 Period of Performance: July 1, 2021 June 30, 2022 (consistent with California Department of Aging contract number AP-2122-19)

|         | 5.1.4.2.4  | Allocation Letter: Fiscal Year 2021-22<br>Baseline Funding Allocation for Elderly<br>Nutrition Program Services  |  |  |
|---------|--|--|--|--|
| 5.1.4.3 | OAA Title III  | III C-1 (Nutrition Services) original baseline funds   |  |  |
|         | 5.1.4.3.1  | Subaward Sum: <b>\$223,000</b>   |  |  |
|         | 5.1.4.3.2  | Service Area: Supervisorial District 2   |  |  |
|         | 5.1.4.3.3  | Period of Performance: July 1, 2021 – June 30, 2022 (consistent with California Department of Aging contract number AP-2122-19)                                |  |  |
|         | 5.1.4.3.4  | Allocation Letter: Fiscal Year 2021-22<br>Baseline Funding Allocation for Elderly<br>Nutrition Program Services  |  |  |
| 5.1.4.4 | OAA Title III  | tle III C-2 (Nutrition Services) original baseline funds   |  |  |
|         | 5.1.4.4.1  | Subaward Sum: <b>\$197,000</b>   |  |  |
|         | 5.1.4.4.2  | Service Area: Supervisorial District 2   |  |  |
|         | 5.1.4.4.3  | Period of Performance: July 1, 2021 – June 30, 2022 (consistent with California Department of Aging contract number AP-2122-19)                                |  |  |
|         | 5.1.4.4.4  | Allocation Letter: Fiscal Year 2021-22<br>Baseline Funding Allocation for Elderly<br>Nutrition Program Services  |  |  |
| 5.1.4.5 | 1.4.5 FFCRA Funds for ENP Home-Delivered Meal Services |  |  |  |
|         | 5.1.4.5.1  | Subaward Sum: <b>\$6,546</b>   |  |  |
|         |  | 5.1.4.5.1.1 Subrecipient shall expend these funds before CDA CARES Act and OAA Title III C-2 (Nutrition Services) for ENP Home-Delivered Meal Services funding |  |  |
|         | 5.1.4.5.2  | Service Area: Supervisorial District 2   |  |  |
|         | 5.1.4.5.3  | Period of Performance: July 1, 2021 – September 30, 2021 (consistent with California   |  |  |

Department of Aging Notice on California Major Disaster Declaration Approved – Area Plan (AP-1920) Contract Program Spending Flexibility)

- 5.1.4.5.4 Allocation Letter: Fiscal Year 2020-21 Funding Reallocation for Elderly Nutrition Program Services
- 5.1.4.6 CDA CARES Act Funds for ENP Congregate Meal Services
  - 5.1.4.6.1 Subaward Sum: **\$23,869** 
    - 5.1.4.6.1.1 Subrecipient shall expend these funds before utilizing OAA Title III C-1 (Nutrition Services) funds for ENP Congregate Meal Services
  - 5.1.4.6.2 Service Area: Supervisorial District 2
  - 5.1.4.6.3 Period of Performance: July 1, 2021 September 30, 2021 (consistent with CDA Program memo No. 20-13 (Corrected) issued on July 16, 2020)
  - 5.1.4.6.4 Allocation Letter: Fiscal Year 2020-21 Funding Reallocation for Elderly Nutrition Program Services
- 5.1.4.7 CDA CARES Act Funds for ENP Home-Delivered Meal Services
  - 5.1.4.7.1 Subaward Sum: **\$43,000** 
    - 5.1.4.7.1.1 Subrecipient shall expend these funds only after exhausting all FFCRA funds and before utilizing OAA Title III C-2 (Nutrition Services) funds for ENP Home-Delivered Meal Services
  - 5.1.4.7.2 Service Area: Supervisorial District 2

- 5.1.4.7.3 Period of Performance: July 1, 2021 September 30, 2021 (consistent with CDA Program memo No. 20-13 (Corrected) issued on July 16, 2020)
- 5.1.4.7.4 Allocation Letter: Fiscal Year 2020-21 Funding Reallocation for Elderly Nutrition Program Services
- IV. Subparagraph 5.10.4 is deleted in its entirety and replaced as follows:
  - 5.10.4 Federal Award Identification Number (FAIN)
    - 5.10.4.1 July 1, 2020 June 30, 2021: 2001CAOASS-00; 2001CAOACM-00; 2001CAOAHD-00; 2001CAOANS-00; 2001CACMC2-00; 2001CAHDC2-00; 2001CAHDC3-00; and, SLT0198
    - 5.10.4.2 July 1, 2021- December 31, 2021: 2101CAOASS-01; 2101CAOACM-0; 2101CAOAHD-01; and, 2101CAOANS-01
- V. Subparagraph 5.10.7 is deleted in its entirety and replaced as follows:
  - 5.10.7 Amount of Federal Funds Obligated by this Action:
    - 5.10.7.1 Original Subaward: \$407,000
    - 5.10.7.2 Amendment One: \$417,000
      - 5.10.7.2.1 Federal CARES Act Funds: \$292,000
      - 5.10.7.2.2 CDA CARES Act Funds: \$125,000
    - 5.10.7.3 Amendment Two: \$5,000
    - 5.10.7.4 Amendment Three: \$33,000
    - 5.10.7.5 Amendment Four: \$123,680
      - 5.10.7.5.1 Additional CDA CARES Act Funds: \$105,000
      - 5.10.7.5.2 FY 2019-20 FFCRA Carryover Funds: \$18,680
    - 5.10.7.6 Amendment Five: \$421,000

- 5.10.7.7 Amendment Six: \$73,415
  - 5.10.7.7.1 FY 2020-21 FFCRA Reallocation Funds: \$6,546
  - 5.10.7.7.2 FY 2020-21 CDA CARES Act Reallocation Funds: \$66,869
- VI. Subparagraph 5.10.8 is deleted in its entirety and replaced as follows:
  - 5.10.8 Total Amount of Federal Funds Obligated to Subrecipient (Subaward Sum):
    - 5.10.8.1 Subaward Sum Year 1: \$985,680
    - 5.10.8.2 Subaward Sum Year 2: \$421,000
- VII. Subparagraph 5.10.9 is deleted in its entirety and replaced as follows:
  - 5.10.9 Total Amount of Federal Award (Maximum Subaward Sum): \$1,406,680 (FY 2020-21 Reallocation funds excluded)
- VIII. "Exhibit W1 (Budget) Amendment 6 {FY 2021-22 CDA CARES Act Funding}" is added, is an addendum to "Exhibit W1 (Budget)", and is incorporated herein by reference.
- IX. "Exhibit W2 (Budget) Amendment 6 (FY 2021-22 FFCRA Funding)" is added, is an addendum to "Exhibit W2 (Budget)", and is incorporated herein by reference.
- X. "Exhibit W2 (Budget) Amendment 6 {FY 2021-22 CDA CARES Act Funding}" is added, is an addendum to "Exhibit W2 (Budget)", and is incorporated herein by reference.
- XI. "Exhibit X1 (Mandated Program Services) Amendment 6 (FY 2021-22 CDA CARES Act Funding)" is added, is an addendum to "Exhibit X1 (Mandated Program Service)", and is incorporated herein by reference.
- XII. "Exhibit X2 (Mandated Program Services) Amendment 6 (FY 2021-22 FFCRA Funding)" is added, is an addendum to "Exhibit X2 (Mandated Program Services)", and is incorporated herein by reference.
- XIII. "Exhibit X2 (Mandated Program Services) Amendment 6 (FY 2021-22 CDA CARES Act Funding)" is added, is an addendum to "Exhibit X2 (Mandated Program Services)", and is incorporated herein by reference.

XIV. The "Fiscal Year 2020-21 Funding Reallocation for Elderly Nutrition Program Services" funding allocation letter is incorporated herein by reference.

All other terms and conditions of the Subaward shall remain in full force and effect.

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// // IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this **Amendment Six** to be subscribed on its behalf by the Acting Director of Workforce Development, Aging and Community Services, and the Subrecipient has subscribed the same through its Authorized Representative. The Authorized Representative(s) signing on behalf of Subrecipient warrants under penalty of perjury that he or she is authorized to bind Subrecipient.

#### **COUNTY OF LOS ANGELES**

|  | Ву   |             |
|--|--|-------------|
|  | Otto Solórzano, Acting Director<br>County of Los Angeles<br>Workforce Development, Aging | Date        |
|  | and Community Services  SUBRECIPIENT   |             |
|  | City of Gardena  |             |
|  | Subrecipient's Legal Nan   |             |
|  | ENP202105  |             |
|  | Subaward Number  |             |
|  | <sub>By</sub> Clint Osorio   | Aug 5, 2021 |
|  | Name of Authorized Representative  | Date        |
|  | City Manager   |             |
|  | Title  |             |
| Approved as to Form:   | <i>CLINT OSOPIO</i> Clint Osorio (Aug 5, 2021 08:32 PDT)                                 |             |
|  | Signature  |             |
| OFFICE OF COUNTY COUNSEL Rodrigo A. Castro Silva, County Counsel |  |             |
|  | By<br>Name of Authorized   | <br>Date    |
| By   | Representative   | Date        |
| Lawrence M. Green  | ·  |             |
| Senior Deputy County Counsel                                     | Title  |             |
|  | Signature  |             |

# FY 2021-22 ENP Amendment Six (City of Gardena) (Final)

Final Audit Report 2021-08-05

Created: 2021-08-05

By: Irma Panosian (IPanosian@wdacs.lacounty.gov)

Status: Signed

Transaction ID: CBJCHBCAABAAIVeO0iMb0WAVBjuIS2aMri7tR68BgQRq

# "FY 2021-22 ENP Amendment Six (City of Gardena) (Final)" His tory

- Web Form created by Irma Panosian (IPanosian@wdacs.lacounty.gov) 2021-07-29 9:57:11 PM GMT
- Web Form filled in by Clint Osorio (cosorio@cityofgardena.org) 2021-08-05 3:32:45 PM GMT- IP address: 64.201.101.66
- Document emailed to Clint Osorio (cosorio@cityofgardena.org) for signature 2021-08-05 3:32:48 PM GMT
- Email viewed by Clint Osorio (cosorio@cityofgardena.org) 2021-08-05 3:33:27 PM GMT- IP address: 64.201.101.66
- E-signature verified by Clint Osorio (cosorio@cityofgardena.org) 2021-08-05 3:33:29 PM GMT- IP address: 64.201.101.66
- Agreement completed. 2021-08-05 - 3:33:29 PM GMT

Agenda Item No. 8.D Section: CONSENT CALENDAR Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: <u>RESOLUTION NO. 6526</u>, REAFFIRMING PROCLAMATION AND RESOLUTION NO. 6441, WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

**CONTACT: CITY MANAGER** 

#### **COUNCIL ACTION REQUIRED:**

#### **RECOMMENDATION AND STAFF SUMMARY:**

On March 4, 2020, Governor Newsom declared a State of Emergency in California due to the threat of Coronavirus Disease 2019 ("COVID-19"). Also, on March 4, 2020, the County of Los Angeles Public Health Department declared a local health emergency in response to COVID-19 activity. On March 16, 2020, in response to the State and County actions and pursuant to Government Code Section 8550 et seq., including Section 8558(c), City Manager Clint Osorio proclaimed the existence of a local emergency in Gardena. On March 19, 2020, the City Council ratified the proclamation through its approval of Resolution No. 6441. On May 12, 2020 City Council adopted Resolution No. 6454, reaffirming Resolution No. 6441. On July 14, 2020 City Council adopted Resolution No.6469, reaffirming Resolution No. 6441. On September 8, 2020 City Council adopted Resolution No. 6478, reaffirming Resolution No. 6441. On October 27, 2020 City Council adopted Resolution No. 6483, reaffirming Resolution No. 6441. On December 15, 2020 City Council adopted Resolution No.6489, reaffirming Resolution No. 6441. On February 9, 2021 City Council adopted Resolution No. 6495, reaffirming Resolution No. 6441. On March 23, 2021 City Council adopted Resolution No. 6503, reaffirming Resolution No. 6441. On May 11, 2021 City Council adopted Resolution No. 6512, reaffirming Resolution No. 6441. On June 22, 2021 City Council adopted Resolution No. 6521, reaffirming Resolution No. 6441. Pursuant to Government Code Section 8630, the City Council is required to "review the need for continuing the local emergency at least once every 60 days until the governing body (i.e. the City Council) terminates the local emergency. The extension of the local emergency allows the City Manager and City Council to issue rules, regulations, and orders to deal with the COVID-19 emergency. Additionally, it allows the City of Gardena to seek reimbursement from the State and Federal government for expenditures related to the COVID-19 emergency. Finally, it allows the City Manager and City Council to use the authority granted to them by the California Constitution, the Government Code and the Gardena Municipal Code to respond to the COVID-19 emergency. Efforts to stop the spread of the pandemic continue at the national, state and county levels. The conditions that required

the declaration of a local emergency continue to exist as of this date. Staff therefore recommends the City Council adopt a resolution reaffirming and continuing the current declaration of a local emergency.

#### **FINANCIAL IMPACT/COST:**

Staff is continuing to pursue any available Federal and State reimbursement for all City costs incurred due to COVID-19.

#### **ATTACHMENTS:**

Reso No. 6526.pdf

APPROVED:

Clint Osorio, City Manager

Cleurom .

#### **RESOLUTION NO. 6526**

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6478 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6478 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, on October 27, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "F" and incorporated herein by this reference; and

WHEREAS, on December 15, 2020, the City Council adopted Resolution No. 6489 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6489 is attached hereto as Attachment "G" and incorporated herein by this reference; and

WHEREAS, on February 9, 2021, the City Council adopted Resolution No. 6495 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6495 is attached hereto as Attachment "H" and incorporated herein by this reference; and

WHEREAS, on March 23, 2021, the City Council adopted Resolution No. 6503 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6503 is attached hereto as Attachment "I" and incorporated herein by this reference; and

WHEREAS, on May 11, 2021, the City Council adopted Resolution No. 6512 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6512 is attached hereto as Attachment "J" and incorporated herein by this reference; and

WHEREAS, on June 22, 2021, the City Council adopted Resolution No. 6521 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6521 is attached hereto as Attachment "K" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020, Resolution No. 6478 on September 8, 2020, Resolution No. 6483 on October 27, 2020, Resolution No. 6489 on December 15, 2020, Resolution No. 6495 on February 9, 2021, Resolution No. 6503 on March 23, 2021, Resolution No. 6512 on May 11, 2021 and Resolution No. 6521 on June 22, 2021.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

| Passed, approved, and adopted this_ | day of August, 2021. |
|-------------------------------------|----------------------|
|                                     |                      |
|                                     |                      |
|                                     |                      |
|                                     |                      |
|                                     | TASHA CERDA, Mayor   |
| ATTEST:                             |                      |
|                                     |                      |
|                                     |                      |
|                                     |                      |
| MINA SEMENZA, City Clerk            |                      |
|                                     |                      |
|                                     |                      |
| APPROVED AS TO FORM:                |                      |
|                                     |                      |
|                                     |                      |
|                                     |                      |
| CARMEN VASQUEZ, City Attorney       |                      |

### ATTACHMENT A

March 16, 2020 REF. 2020.060

## A PROCLAMATION BY THE CITY MANAGER OF THE CITY OF GARDENA, CALIFORNIA, ACTING AS THE DIRECTOR OF EMERGENCY SERVICES, DECLARING THE EXISTENCE OF A LOCAL EMERGENCY

WHEREAS, Gardena Municipal Code Chapter 2.56.060 empowers the City Manager, as the Director of Emergency Services, to declare the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity; and

WHEREAS, Government Code Section 8550 et seq., including Section 8558(c), authorize the City Manager to proclaim a local emergency when the City is threatened by conditions of disaster or extreme peril to the safety of persons and property within the City that are likely to be beyond the control of the services, personnel, equipment, and facilities of the City; and

WHEREAS, a novel coronavirus, COVID-19, causes infectious disease and was first detected in Wuhan City, Hubei Province, China in December 2019. Symptoms of COVID-19 include fever, cough, and shortness of breath; outcomes have ranged from mild to severe illness, and, in some cases, death. The Center for Disease Control and Prevention (CDC) has indicated the virus is a tremendous public health threat; and

WHEREAS, Chinese health officials have reported tens of thousands of cases of COVID-19 in China, with the virus reportedly spreading from person-to-person. COVID-19 illnesses, most of them associated with travel from Wuhan, are also being reported in 117 countries, with over 44,000 cases, including the United States; and

WHEREAS, on January 30, 2020, the World Health Organization (WHO) declared the outbreak a "public health emergency of international concern". On January 31, 2020, United States Health and Human Services Secretary Alex M. Azar II declared a Public Health Emergency for the United States to aid the nation's healthcare community in responding to COVID-19. On March 11, 2020, the WHO elevated the public health emergency to the status of a pandemic; and

WHEREAS, on March 4, 2020, California Governor Gavin Newsom declared a State of Emergency in California; and

WHEREAS, on March 4, 2020, the County of Los Angeles Public Health Department declared a local health emergency in response to COVID-19 activity and, on March 11, 2020, announced the first death in the County due to COVID-19; and

WHEREAS, in declaring a State of Emergency, the Governor indicated that, as of March 4, 2020, there were 129 confirmed cases of COVID-19 in the United States, including 53 in California, and more than 9,400 Californians across 49 counties in home monitoring based on possible travel-based exposure to the virus, with officials expecting the number of cases in California, the United States, and worldwide to increase; and

WHEREAS, the Governor and the California Department of Health on March 11, 2020 issued a statement entitled "California Public Health Experts: Mass Gatherings Should be Postponed or Canceled Statewide to Slow the Spread of COVID-19," determining that gatherings should be postponed or canceled across the state until at least the end of March. Non-essential gatherings must be limited to no more than 50 people, while smaller events can proceed only if the organizers can implement social distancing of 6 feet per person. Gatherings of individuals who are at higher risk for severe illness from COVID-19 should be limited to no more than 10 people, while also following social distancing guidelines. Furthermore, essential gatherings should only be conducted if the essential activity could not be postponed or achieved without gathering, meaning that some other means of communication could not be used to conduct the essential function; and

WHEREAS, the Governor on March 12, 2020 issued Executive Order N-25-20, ordering, inter alia, that all residents are to heed the orders and guidance of state and local public health officials; and

WHEREAS; on March 13, 2020, the President of the United States issued a proclamation declaring the COVID-19 outbreak in the United States as a national emergency, beginning March 1, 2020; and

WHEREAS, the City of Gardena has the power to impose measures to promote social distancing including but not limited to limitations on public events; and

WHEREAS, Gardena is a densely populated city within Los Angeles County, which is the largest county in the United States, with one of the highest population densities; and

WHEREAS, conditions of extreme peril to the safety of persons and property have arisen due to the potential introduction of COVID-19 to the City of Gardena and Los Angeles County; and

WHEREAS, such conditions are beyond the control of the services, personnel, equipment, and facilities of the City and require the combined forces of other political subdivisions to combat; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to implement measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS, if COVID-19 spreads in California at a rate comparable to the rate of spread in other countries, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the mobilization of local resources, ability to coordinate interagency response, accelerate procurement of vital supplies, use mutual aid, and allow for future

reimbursement by the state and federal governments will be critical to successfully responding to COVID-19; and

WHEREAS, the City Manager, as the City's Director of Emergency Services, has the power to declare a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code Chapter 2.56.060.

NOW, THEREFORE, IT IS PROCLAIMED AND ORDERED by the City Manager of the City of Gardena as follows:

- A. As contemplated in the Emergency Services Act contained in Government Code Section 8550 et seq., including Section 8558(c), and Chapter 2.56 of the Gardena Municipal Code, a local emergency exists based on the existence of conditions of disaster or of extreme peril to the safety of persons and property caused by an epidemic, as detailed in the recitals set forth above.
- B. The area of the City which is endangered/imperiled is the entire City.
- C. During the existence of this local emergency, the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law and by local ordinances and regulations, including, but not limited to, Chapter 2.56 of the Gardena Municipal Code and any other applicable resolutions of this City;
- A. The City Council shall review and ratify this proclamation within 7 days as required by state law, and if ratified, shall continue to exist until the City Council proclaims the termination of this local emergency. The City Council shall review the need for continuing the local emergency as required by state law until it terminates the local emergency, and shall terminate the local emergency at the earliest possible date that conditions warrant.
- B. That the City of Gardena orders that, within the boundaries of the City of Gardena, the Public Health Experts' recommendations shall be deemed mandatory.
- C. That a copy of this proclamation be forwarded to the Director of California Governor's Office of Emergency Services requesting that the Director find

it acceptable in accordance with State Law; that the Governor of California, pursuant to the Emergency Services Act, issue a proclamation declaring an emergency in the City of Gardena; that the Governor waive regulations that may hinder response and recovery efforts; that recovery assistance be made available under the California Disaster Assistance Act; and that the State expedite access to State and Federal resources and any other appropriate federal disaster relief programs.

PROCLAIMED this 16th day of March, 2020.

Occurons.

Clint Osorio, City Manager/Director of Emergency Services

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A PROCLAMATION OF LOCAL EMERGENCY FOR THE CITY OF GARDENA, CALIFORNIA BY THE CITY MANAGER (DIRECTOR OF EMERGENCY SERVICES) ON THE 16<sup>TH</sup> DAY OF MARCH, 2020.

ATTEST:

/s/ MINA SEMENZA

MINA SEMENZA, City Clerk

# ATTACHMENT B

#### **RESOLUTION NO. 6441**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, RATIFYING THE ACTION OF THE CITY MANAGER ACTING AS THE DIRECTOR OF EMERGENCY SERVICES IN PROCLAIMING THE EXISTENCE OF A LOCAL EMERGENCY IN THE CITY OF GARDENA

WHEREAS, Gardena Municipal Code Chapter 2.56.060 empowers the City Manager, as the Director of Emergency Services, to declare the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity; and

WHEREAS, Government Code Section 8550 et seq., including Section 8558(c), authorize the City Council to proclaim a local emergency when the City is threatened by conditions of disaster or extreme peril to the safety of persons and property within the City that are likely to be beyond the control of the services, personnel, equipment, and facilities of the City; and

WHEREAS, a novel coronavirus, COVID-19, causes infectious disease and was first detected in Wuhan City, Hubei Province, China in December 2019. Symptoms of COVID-19 include fever, cough, and shortness of breath; outcomes have ranged from mild to severe illness, and, in some cases, death. The Center for Disease Control and Prevention (CDC) has indicated the virus is a tremendous public health threat; and

WHEREAS, Chinese health officials have reported tens of thousands of cases of COVID-19 in China, with the virus reportedly spreading from person-to-person. COVID-19 illnesses, most of them associated with travel from Wuhan, are also being reported in 117 countries, with over 44,000 cases, including the United States; and

WHEREAS, on January 30, 2020, the World Health Organization (WHO) declared the outbreak a "public health emergency of international concern". On January 31, 2020, United States Health and Human Services Secretary Alex M. Azar II declared a Public Health Emergency for the United States to aid the nation's healthcare community in responding to COVID-19. On March 11, 2020, the WHO elevated the public health emergency to the status of a pandemic; and

WHEREAS, on March 4, 2020, California Governor Gavin Newsom declared a State of Emergency in California; and

WHEREAS, on March 4, 2020, the County of Los Angeles Public Health Department declared a local health emergency in response to COVID-19 activity and, on March 11, 2020, announced the first death in the County due to COVID-19; and

WHEREAS, in declaring a State of Emergency, the Governor indicated that, as of March 4, 2020, there were 129 confirmed cases of COVID-19 in the United States, including 53 in California, and more than 9,400 Californians across 49 counties in home monitoring based on possible travel-based exposure to the virus, with officials expecting the number of cases in California, the United States, and worldwide to increase; and

WHEREAS, the Governor and the California Department of Health on March 11, 2020 issued a statement entitled "California Public Health Experts: Mass Gatherings Should be Postponed or Canceled Statewide to Slow the Spread of COVID-19," determining that gatherings should be postponed or canceled across the state until at least the end of March. Non-essential gatherings must be limited to no more than 50 people, while smaller events can proceed only if the organizers can implement social distancing of 6 feet per person. Gatherings of individuals who are at higher risk for severe illness from COVID-19 should be limited to no more than 10 people, while also following social distancing guidelines. Furthermore, essential gatherings should only be conducted if the essential activity could not be postponed or achieved without gathering, meaning that some other means of communication could not be used to conduct the essential function; and

WHEREAS, the Governor on March 12, 2020 issued Executive Order N-25-20, ordering, inter alia, that all residents are to heed the orders and guidance of state and local public health officials; and

WHEREAS; on March 13, 2020, the President of the United States issued a proclamation declaring the COVID-19 outbreak in the United States as a national emergency, beginning March 1, 2020; and

WHEREAS, the City of Gardena has the power to impose measures to promote social distancing including but not limited to limitations on public events; and

WHEREAS, Gardena is a densely populated city within Los Angeles County, which is the largest county in the United States, with one of the highest population densities; and

WHEREAS, conditions of extreme peril to the safety of persons and property have arisen due to the potential introduction of COVID-19 to the City of Gardena and Los Angeles County; and

WHEREAS, such conditions are beyond the control of the services, personnel, equipment, and facilities of the City and require the combined forces of other political subdivisions to combat; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to implement measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS, if COVID-19 spreads in California at a rate comparable to the rate of spread in other countries, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the

health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the mobilization of local resources, ability to coordinate interagency response, accelerate procurement of vital supplies, use mutual aid, and allow for future reimbursement by the state and federal governments will be critical to successfully responding to COVID-19; and

WHEREAS, on March 16, 2020 the City Manager, as the City's Director of Emergency Services, has declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code Chapter 2.56.060. A true and correct copy of the City Manager's Proclamation is attached hereto and incorporated herein by this reference as Attachment "A".

#### NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1.</u> The City Manager's Proclamation of Local Emergency dated March 16, 2020, and orders contained therein, is hereby ratified.

SECTION 2. As contemplated in the Emergency Services Act contained in Government Code Section 8550 et seq., including Section 8558(c), and Chapter 2.56 of the Gardena Municipal Code, a local emergency exists based on the existence of conditions of disaster or of extreme peril to the safety of persons and property caused by an epidemic, as detailed in the recitals set forth above.

SECTION 3. The area of the City which is endangered/imperiled is the entire City.

SECTION 4. During the existence of this local emergency, the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law and by local ordinances and regulations, including, but not limited to, Chapter 2.56 of the Gardena Municipal Code and any other applicable resolutions of this City;

<u>SECTION 5.</u> This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

<u>SECTION 6.</u> That the City of Gardena orders that, within the boundaries of the City of Gardena, the Public Health Experts' recommendations shall be deemed mandatory.

SECTION 7. That the City Manager is authorized to furnish information, to enter into agreements, and to take all actions necessary to implement preventative measures to protect and preserve the public health of the City from the COVID-19 public health hazard.

SECTION 8. That a copy of this resolution and the emergency proclamation be forwarded to the Director of California Governor's Office of Emergency Services requesting that the Director find it acceptable in accordance with State Law; that the Governor of California, pursuant to the Emergency Services Act, issue a proclamation declaring an emergency in the

City of Gardena; that the Governor waive regulations that may hinder response and recovery efforts; that recovery assistance be made available under the California Disaster Assistance Act; and that the State expedite access to State and Federal resources and any other appropriate federal disaster relief programs.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 19th day of March, 2020.

(ASha Cha TASHA CERDA, Mayor

ATTEST:

BICKY ROMESO

FOR MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMENUASOUEZ, Cit

rney

STATE OF CALIFORNIA COUNTY OF LOS ANGELES ) SS: CITY OF GARDENA

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6441 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at an emergency meeting of said City Council held on the 19th day of March, 2020, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBERS HENDERSON, MEDINA AND TANAKA, MAYOR PRO

TEM KASKANIAN AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

BUCKY ROMESO

Grity Clerk of the City of Gardena, California

(SEAL)

## ATTACHMENT C

#### RESOLUTION NO. 6454

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52,060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, as of May 7, 2020, there have been 29,427 confirmed cases of COVID-19 in Los Angeles County, which have resulted in 1,418 deaths; and

WHEREAS, the numbers of confirmed cases and deaths continue to increase; and WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

SECTION 1. The City Council reaffirms all portions of the Proclamation declared by the City Manager's Proclamation of Local Emergency dated March 16, 2020, including all orders contained therein.

SECTION 2. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 3. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 12H1 day of May, 2020.

Mark E. Thelerun for)
TASHA CERDA, Mayor

ATTEST:

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

| STATE OF CALIFORNIA   | )    |
|-----------------------|------|
| COUNTY OF LOS ANGELES | ) 88 |
| CITY OF GARDENA       | )    |

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6454 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 12<sup>th</sup> day of May, 2020, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBERS KASKANIAN AND TANAKA, MAYOR PRO TEM

HENDERSON, COUNCIL MEMBER FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

Bucky Romero

FOY City Clerk of the City of Gardena, California

(SEAL)

# ATTACHMENT D

#### **RESOLUTION NO. 6469**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of the Proclamation declared by the City Manager's Proclamation of Local Emergency dated March 16, 2020, including all orders contained therein.

<u>SECTION 2</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 14th day of July, 2020.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN-VASQUEZ, City Attorney

STATE OF CALIFORNIA COUNTY OF LOS ANGELES ) SS: CITY OF GARDENA )

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6469 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 14th day of July, 2020, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBER KASKANIAN, MAYOR PRO TEM HENDERSON, COUNCIL

MEMBERS TANAKA AND FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

Becky Romero

City Clerk of the City of Gardena, California

(SEAL)

### ATTACHMENT E

#### **RESOLUTION NO. 6478**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020 and Resolution No 6469 on July 14, 2020.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 8th day of September, 2020.

TASHA CERDA, Mayor

ATTEST:

BUCKY ROMERO

FORMINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA ) SS: COUNTY OF LOS ANGELES CITY OF GARDENA

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6478 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 8th day of September, 2020, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBER KASKANIAN, MAYOR PRO TEM HENDERSON, COUNCIL

MEMBERS TANAKA AND FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

Bucky Romeso

City Clerk of the City of Gardena, California

(SEAL)

### ATTACHMENT F

#### **RESOLUTION NO. 6483**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020 and Resolution No. 6478 on September 8, 2020.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 27th day of October, 2020.

TASHA CERDA, Mayor

ATTEST:

BUCKY ROMENO W MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA COUNTY OF LOS ANGELES ) SS: CITY OF GARDENA

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6483 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 27th day of October, 2020, and that the same was so passed and adopted by the following roll call vote:

AYES:

MAYOR PRO TEM HENDERSON, COUNCIL MEMBERS KASKANIAN, TANAKA,

AND FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

forCity Clerk of the City of Gardena, California

(SEAL)

## ATTACHMENT G

### **RESOLUTION NO. 6489**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6478 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6478 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, on October 27, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "F" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020, Resolution No. 6478 on September 8, 2020 and Resolution No. 6483 on October 27, 2020.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this \_\_\_\_\_\_day of December, 2020.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA **COUNTY OF LOS ANGELES** ) SS: CITY OF GARDENA

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6489 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 15th day of December, 2020, and that the same was so passed and adopted by the following roll call vote:

AYES:

MAYOR PRO TEM HENDERSON AND COUNCIL MEMBERS TANAKA,

KASKANIAN, FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

Bucky Romero

City Clerk of the City of Gardena, California

(SEAL)

# **ATTACHMENT H**

#### **RESOLUTION NO. 6495**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6478 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6478 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, on October 27, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "F" and incorporated herein by this reference; and

WHEREAS, on December 15, 2020, the City Council adopted Resolution No. 6489 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6489 is attached hereto as Attachment "G" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

## NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020, Resolution No. 6478 on September 8, 2020,

**RESOLUTION NO. 6495** 

Resolution No. 6483 on October 27, 2020 and Resolution No. 6489 on December 15, 2020.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 9th day of February, 2021.

Tasha Cerda TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA COUNTY OF LOS ANGELES ) SS: CITY OF GARDENA )

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being **Resolution No. 6495** duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 9th day of February, 2021, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBERS KASKANIAN AND TANAKA, MAYOR PRO TEM

HENDERSON, COUNCIL MEMBER FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

City Clerk of the City of Gardena, California



(SEAL)

# **ATTACHMENT I**

#### **RESOLUTION NO. 6503**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6478 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6478 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, on October 27, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "F" and incorporated herein by this reference; and

WHEREAS, on December 15, 2020, the City Council adopted Resolution No. 6489 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6489 is attached hereto as Attachment "G" and incorporated herein by this reference; and

WHEREAS, on February 9, 2021, the City Council adopted Resolution No. 6495 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6495 is attached hereto as Attachment "H" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

## NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency

initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020, Resolution No. 6478 on September 8, 2020, Resolution No. 6483 on October 27, 2020, Resolution No. 6489 on December 15, 2020 and Resolution No. 6495 on February 9, 2021.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 23rd day of March, 2021.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA COUNTY OF LOS ANGELES ) SS: CITY OF GARDENA

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6503 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 23<sup>rd</sup> day of March, 2021, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBERS TANAKA, KASKANIAN, MAYOR PRO TEM HENDERSON

AND COUNCIL MEMBER FRANCIS, AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

Becky Romero

FrCity Clerk of the City of Gardena, California



# ATTACHMENT J

### **RESOLUTION NO. 6512**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6478 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6478 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, on October 27, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "F" and incorporated herein by this reference; and

WHEREAS, on December 15, 2020, the City Council adopted Resolution No. 6489 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6489 is attached hereto as Attachment "G" and incorporated herein by this reference; and

WHEREAS, on February 9, 2021, the City Council adopted Resolution No. 6495 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6495 is attached hereto as Attachment "H" and incorporated herein by this reference; and

WHEREAS, on M, 2021, the City Council adopted Resolution No. 6503 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6503 is attached hereto as Attachment "I" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues to increase; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020, Resolution No. 6478 on September 8, 2020, Resolution No. 6483 on October 27, 2020, Resolution No. 6489 on December 15, 2020, Resolution No. 6495 on February 9, 2021 and Resolution No. 6503 on March 23, 2021.

SECTION 3. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this \_\_\_\_\_day of May, 2021.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN ASQUEZ, City Attorney

STATE OF CALIFORNIA COUNTY OF LOS ANGELES ) SS: CITY OF GARDENA )

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6512 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 11th day of May, 2021, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBERS HENDERSON, KASKANIAN, MAYOR PRO TEM TANAKA

AND COUNCIL MEMBER FRANCIS, AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

BCKY Romeso

City Clerk of the City of Gardena, California



# **ATTACHMENT K**

### **RESOLUTION NO. 6521**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, REAFFIRMING PROCLAMATION AND RESOLUTION 6441 WHICH DECLARED THE EXISTENCE OF A LOCAL EMERGENCY

THE CITY COUNCIL OF THE CITY OF GARDENA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, on March 16, 2020, the City Manager, as the City's Director of Emergency Services, due to the COVID-19 pandemic declared a local emergency as authorized by Government Code section 8630 and Gardena Municipal Code section 2.52.060. A true and correct copy of the Proclamation is attached hereto as Attachment "A" and incorporated herein by this reference; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution 6441 to thereby ratify the City Manager's declaration of the local emergency due to the COVID-19 pandemic) A true and correct copy of Resolution 6441 is attached hereto as Attachment "B" and incorporated herein by this reference; and

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 6454 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6454 is attached hereto as Attachment "C" and incorporated herein by this reference; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 6469 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6469 is attached hereto as Attachment "D" and incorporated herein by this reference; and

WHEREAS, on September 8, 2020, the City Council adopted Resolution No. 6478 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6478 is attached hereto as Attachment "E" and incorporated herein by this reference; and

WHEREAS, on October 27, 2020, the City Council adopted Resolution No. 6483 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6483 is attached hereto as Attachment "F" and incorporated herein by this reference; and

WHEREAS, on December 15, 2020, the City Council adopted Resolution No. 6489 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6489 is attached hereto as Attachment "G" and incorporated herein by this reference; and

WHEREAS, on February 9, 2021, the City Council adopted Resolution No. 6495 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6495 is attached hereto as Attachment "H" and incorporated herein by this reference; and

WHEREAS, on March 23, 2021, the City Council adopted Resolution No. 6503 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6503 is attached hereto as Attachment "I" and incorporated herein by this reference; and

WHEREAS, on May 11, 2021, the City Council adopted Resolution No. 6512 to reaffirm the City Manager's declaration of the local emergency due to the COVID-19 pandemic and Resolution 6441. A true and correct copy of Resolution No. 6512 is attached hereto as Attachment "J" and incorporated herein by this reference; and

WHEREAS, Government Code Section 8630(c) states that a City Council "shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency"; and

WHEREAS, the numbers of confirmed cases of COVID-19 and deaths in the City of Gardena and Los Angeles County continues; and

WHEREAS, conditions of extreme peril to the safety of persons and property continue due to COVID-19 in the City of Gardena and Los Angeles County; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to take measures to mitigate the spread of COVID-19; and

WHEREAS, if COVID-19 spreads at a rate comparable to the rate of spread in other locations, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the reasons for declaring the local emergency still exist;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

<u>SECTION 1</u>. The City Council reaffirms all portions of Resolution 6441, including all findings stated therein.

SECTION 2. The City Council reaffirms the ongoing need for the local emergency initially declared on by the City Manager's Proclamation of Local Emergency dated March 16, 2020 and orders contained therein and subsequently ratified by the City Council via Resolution 6441 on March 19, 2020 and reaffirmed by Resolution No. 6454 on May 12, 2020, Resolution No 6469 on July 14, 2020, Resolution No. 6478 on September 8, 2020, Resolution No. 6483 on October 27, 2020, Resolution No. 6489 on December 15, 2020, Resolution No. 6495 on February 9, 2021, Resolution No. 6503 on March 23, 2021 and Resolution No. 6512 on May 11, 2021.

<u>SECTION 3</u>. This local emergency shall continue to exist until the City Council proclaims the termination of this local emergency.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

ASHA CERDA, Mayor

Passed, approved, and adopted this 42 day of June, 2021.

ATTEST:

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA ) SS: COUNTY OF LOS ANGELES CITY OF GARDENA

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being Resolution No. 6521 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 22<sup>nd</sup> day of June, 2021, and that the same was so passed and adopted by the following roll call vote:

AYES:

COUNCIL MEMBER HENDERSON, MAYOR PRO TEM TANAKA, COUNCIL

MEMBERS KASKANIAN, FRANCIS AND MAYOR CERDA

NOES:

NONE

ABSENT: NONE

City Clerk of the City of Gardena, California



Agenda Item No. 8.E Section: CONSENT CALENDAR Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: APPROVAL OF FINAL TRACT MAP NO. 83182

**CONTACT: PUBLIC WORKS** 

## **COUNCIL ACTION REQUIRED:**

### **RECOMMENDATION AND STAFF SUMMARY:**

Staff respectfully recommends that the City Council:

- 1. Find the final map compiles with the Subdivision Map Act and the Subdivision Ordinance of the City.
- 2. Find the final map in compliance and consistent with the previously approved tentative map and the Mitigating measures of the environmental review.
- 3. Approve the final tract map.

On Dec. 1, 2020, the Planning and Environmental Quality Commission approved tentative Tract Map 83182. The approved tentative tract map incorporated all requirements of the City of Gardena, including the Planning and Environmental quality Commission. The final map has been checked by the City Surveyor for compliance with the State Subdivision Map Act, the City of Gardena Public Works for compliance with local requirements, and Community Development Department for compliance with Land Use General plan Requirements, and the City Treasurer for outstanding assessments.

All departments have reviewed the map and did not find any violations. The map is acceptable and ready for recordation. This map can be found on file in Engineering.

### **FINANCIAL IMPACT/COST:**

N/A

#### ATTACHMENTS:

Tract Map 83182.pdf

APPROVED:

Clint Osorio, City Manager

Cleurom .

# TRACT NO. 83182

SHEET 1 OF 3 SHEETS

IN THE CITY OF GARDENA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA
BEING A SUBDIVISION OF A PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER
OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN.

EDWARD L. REYNOLDS L.S. 7725



DATE OF SURVEY: JANUARY 2018

FOR CONDOMINIUM PURPOSES

## OWNER'S STATEMENT

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

WE HEREBY DEDICATE TO THE PUBLIC USE ALL STREETS, HIGHWAYS AND OTHER PUBLIC WAYS SHOWN ON SAID MAP.

GARDENA PLACE N LLC A DELAWARE LIMITED LIABILITY COMPANY.

WE HEREBY DEDICATE TO THE CITY OF GARDENA, EASEMENTS FOR EMERGENCY AND PUBLIC SECURITY INGRESS AND EGRESS, AND PUBLIC UTILITY PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

| BY:  | BY:   |
|--|---|
| NAME: HORBOT GAR PIVER                     |   |
| TITLE: MANAGING MEMBER                     | - TITLE:  |
|  |   |
|  |   |
| NOTARY ACKNOWLEDGMENT                      |   |
|  | ETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY ENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND ITY OF THAT DOCUMENT.          |
| STATE OF CALIFORNIA SS                     | BEFORE ME, Madison Rose Garhar, Notage  |
| COUNTY OF LOS HATES                        |   |
| ON May 19 7021                             | REFORE ME Madison Base Garber Notra Pal   |
| on Trag 11, co-                            | BEFORE ME, TANISON TOSECTION  |
| PERSONALLY APPEARED Hubert Car             | drel  |
|  | WHO PROVED TO ME ON THE BASIS   |
| OF SATISFACTORY EVIDENCE TO BE THE PERSO   | N(S) WHOSE NAME(S) (S/ARE SUBSCRIBED TO THE   |
| WITHIN INSTRUMENT AND ACKNOWLEDGED TO M    | IE THAT HE SHE THEY EXECUTED THE SAME IN  |
| HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AN | DN(8) WHOSE NAME(8) S/ARE SUBSCRIBED TO THE IE THAT HE SHE/THEY EXECUTED THE SAME IN D THAT BY HIS/HER/THER SIGNATURE(8) ON THE |
| INSTRUMENT THE PERSON(S), OR THE ENTITY U  | UPON BEHALF OF WHICH THE PERSON(8) ACTED,   |

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

SIGNATURE

NOTARY PUBLIC IN AND FOR SAID STATE

(NAME PRINTED)

MY PRINCIPAL PLACE OF BUSINESS IS

IN Los Angeles county

MY COMMISSION EXPIRES The 15th 2023

## SIGNATURE OMISSIONS

EXECUTED THE INSTRUMENT.

WITNESS MY HAND

THE SIGNATURES OF THE PARTIES NAMED HEREINAFTER AS OWNER OF THE INTEREST SET FORTH HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436(a)(3)(A)(I-VIII) OF THE SUBDIVISION MAP ACT. THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE, AND SAID SIGNATURES ARE NOT REQUIRED BY THE LOCAL AGENCY:

THE CITY OF GARDENA, SUCCESSOR IN INTEREST TO THE COUNTY OF LOS ANGELES, HOLDER OF AN EASEMENT FOR PUBLIC ROAD AND HIGHWAY AND INCIDENTAL PURPOSES, PER DOCUMENT RECORDED MARCH 12, 1940 IN BOOK 17276, PAGE 310 OF OFFICIAL RECORDS.

IRVING M. LITZ AND BASSARN CORPORATION, A CALIFORNIA CORPORATION, HOLDERS OF AN EASEMENT FOR ROAD, ALLEY AND INCIDENTAL PURPOSES, PER DOCUMENT RECORDED JANUARY 27, 1960 AS INSTRUMENT NO. 4325 OF OFFICIAL RECORDS.

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, A CORPORATION, HOLDER OF AN EASEMENT FOR UNDERGROUND TELEPHONE TELEGRAPHING COMMUNICATION AND INCIDENTAL PURPOSES, RECORDED AUGUST 15, 1962 AS INSTRUMENT NO. 4160 OF OFFICIAL RECORDS.

## SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF G3 URBAN, ON DECEMBER 4, 2017. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT THEY WILL BE SET IN THOSE POSITIONS BEFORE TWENTY—FOUR MONTHS FROM THE FILING DATE OF THIS MAP, AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP; AND THAT TIE NOTES FOR ALL CENTERLINE MONUMENTS ARE, OR WILL BE, ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN TWENTY—FOUR MONTHS FROM THE FILING DATE SHOWN HEREON. I HEREBY STATE THAT SAID SURVEY IS TRUE AND COMPLETE AS SHOWN.

E.L. Nervell

DWARD L. REYNOLDS

S. 7725

S/13/21

DATE

5/13/21

DATE

5/13/21

DATE

## CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP; THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND OF ANY LOCAL SUBDIVISION ORDINANCES OF THE CITY OF GARDENA APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

KEVIN SEUNG KWAK
PRINCIPAL CIVIL ENGINEER
CITY OF GARDENA
R.C.E. 79547

## CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

DAVID G. GILBERTSON
CITY SURVEYOR, CITY OF GARDENA
L.S. NO. 6941

DATE

6/2/21

DATE

LS. 6941

Exp. 9/30/2021

## CITY CLERK'S CERTIFICATE

HEREBY CERTIFY THAT THE CITY COUNCIL OF THE CITY OF GARDENA ON \_\_\_\_\_\_, APPROVED THIS MAP. SAID COUNCIL DID ACCEPT ON BEHALF OF THE PUBLIC ALL STREETS, HIGHWAYS, AND OTHER PUBLIC WAYS SHOWN ON SAID MAP. SAID COUNCIL DID ALSO ACCEPT ON BEHALF OF THE CITY, THE EASEMENTS FOR EMERGENCY AND PUBLIC SECURITY INGRESS AND EGRESS, AND PUBLIC UTILITY PURPOSES SO DESIGNATED ON SAID MAP.

CITY CLERK, CITY OF GARDENA DATE

## SPECIAL ASSESSMENT STATEMENT

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

CITY TREASURER, CITY OF GARDENA DATE 07-27-21

## LOS ANGELES COUNTY TAX CERTIFICATES

HAS BEEN FILED WITH THE EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS SECURITY FOR THE PAYMENT OF TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND SHOWN ON MAP OF TRACT NO. 83182 AS REQUIRED BY LAW.

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

BY \_\_\_\_\_ DEPUTY DATE

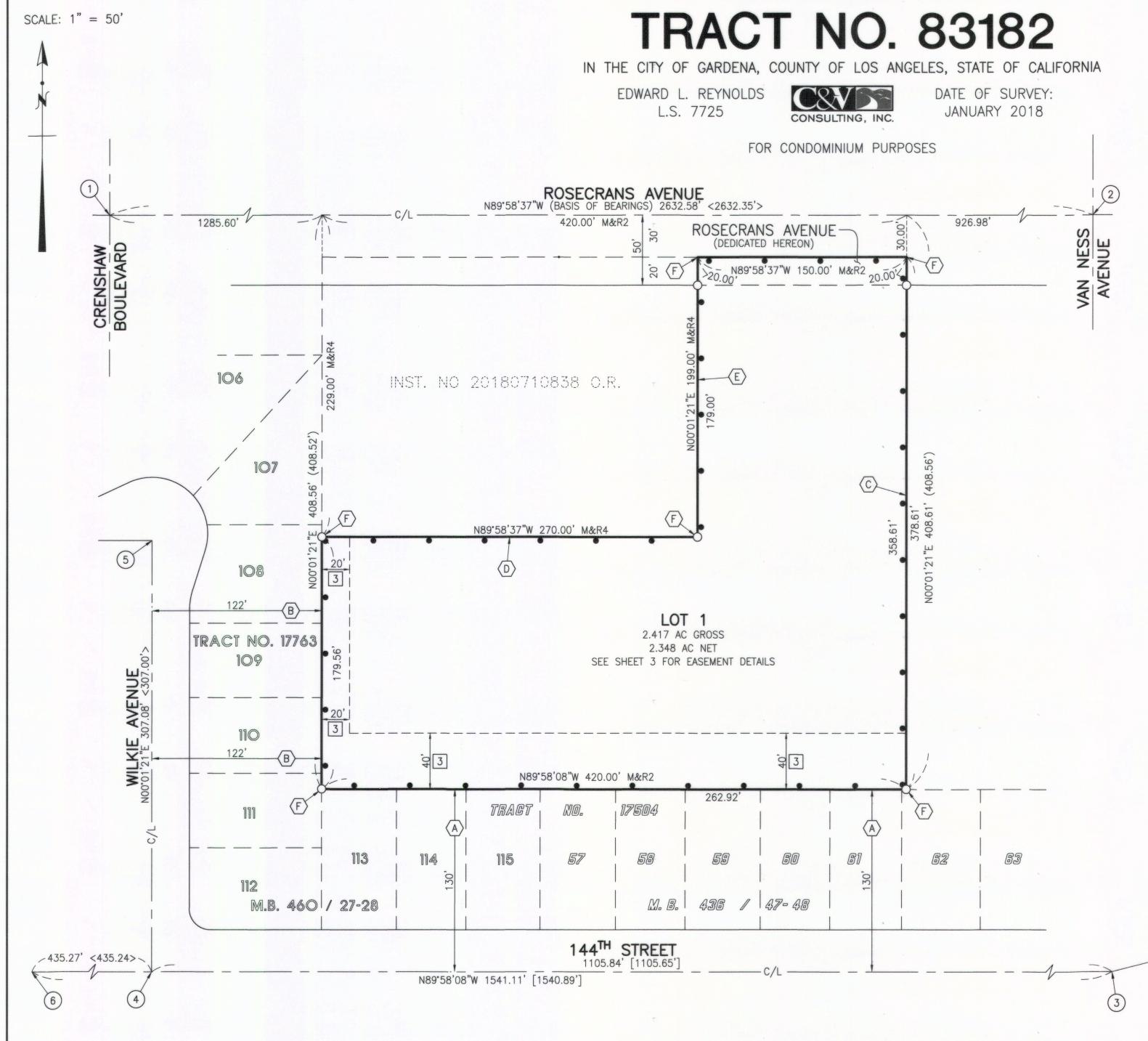
I HEREBY CERTIFY THAT ALL CERTIFICATES HAVE BEEN FILED AND DEPOSITS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT.

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

BY \_\_\_\_\_ DEPUTY DATE

## CONDOMINIUM NOTE

THIS SUBDIVISION IS APPROVED AS A CONDOMINIUM PROJECT FOR 52 UNITS, WHEREBY THE OWNERS OF THE UNITS OF AIR SPACE WILL HOLD AN UNDIVIDED INTEREST IN THE COMMON AREAS OF LOT 1 WHICH WILL, IN TURN, PROVIDE THE NECESSARY ACCESS AND UTILITY EASEMENTS FOR THE UNITS.



## MONUMENT NOTES

- 1) FOUND ROUNDHEAD SPIKE AND WASHER, NO MARKINGS. ACCEPTED AS THE CENTERLINE INTERSECTION OF CRENSHAW BOULEVARD AND ROSECRANS AVENUE PER P.W.F.B. 0718-2554-2555.
- FOUND GEAR SPIKE AND WASHER STAMPED "LS 8294". ACCEPTED AS THE CENTERLINE INTERSECTION OF ROSECRANS AVENUE AND VAN NESS AVENUE PER R.S.B. 274/13-14.
- FOUND SPIKE AND WASHER STAMPED "PLS 5129", NO REFERENCE, FITS TIES PER C.S.F.B. 1083-97. ACCEPTED AS POINT OF INTERSECTION PER R1.
- FOUND SPIKE AND WASHER STAMPED "PLS 5129" PER CITY TIES, OFF S63'20'53"E 0.13', NOT ACCEPTED. ESTABLISHED CENTERLINE INTERSECTION OF 144TH STREET & WILKIE AVENUE BY TIES PER C.S.F.B. 1093-86.
- 5) FOUND SPIKE AND WASHER STAMPED "LS 5411" PER P.W.F.B. 0719-1765 OFF N48\*44'43"W 3.00', NOT ACCEPTED. ESTABLISHED CENTERLINE INTERSECTION OF 143RD PLACE AND WILKIE AVENUE BY TIES PER C.S.F.B. 1093-93.
- 6 FOUND SPIKE AND WASHER STAMPED "PLS 5129", NO REFERENCE, OFF N83°42'37"E 0.12', NOT ACCEPTED. ESTABLISHED POINT OF INTERSECTION BY TIES PER C.S.F.B. 1093-85.
- O INDICATES 2" IRON PIPE TAGGED "LS 7725", OR 8" SPIKE AND WASHER STAMPED "LS 7725", FLUSH, OR LEAD, TACK, & TAG "LS 7725", OR NAIL & TAG "LS 7725" TO BE SET AT ALL TRACT BOUNDARY CORNERS UNLESS OTHERWISE NOTED.

## ESTABLISHMENT NOTES

- ESTABLISHED 130.00' NORTHERLY OF AND PARALLEL WITH THE CENTER LINE OF 144TH STREET PER R1 AND R3.
- B ESTABLISHED 122.00' EASTERLY OF AND PARALLEL WITH THE CENTERLINE OF WILKE AVENUE PER R3.
- © ESTABLISHED PARALLEL WITH THE NORTHERLY PROLONGATION OF WESTERLY LINE OF LOT 113 OF R3 PER R2.
- (D) ESTABLISHED 229.00' SOUTHERLY OF AND PARALLEL WITH THE CENTERLINE OF ROSECRANS AVENUE PER R4
- E ESTABLISHED PARALLEL WITH THE NORTHERLY PROLONGATION OF WESTERLY LINE OF LOT 113 OF R3 PER R4.
- (F) SEARCHED, FOUND NOTHING ESTABLISHED BY INTERSECTION.

## MAP REFERENCES

- R1 TRACT NO. 17504, M.B. 436/47-48.
- R2 GRANT DEED TO SAS CRENSHAW LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RECORDED JANUARY 27, 2017 AS INSTRUMENT NO. 20170115704 OF OFFICIAL RECORDS.
- R3 TRACT NO. 17763, M.B. 460/27-28.
- R4 GRANT DEED TO SAS #1 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RECORDED JULY 17, 2018 AS INSTRUMENT NO. 20180710838 OF OFFICIAL RECORDS.

## **LEGEND**

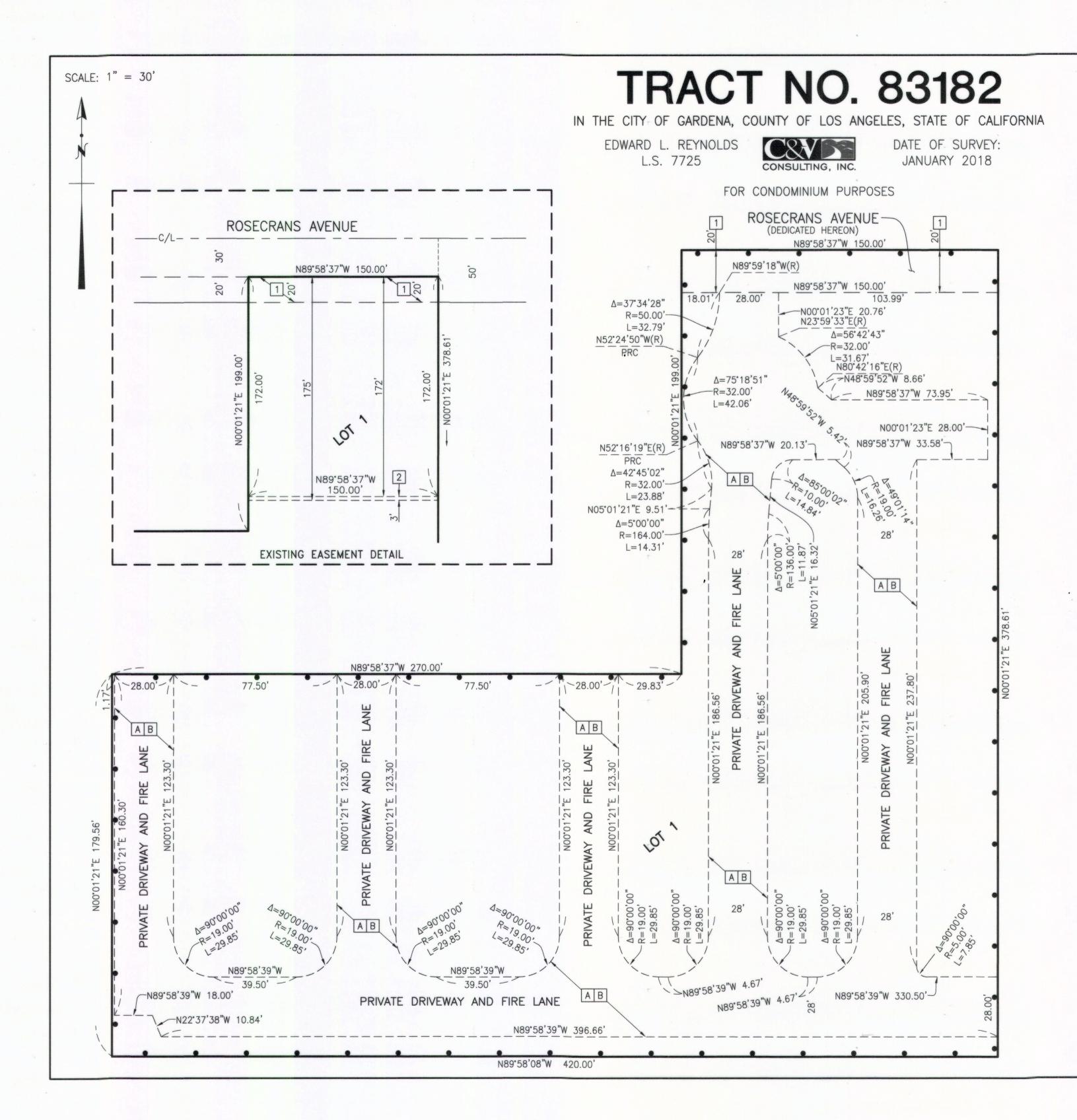
- ( ) INDICATES RECORD OR CALCULATED DATA PER R2.
- <> INDICATES RECORD OR CALCULATED DATA PER R3.
- [ ] INDICATES RECORD OR CALCULATED DATA PER R1 AND R3.
- M&R INDICATES MEASURED AND RECORD OR CALCULATED DATA PER RECORD INDICATED.
  - INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

## BASIS OF BEARINGS

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING OF THE CENTERLINE OF ROSECRANS AVENUE BEING NORTH 89°58'37" WEST AS SHOWN ON TRACT NO 81327, FILED IN BOOK 1412, PAGES 18 THROUGH 21, INCLUSIVE, OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER.

## EXISTING EASEMENT NOTES

INDICATES AN EASEMENT FOR ROAD AND ALLEY AND INCIDENTAL PURPOSES IN FAVOR OF IRVING M. LITZ AND BASSARN CORPORATION, A CALIFORNIA CORPORATION, PER DOCUMENT RECORDED JANUARY 27, 1960 AS INSTRUMENT NO. 4325 OF OFFICIAL RECORDS.



## PROPOSED EASEMENT NOTES

- A INDICATES AN EASEMENT FOR EMERGENCY AND PUBLIC SECURITY INGRESS AND EGRESS DEDICATED TO THE CITY OF GARDENA HEREON.
- B INDICATES AN EASEMENT FOR PUBLIC UTILITY PURPOSES DEDICATED TO THE CITY OF GARDENA HEREON.

## EXISTING EASEMENT NOTES

- 1 INDICATES AN EASEMENT FOR PUBLIC ROAD AND HIGHWAY AND INCIDENTAL PURPOSES IN FAVOR OF THE CITY OF GARDENA, SUCCESSOR IN INTEREST TO THE COUNTY OF LOS ANGELES, PER DOCUMENT RECORDED MARCH 12, 1940 IN BOOK 17276, PAGE 310 OF OFFICIAL RECORDS.
- IINDICATES AN EASEMENT FOR UNDERGROUND TELEPHONE TELEGRAPHING COMMUNICATION AND INCIDENTAL PURPOSES IN FAVOR OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, A CORPORATION, PER DOCUMENT RECORDED AUGUST 15, 1962 AS INSTRUMENT NO. 4160 OF OFFICIAL RECORDS.

## LEGEND

- INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

Agenda Item No. 8.F Section: CONSENT CALENDAR Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: ACCEPTANCE AND NOTICE OF COMPLETION FOR LOCAL STREETS

OVERLAY 2018/2019, JN 946, ONYX PAVING CO., INC

**CONTACT: PUBLIC WORKS** 

### **COUNCIL ACTION REQUIRED:**

## **RECOMMENDATION AND STAFF SUMMARY:**

Staff respectfully recommends that the City Council accept the work performed by Onyx Paving Co., Inc. and order the recordation of Notice of Completion.

This project overlaid approximately 375,000 square feet of pavement at various residential streets in the City. We also constructed 12 new curb ramps.

Sufficient funds to complete this project were appropriated by the City Council in the FY 2018-2019 Capital Improvement Budget using Gas Tax Funds.

### FINANCIAL IMPACT/COST:

Amount of Expense: \$542,985.42 Funding Source: Gas Tax Funds

## **ATTACHMENTS:**

NOC Local St. Improvement JN 946.doc

Oleunoms.

APPROVED:

Clint Osorio, City Manager

### RECORDING REQUEST BY AND MAIL TO:

Mina Semenza, City Clerk City of Gardena 1700 W. 162nd Street Gardena, CA 90247

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

## **NOTICE OF COMPLETION**

## NOT

this \_\_\_\_ day of \_\_\_\_\_\_ 2021.

| NOTICE         | IS HEREBY GIVEN, that:   |
|----------------|--|
| 1.             | The undersigned is the duly authorized representative of the City of Gardena, a Municipal Corporation of the State of California located within the County of Los Angeles in said State at 1700 West 162nd Street, Gardena, California 90247.  |
| 2.             | That on the15th day ofDecember , 2020, the City Council of said City entered into contract withOnyx Paving Co., Incwhose address is2890 East La Cresta Ave., Anaheim, Ca. 92806for the improvement titledLocal Street Improvements 2018/2019, JN 946 in accordance with City of Gardena Plans and Specifications.  |
| 3.             | That all of the work and improvement was located at <u>Various Location</u> in said City. The owner of the location is the City of Gardena.  |
| 4.             | That all of the work and improvement contemplated in and under said contract was substantially completed on <u>July 15, 2021</u> .   |
| 5.             | That the City Council formally accepted this work and improvement on <u>Aug. 10, 2021</u> .  |
| Gardena titled | dersigned, being first duly sworn, states: That he is the duly authorized representative of the City of a, the political subdivision of the State of California which conducted the proceedings for the improvement Local Street Improvements 2018/2019, JN 946 in said City, that he has read the foregoing "Notice of ion" and knows the facts recited therein are true. |

IN WITNESS THEREOF, I have hereunto subscribed my name as the duly authorized representative of said City

| City of Gardena |  |
|-----------------|--|
|                 |  |
|                 |  |
|                 |  |
|                 |  |
|                 |  |
| Jesus De Castro |  |

Agenda Item No. 8.G Section: CONSENT CALENDAR Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: RECEIVE AND FILE GTRANS SERVICE RESTORATION PLAN

**CONTACT: TRANSPORTATION** 

### **COUNCIL ACTION REQUIRED:**

### **RECOMMENDATION AND STAFF SUMMARY:**

Over the last year GTrans had to quickly adapt to the impacts of COVID-19 and the federal, state and local mandates that were implemented to stop the spread of the virus. Working through the restrictions, GTrans' service remained a lifeline for many who needed to take essential trips to medical appointments, essential jobs, to access the grocery store, etc. Through these challenges, GTrans was able to deliver this service safely, protecting our employees and customers with rear-door boarding, physical distancing, facemask requirements and capacity restrictions. In response to reduced ridership and constraints due to manpower shortages, GTrans reduced its service significantly.

Attached is a summary of how GTrans plans to bring back most of its service to pre-COVID-19 levels, and few ways that GTrans can provide better service for customers.

Staff respectfully recommends that the City Council Receive and File the GTrans Service Restoration Plan.

#### FINANCIAL IMPACT/COST:

All service costs were included in the FY22 budget previously approved by City Council. There is no impact to the General Fund.

### **ATTACHMENTS:**

GTrans\_Service\_Restoration\_Plan\_-\_Agenda\_STAFF\_REPORT\_8\_10\_21 -.pdf Public Hearing Table FINAL.pdf

APPROVED:

Clint Osorio, City Manager

Cleurom .



Agenda Item No.:8.G Department: CONSENT Meeting Date: August 10, 2021

## AGENDA STAFF REPORT

## **AGENDA TITLE:**

Receive and File GTrans Service Restoration Plan

### **RECOMMENDATION:**

Staff respectfully recommends that Council Receive and File the GTrans Service Restoration Plan

## **BACKGROUND**:

Over the last year GTrans had to quickly adapt to the impacts of COVID-19 and the federal, state and local mandates that were implemented to stop the spread of the virus. Working through the restrictions, GTrans' service remained a lifeline for many who needed to take essential trips to medical appointments, essential jobs, to access the grocery store, etc. Through these challenges, GTrans was able to deliver this service safely, protecting our employees and customers with rear-door boarding, physical distancing, facemask requirements and capacity restrictions.

In response to reduced ridership and constraints due to manpower shortages, GTrans reduced its service significantly. However, with vaccination rates now improving and most of the restrictions lifted, GTrans has been working on a plan to restore service to prepandemic levels. The Gardena City Council approved a set of service improvements following extensive public outreach in late 2019 that were to go into effect in early 2020. However, because of the pandemic the approved service changes were not implemented.

Because manpower and ridership continue to improve at a slower pace, GTrans has had to stagger the restoration of its service to those preapproved levels. GTrans is currently hiring and training bus operators now to aid in the restoration of this service. Below is a summary of how GTrans plans to bring back most of its service to pre-COVID-19 levels, and few ways that GTrans can provide better service for customers.

#### Line 1X

Restores service to 2019 City Council-approved levels starting on October 17, 2021. This service will resume traveling to downtown Los Angeles during peak periods only. As approved, there will be no service to downtown between 9:00 a.m. and 1:00 p.m.

#### Line 2

Weekday service was restored to 2019 City Council-approved levels on April 18, 2021. This service currently operates every 15 minutes on weekdays and every 30 minutes on weekends.

#### Line 3

Restores service to 2019 City Council-approved levels starting in January 2022, with pre-COVID-19 weekday service, Saturday service between 7:00 a.m. and 9:00 p.m., and Sunday service between 7:00 a.m. and 8:00 p.m. Additional morning and afternoon service to Bishop Montgomery High School will resume in the fall of 2021 along with the school year.

### Line 4

Restorations will be limited to additional morning and afternoon service on weekdays in the fall of 2021, along with the school year.

Line 4 regular service will remain suspended due to low ridership.

#### Line 5

Restores service to its regular pre-pandemic schedule, operating on weekdays only between 4:35 a.m. and 8:57 p.m. in January 2022.

### **New Service to Inglewood Sports and Entertainment District**

The City Council approved the implementation of new Sunday service to the Inglewood Sports and Entertainment District out of the Harbor Gateway Transit Center beginning September 12, 2021.

#### **New MicroTransit Service**

GTrans is exploring a new microtransit service that will be presented for City Council consideration later this year, which will improve our Special Transit program and provide new access to all customers with origins and destinations within the City of Gardena. This on-demand, rideshare service uses "virtual stops" from which customers would be able to take short trips using small vehicles. Trips will be scheduled on-demand using a phone, a computer or a smart phone app. This service is planned for Spring of 2022.

## **PUBLIC MEETING:**

GTrans held a public meeting on July 27, 2021 at 6:00 p.m. via Zoom to present the plan and to have a dialogue with interested customers and the community. The meeting was advertised in the Daily Breeze, the Gardena Valley News, the GTrans website and its Social Media platforms. The meeting was also advertised onboard the bus through

take-ones and car cards. The GTrans website provided a brief overview of the Plan along with a summary table, which is attached. Most of the comments were about GTrans service in general, with some interest in the Microtransit service that will be presented to Council at a future meeting for approval.

IN CONCLUSION, Staff respectfully recommends that Council receive and file the GTrans Service Restoration Plan.

Submitted by: <u>Ernie Crespo</u> Date: <u>August 10, 2021</u>

Attachment

## GTrans Restoration Plan July 2021

| Route #                                | Destination  | Modified Service Plan During COVID-19  | Proposed Restoration   | Target Date                       | Completed |
|--|--|--|--|-----------------------------------|-----------|
| 1X                                     | Harbor Freeway/<br>Redondo Beach<br>Green Line     | Running weekend scheduled service on Weekdays;<br>Saturday and Sundays normal    | Restore service to 2019 City Council-approved levels starting on October 17, 2021. To include traveling to downtown LA during peak periods (9:00 a.m. – 1:00 p.m.)   | October 17,<br>2021               |           |
| 2                                      | Normandie Ave &<br>PCH                             | Running weekend scheduled service on Weekdays;<br>Saturday and Sundays normal    | Restored weekday service to 2019 City Council approved levels. This service operates every 15 minutes on weekdays and every 30-minutes on weekends.  | April 18, 2021                    |           |
| 3                                      | South Bay Galleria/<br>MLK Transit Center          | Running weekend scheduled<br>service on Weekdays;<br>Saturday and Sundays normal | Service to Bishop Montgomery High morning and afternoon service. Restores service to pre-COVID levels, to include 2019 City Council approved weekend service offering Saturday service between 7:00 a.m. – 9:00 p.m. and Sunday between 7:00 a.m. – 8:00 p.m. (Jan. 2022). | August 17, 2021<br>/ January 2022 |           |
| 4                                      | Harbor<br>Gateway/147 <sup>th</sup> &<br>Hawthorne | On hold until further notice (due to low ridership from COVID-19).               | Restorations will be limited to additional morning and afternoon service on weekdays in the Fall of 2021, during the school year.  | August 17, 2021                   |           |
| 5                                      | Willowbrook Rosa<br>Parks/Aviation<br>Green Line   | Running modified Weekday service; 60-minute frequency                            | Restores service to its regular pre-COVID schedule, operating on weekdays only between 4:35 a.m. and 8:57 p.m.   | January 2022                      |           |
| Inglewood<br>Entertainment<br>District | Harbor Gateway<br>Transit Center/ SoFi<br>Stadium  | N/A  | Implementation of a new bus route to serve the Inglewood Sports and Entertainment District.  | September 12,<br>2021             |           |
| Microtransit<br>Service                | Harbor<br>Gateway/147 <sup>th</sup> &<br>Hawthorne | N/A  | On-demand rideshare service using virtual stops and existing stops along Line 4 2019 City Council service change.  | Spring of 2022                    |           |



Agenda Item No. 8.H Section: CONSENT CALENDAR Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: AUTHORIZATION TO PURCHASE SIX PATROL VEHICLES FROM NATIONAL AUTO FLEET GROUP IN THE AMOUNT OF \$251,832 AND EXPEND BUILD-OUT COSTS IN THE AMOUNT OF \$91,095

**CONTACT: POLICE** 

### **COUNCIL ACTION REQUIRED:**

### **RECOMMENDATION AND STAFF SUMMARY:**

Staff respectfully recommends that the City Council authorize the Police Department to purchase Six (6) new 2022 Ford Utility Police Interceptor AWD vehicles from National Auto Fleet Group for a total cost of \$251,832, which includes a 10.25% state sales tax and an \$8.75 tire tax for each vehicle.

The ongoing replacement of capital equipment is necessary to maintain a fleet inventory that is safe, efficient, and reliable. This purchase of six new patrol vehicles will replace the older vehicles that have reached the end of their useful service life due to age, mileage, and general wear and tear.

National Auto Fleet Group will sell and deliver the new vehicles available under the Sourcewell Master Vehicle Contract #120716, formerly known as the National Joint Powers Alliance (NJPA) contract. The total price for each vehicle, including state sales tax and tire tax, is \$42,165 for the patrol vehicles. Terms are net 30 days, and delivery is within 120 to 180 days thereafter. Five vehicles will be assigned to Patrol and will be purchased using previously budgeted funds from the Equipment Revolving Fund (Fund 15). One vehicle will be assigned to the Special Enforcement Unit and will be purchased and outfitted using Asset Forfeiture monies.

The total build-out costs for outfitting the vehicles with the necessary South Bay Regional Public Communications Authority (SBRPCA) equipment is approximately \$15,182 for each of the six patrol vehicles. The total cost of the buildouts is \$91,095.

### **FINANCIAL IMPACT/COST:**

Budget Amount: \$251,832 (vehicle purchases) + \$91,095 (estimated SBRPCA build-out costs)

Funding Source: Equipment Revolving Fund - Fund 15 (purchase - \$210,825; buildouts -

### \$73,655)

Asset Forfeiture Fund (purchase - \$41,007; build-out - \$17,440)

### **ATTACHMENTS:**

Staff\_Report.pdf
National Auto Fleet-5 Units.pdf
National Auto Fleet-1 Unit.pdf
SBRPCA Price Quotes.pdf

APPROVED:

Clint Osorio, City Manager

Cleurom .



Agenda Item No. 8.H Department: **Police** 

Meeting Date: August 10, 2021

### AGENDA STAFF REPORT

### **AGENDA TITLE:**

Authorization to Purchase six (6) Patrol Vehicles from National Auto Fleet Group in the Amount of \$251,832 and Expend Build-Out Costs in the Amount of \$91,095

### **RECOMMENDATION:**

Staff respectfully recommends that the City Council authorize the Police Department to purchase six (6) new/unused 2022 Ford Utility Police Interceptor AWD vehicles from National Auto Fleet Group at a total cost of \$251,832, including a 10.25% state sales tax and an \$8.75 tire tax per vehicle. Staff also requests City Council authorization to expend the vehicle buildouts in the total amount of \$91,095

### **BACKGROUND:**

The ongoing replacement of capital equipment is necessary in order to maintain a fleet inventory that is safe, efficient, and reliable. This purchase of six new patrol vehicles will replace the older vehicles that have reached the end of their useful service life due to age, mileage, and general wear and tear. Currently, the Police Department has thirty black-and-white patrol vehicles in the fleet, with a plan to replace five units per year through the Vehicle Replacement Fund and from the Asset Forfeiture Fund, if feasible.

Earlier this year, a driver ran a red light and collided with one of our patrol units. This patrol unit was deemed unrepairable. The party at faults insurance company has paid the city approximately \$25,000 towards the replacement cost of the lost patrol unit. Therefore, in this staff report, the request is for six vehicles as opposed to five.

Police Department staff obtained a quote via National Auto Fleet Group for six (6) new Ford Explorers. The total cost of each vehicle, including state sales tax and tire tax, is \$42,165 for each patrol unit. These vehicles are available under the Sourcewell Master Vehicle Contract #120716, formerly known as the National Joint Powers Alliance (NJPA) contract. The six new Ford Explorers will replace five Ford Explorers and one Special Enforcement Unit (SEU) vehicle.

South Bay Regional Public Communications Authority is our local vendor for vehicle buildouts. The quoted price of an entirely new vehicle setup is \$26,329 per patrol vehicle, resulting in a total build-out cost of \$157,974.

Over the years, SBRPCA staff has worked to find the most reasonable prices on equipment that we purchase through them. However, with the significant outlay for the purchase and outfitting of these vehicles with all new equipment, Staff sought options to reduce expenses by having

SBRPCA recycle most of the serviceable equipment from the six decommissioned Ford Explorers. This option will result in a significant cost reduction in vehicle setups.

Pursuant to staff's request, SBRPCA conducted an inventory of useable vehicle parts and quoted the following build-out costs for each unit:

| Total: | \$91,090         |
|--------|------------------|
| SEU-3  | \$ <u>17,440</u> |
| P-21   | \$14,730         |
| P-09   | \$14,730         |
| P-08   | \$14,730         |
| P-06   | \$14,730         |
| P-04   | \$14,730         |

As a result, by utilizing viable equipment at a total cost of \$91,090 compared to a new equipment build-out total of \$157,974 the Department will realize a cost savings of \$66,884 overall.

The six older Ford Explorers vehicles will have its police-related equipment removed and then sent to auction. Some of the recycled equipment may not be reusable in the new patrol vehicle vehicles as they have become incompatible with the new model, new technology or are no longer in serviceable condition.

The six units set for replacement will have all police-related equipment removed and then sent to auction or will be reassigned to other city departments as needed.

### **CONCLUSION:**

Staff respectfully recommends that the City Council approve the purchase and build-out costs for six new 2022 Ford Utility Police Interceptor AWD vehicles.

Submitted by:

Date:

8321

Michael Saffell, Chief of Police



490 Auto Center Drive, Watsonville, CA 95076 [855] 289-6572 • [855] BUY-NJPA • [831] 480-8497 Fax Fleet@NationalAutoFleetGroup.com

June 15, 2021

Lieutenant David Brock City of Gardena Police Department 1718 West 162<sup>nd</sup> Street Gardena, Ca 90247 Delivery Via Email

Dear Lieutenant Brock,

In response to your inquiry, we are pleased to submit the following for your consideration:

National Auto Fleet Group will sell, service and deliver at Gardena, new/unused 2022 Ford Police Utility AWD responding to your requirement with the attached specifications for \$37,187.00 plus Paint, State Sales Tax, and \$8.75 tire tax (non-taxable). These vehicles are available under the Sourcewell (Formerly Known as NJPA) master vehicle contract# 120716-NAF.Unit to Black and White.

| Venicle contract# 12                    | O/IU-IVAL | Office to Diaon an |                  |                    |               |
|---|-----------|--------------------|------------------|--------------------|---------------|
|   | One unit  | Selling Price      | Total<br>Savings | Extended units (5) | Total Savings |
| 2022 Ford Police<br>Interceptor Utility | 45 040 00 | 37,187.00          | 17.44%           | 185,935.00         | 39,265.00     |
| Ecco Boost                              | 45,040.00 | 37,107.00          | 17.4470          | 105,555.00         | 5 5 - W-2     |
| Black and White                         |           |                    |                  |                    |               |
| Paint                                   |           | 1,050.00           |                  | 5,250.00           |               |
| Sub Total                               |           | 38,237.00          |                  | 191,185.00         |               |
| Sales Tax                               |           | 3,919.29           |                  | 19,596.46          |               |
| Tire Tax                                |           | 8.75               |                  | 43.75              |               |
| Total                                   |           | 42,165.04          |                  | 210,825.21         |               |

Terms are net 30 days. Delivery 120-180 Days ARO

National Auto Fleet Group welcomes the opportunity to assist you in your vehicle requirements.

Kevin Buzzard National Law Enforcement Sales Manager National Auto Fleet Group Wondries Fleet Group 626-656-8431 O 714-2641867 C 562-684-4672 F



















Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD





## **Wondries Fleet Group / National Auto Fleet Group** Prepared By:

Kevin Buzzard Wondries Fleet Group / National Auto Fleet Group 626-457-5590 OFC Buzzard5150@gmail.com

Page 2



Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

### Selected Model and Options

MODEL

CODE

MODEL

K8A

2021 Ford Police Interceptor Utility AWD

COLORS

CODE

DESCRIPTION

UM

Agate Black

**ENGINE** 

CODE

DESCRIPTION

99C

Engine: 3.0L V6 EcoBoost -inc: (148-MPH top speed), Note: Deletes regenerative braking and lithium-ion battery pack; adds 250-Amp alternator, replaces H7 AGM battery (800 CCA/80-amp) w/H7 SLI battery (730 CCA/80-amp)

and replaces 19-gallon tank w/21.4-gallon, 3.31 Axle Ratio

TRANSMISSION

CODE

DESCRIPTION

44U

Transmission: 10-Speed Automatic (44U)

**OPTION PACKAGE** 

CODE

DESCRIPTION

500A

Order Code 500A

**AXLE RATIO** 

CODE

DESCRIPTION

3.31 Axle Ratio

**PRIMARY PAINT** 

CODE

DESCRIPTION

UM

Agate Black

**SEAT TYPE** 

CODE

DESCRIPTION

96

Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear -inc: reduced bolsters, driver 6-way power track (fore/aft, up/down, tilt w/manual recline, 2-way manual lumbar), passenger 2-way manual track (fore/aft, w/manual recline) and built-in steel intrusion plates in both driver/passenger seatbacks



Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

### ADDITIONAL EQUIPMENT - MECHANICAL

| CODE | DESCRIPT |      |
|------|----------|------|
| COPL | DESCRIP  | UUIV |

Police Engine Idle Feature -inc: This feature allows you to leave the engine running and prevents your vehicle 47A from unauthorized use when outside of your vehicle, Allows the key to be removed from ignition while vehicle

remains idling

76D Underbody Deflector Plate -inc: Engine and transmission shield

#### ADDITIONAL EQUIPMENT - EXTERIOR

| CODE | DESCRIPTION  |
|------|--|
| 518  | Dual (Driver & Passenger) LED Spot Lamps (Unity)   |
| 153  | Front License Plate Bracket  |
| 16D  | Badge Delete -inc: Deletes the Police Interceptor badging on rear liftgate and the Interceptor badging on front hood (EcoBoost)  |
| 86T  | Tail Lamp/Police Interceptor Housing Only -inc: Pre-existing holes w/standard twist lock sealed capability (does not include LED strobe) (eliminates need to drill housing assemblies) |
| 59B  | Keyed Alike - 1284x  |

### ADDITIONAL EQUIPMENT - INTERIOR

| CODE | DESCRIPTION   |
|------|---|
| 52P  | Hidden Door-Lock Plunger -inc: rear-door controls inoperable (locks, handles and windows), Note: Can manually remove window or door disable plate w/special tool, Note: Locks/windows operable from driver's door switches  |
| 43D  | Dark Car Feature -inc: Courtesy lamps disabled when any door is opened  |
| 87R  | Rear View Camera -inc: Displayed in rear view mirror, Note: This option replaces the standard display in the center stack area, Note: Camera can only be displayed in the center stack (std) or the rear view mirror (87R), Electrochromic Rear View Mirror, Video is displayed in rear view mirror |
| 19V  | Rear Camera On-Demand -inc: Allows driver to enable rear camera on-demand   |
| 76R  | Reverse Sensing System  |
| 60R  | Noise Suppression Bonds (Ground Straps)   |
| 85R  | Rear Console Plate -inc: Contours through 2nd row; channel for wiring   |

**Options Total** 

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 14011, Data updated Jun 14, 2021 10:23:00 PM PDT

Jun 15, 2021

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## CHROMEDATA Wondries Fleet Group / National Auto Fleet Group

An Autodata Solutions Brand Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

## Standard Equipment

### Mechanical

Engine: 3.3L V6 Direct-Injection Hybrid System -inc: (136-MPH top speed) (STD)

Transmission: 10-Speed Automatic (STD)

3.73 Axle Ratio (STD)

50 State Emission System Flexible Fuel Vehicle (FFV) system is standard equipment for vehicles equipped with the 3.3L V6 Direct-Injection engine.

Transmission w/Oil Cooler

Automatic Full-Time All-Wheel

**Engine Oil Cooler** 

80-Amp/Hr 800CCA Maintenance-Free Battery

Hybrid Electric Motor 220 Amp Alternator

Class III Towing Equipment -inc: Hitch

**Trailer Wiring Harness** 

Police/Fire

1670# Maximum Payload

GVWR: 6,840 lbs (3,103 kgs)

Gas-Pressurized Shock Absorbers

Front And Rear Anti-Roll Bars

Electric Power-Assist Steering

19 Gal. Fuel Tank

**Dual Stainless Steel Exhaust** 

Permanent Locking Hubs

Strut Front Suspension w/Coil Springs

Multi-Link Rear Suspension w/Coil Springs

Regenerative 4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control

Lithium Ion Traction Battery

### Exterior

Wheels: 18" x 8" 5-Spoke Painted Black Steel -inc: polished stainless steel hub cover and center caps

Tires: 255/60R18 AS BSW

Steel Spare Wheel

Spare Tire Mounted Inside Under Cargo



## CHROMEDATA Wondries Fleet Group / National Auto Fleet Group

An Autodata Solutions Brand Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

#### Exterior

Clearcoat Paint

Body-Colored Front Bumper w/Black Rub Strip/Fascia Accent and 1 Tow Hook

Body-Colored Rear Bumper w/Black Rub Strip/Fascia Accent

Body-Colored Bodyside Cladding and Black Wheel Well Trim

Black Side Windows Trim and Black Front Windshield Trim

**Black Door Handles** 

Black Power Side Mirrors w/Convex Spotter and Manual Folding

Fixed Rear Window w/Fixed Interval Wiper, Heated Wiper Park and Defroster

**Deep Tinted Glass** 

Speed Sensitive Variable Intermittent Wipers

Galvanized Steel/Aluminum Panels

Lip Spoiler

**Black Grille** 

Liftgate Rear Cargo Access

Tailgate/Rear Door Lock Included w/Power Door Locks

Auto On/Off Projector Beam Led Low/High Beam Headlamps

**LED Brakelights** 

### **Entertainment**

Radio w/Seek-Scan, Speed Compensated Volume Control and Steering Wheel Controls

Radio: AM/FM/MP3 Capable -inc: clock, 4-speakers, Bluetooth interface w/hands-free voice command support (compatible w/most Bluetooth connected mobile devices), 1 USB port and 4.2" color LCD screen center stack smart display

Integrated Roof Antenna

1 LCD Monitor In The Front

#### Interior

8-Way Driver Seat

Passenger Seat

35-30-35 Folding Split-Bench Front Facing Fold Forward Seatback Rear Seat

Manual Tilt/Telescoping Steering Column

Gauges -inc: Speedometer, Odometer, Engine Coolant Temp, Tachometer, Engine Hour Meter, Traction Battery Level, Trip Odometer and Trip Computer

Power Rear Windows and Fixed 3rd Row Windows

Fleet Telematics Modern Selective Service Internet Access



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

#### Interior

Remote Releases -Inc: Power Cargo Access

Cruise Control w/Steering Wheel Controls

**Dual Zone Front Automatic Air Conditioning** 

HVAC -inc: Underseat Ducts

Locking Glove Box

**Driver Foot Rest** 

Unique HD Cloth Front Bucket Seats w/Vinyl Rear -inc: reduced bolsters, driver 6-way power track (fore/aft, up/down, tilt w/manual recline, 2-way manual lumbar), passenger 2-way manual track (fore/aft, w/manual recline) and built-in steel intrusion plates in both driver/passenger seatbacks

Interior Trim -inc: Metal-Look Instrument Panel Insert, Metal-Look Door Panel Insert and Metal-Look Interior Accents

Full Cloth Headliner

Urethane Gear Shifter Material

**Day-Night Rearview Mirror** 

Driver And Passenger Visor Vanity Mirrors

Mini Overhead Console w/Storage and 2 12V DC Power Outlets

Front And Rear Map Lights

Fade-To-Off Interior Lighting

Full Vinyl/Rubber Floor Covering

Carpet Floor Trim

Cargo Features -inc: Cargo Tray/Organizer

Cargo Space Lights

Dashboard Storage, Driver And Passenger Door Bins

Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down

**Delayed Accessory Power** 

**Power Door Locks** 

Systems Monitor

Redundant Digital Speedometer

**Trip Computer** 

Analog Appearance

Seats w/Vinyl Back Material

Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints

2 12V DC Power Outlets



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

Back-Up Camera w/Washer

| Interior          |  |
|-------------------|--|
|                   | Air Filtration   |
| Safety-Mechanical |  |
|                   | Electronic Stability Control (ESC) And Roll Stability Control (RSC)  |
|                   | ABS And Driveline Traction Control   |
| Safety-Exterior   |  |
|                   | Side Impact Beams  |
| Safety-Interior   |  |
|                   | Dual Stage Driver And Passenger Seat-Mounted Side Airbags  |
|                   | Tire Specific Low Tire Pressure Warning  |
|                   | Dual Stage Driver And Passenger Front Airbags  |
|                   | Curtain 1st And 2nd Row Airbags  |
|                   | Airbag Occupancy Sensor  |
|                   | Passenger Knee Airbag  |
|                   | Rear Child Safety Locks  |
|                   | Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners |



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

## **Window Sticker**

### SUMMARY

[Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD

MSRP:\$40,845.00

Interior: Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear

Exterior 1:Agate Black

Exterior 2:No color has been selected.

Engine: 3.0L V6 EcoBoost

Transmission: 10-Speed Automatic (44U)

| OPTI | ONS         |   |             |
|------|-------------|---|-------------|
|      | CODE        | MODEL   | MSRP        |
|      | K8A         | [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD          | \$40,845.00 |
|      |             | OPTIONS   |             |
|      | 153         | Front License Plate Bracket                                     | \$0.00      |
|      | 16D         | Badge Delete  | \$0.00      |
|      | 19V         | Rear Camera On-Demand   | \$230.00    |
|      | 43D         | Dark Car Feature  | \$25.00     |
|      | <b>44</b> U | Transmission: 10-Speed Automatic (44U)                          | \$0.00      |
|      | 47A         | Police Engine Idle Feature                                      | \$260.00    |
|      | 500A        | Order Code 500A   | \$0.00      |
|      | 51S         | Dual (Driver & Passenger) LED Spot Lamps (Unity)                | \$620.00    |
|      | 52P         | Hidden Door-Lock Plunger  | \$160.00    |
|      | 59B         | Keyed Alike - 1284x   | \$50.00     |
|      | 60R         | Noise Suppression Bonds (Ground Straps)                         | \$100.00    |
|      | 76D         | Underbody Deflector Plate                                       | \$335.00    |
|      | 76R         | Reverse Sensing System  | \$275.00    |
|      | 85R         | Rear Console Plate  | \$45.00     |
|      | 86T         | Tail Lamp/Police Interceptor Housing Only                       | \$60.00     |
|      | 87R         | Rear View Camera  | \$0.00      |
|      | 96          | Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear | \$0.00      |
|      | 99C         | Engine: 3.0L V6 EcoBoost  | \$790.00    |
|      | UM          | Agate Black   | \$0.00      |
|      |             | 3.31 Axle Ratio   | Inc.        |



Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

Adjustments Total

\$0.00

\$43,795.00

**Destination Charge** 

\$1,245.00

**TOTAL PRICE** 

SUBTOTAL

\$45,040.00

### **FUEL ECONOMY**

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A



A Division of Chevrolet of Watsonville

490 Auto Center Drive, Watsonville, CA 95076 (855) 289-6572 • (855) BUY-NJPA • (831) 480-8497 Fax Fleet@NationalAutoFleetGroup.com

June 15, 2021

Lieutenant David Brock City of Gardena Police Department 1718 West 162<sup>nd</sup> Street Gardena, Ca 90247 Delivery Via Email

Dear Lieutenant Brock,

In response to your inquiry, we are pleased to submit the following for your consideration:

National Auto Fleet Group will sell, service and deliver at Gardena, new/unused 2022 Ford Police Utility AWD responding to your requirement with the attached specifications for \$ 37,187.00 plus Paint, State Sales Tax, and \$8.75 tire tax (non-taxable). These vehicles are available under the Sourcewell (Formerly Known as NJPA) master vehicle contract# 120716-NAF.Unit to all Black.

|                                   | One unit<br>MSRP | Selling Price | Total Savings | Total Savings |
|-----------------------------------|------------------|---------------|---------------|---------------|
| 2022 Ford Police                  |                  |               |               |               |
| Interceptor Utility<br>Ecco Boost | 45,040.00        | 37,187.00     | 17.44%        | 39,265.00     |
| Sub Total                         | 43,040.00        | 37,187.00     | 17.4470       | 00,200.00     |
| Sales Tax                         |                  | 3.811.67      |               |               |
| Tire Tax                          |                  | 8.75          |               |               |
| Total                             |                  | 41,007.42     |               |               |
| iotai                             |                  | 41,007.42     |               |               |

Terms are net 30 days. Delivery 120-180 Days ARO

National Auto Fleet Group welcomes the opportunity to assist you in your vehicle requirements.

Kevin Buzzard
National Law Enforcement Sales Manager
National Auto Fleet Group
Wondries Fleet Group
626-656-8431 O
714-2641867 C
562-684-4672 F



















## Wondries Fleet Group / National Auto Fleet Group Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD





## **Wondries Fleet Group / National Auto Fleet Group** Prepared By:

Kevin Buzzard Wondries Fleet Group / National Auto Fleet Group 626-457-5590 OFC Buzzard5150@gmail.com

Page 2



## CHROMEDATA Wondries Fleet Group / National Auto Fleet Group

Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

### Selected Model and Options

MODEL

CODE

MODEL

K8A

2021 Ford Police Interceptor Utility AWD

COLORS

CODE

DESCRIPTION

UM

Agate Black

**ENGINE** 

CODE

DESCRIPTION

99C

Engine: 3.0L V6 EcoBoost -inc: (148-MPH top speed), Note: Deletes regenerative braking and lithium-ion battery pack; adds 250-Amp alternator, replaces H7 AGM battery (800 CCA/80-amp) w/H7 SLI battery (730 CCA/80-amp) and replaces 19-gallon tank w/21.4-gallon, 3.31 Axle Ratio

TRANSMISSION

CODE

DESCRIPTION

44U

Transmission: 10-Speed Automatic (44U)

**OPTION PACKAGE** 

CODE

DESCRIPTION

500A

Order Code 500A

**AXLE RATIO** 

CODE

DESCRIPTION

3.31 Axle Ratio

**PRIMARY PAINT** 

CODE

DESCRIPTION

UM

Agate Black

**SEAT TYPE** 

CODE

DESCRIPTION

96

Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear -inc: reduced bolsters, driver 6-way power track (fore/aft, up/down, tilt w/manual recline, 2-way manual lumbar), passenger 2-way manual track (fore/aft, w/manual recline) and built-in steel intrusion plates in both driver/passenger seatbacks

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 14011, Data updated Jun 14, 2021 10:23:00 PM PDT

Page 3



Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

### ADDITIONAL EQUIPMENT - MECHANICAL

| CODE | PEOODIDTION |
|------|-------------|
| CODE | DESCRIPTION |
|      |             |

Police Engine Idle Feature -inc: This feature allows you to leave the engine running and prevents your vehicle 47A from unauthorized use when outside of your vehicle, Allows the key to be removed from ignition while vehicle remains idling

76D Underbody Deflector Plate -inc: Engine and transmission shield

#### ADDITIONAL EQUIPMENT - EXTERIOR

| CODE | DESCRIPTION  |
|------|--|
| 51S  | Dual (Driver & Passenger) LED Spot Lamps (Unity)   |
| 153  | Front License Plate Bracket  |
| 16D  | Badge Delete -inc: Deletes the Police Interceptor badging on rear liftgate and the Interceptor badging on front hood (EcoBoost)  |
| 86T  | Tail Lamp/Police Interceptor Housing Only -inc: Pre-existing holes w/standard twist lock sealed capability (does not include LED strobe) (eliminates need to drill housing assemblies) |
| 59B  | Keyed Alike - 1284x  |

### ADDITIONAL EQUIPMENT - INTERIOR

| CODE | DESCRIPTION   |
|------|---|
| 52P  | Hidden Door-Lock Plunger -inc: rear-door controls inoperable (locks, handles and windows), Note: Can manually remove window or door disable plate w/special tool, Note: Locks/windows operable from driver's door switches  |
| 43D  | Dark Car Feature -inc: Courtesy lamps disabled when any door is opened  |
| 87R  | Rear View Camera -inc: Displayed in rear view mirror, Note: This option replaces the standard display in the center stack area, Note: Camera can only be displayed in the center stack (std) or the rear view mirror (87R), Electrochromic Rear View Mirror, Video is displayed in rear view mirror |
| 19V  | Rear Camera On-Demand -inc: Allows driver to enable rear camera on-demand   |
| 76R  | Reverse Sensing System  |
| 60R  | Noise Suppression Bonds (Ground Straps)   |
| 85R  | Rear Console Plate -inc: Contours through 2nd row; channel for wiring   |

**Options Total** 

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 14011, Data updated Jun 14, 2021 10:23:00 PM PDT

Jun 15, 2021



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

## Standard Equipment

#### Mechanical

Engine: 3.3L V6 Direct-Injection Hybrid System -inc: (136-MPH top speed) (STD)

Transmission: 10-Speed Automatic (STD)

3.73 Axle Ratio (STD)

50 State Emission System Flexible Fuel Vehicle (FFV) system is standard equipment for vehicles equipped with the 3.3L V6 Direct-Injection engine.

Transmission w/Oil Cooler

Automatic Full-Time All-Wheel

**Engine Oil Cooler** 

80-Amp/Hr 800CCA Maintenance-Free Battery

Hybrid Electric Motor 220 Amp Alternator

Class III Towing Equipment -inc: Hitch

**Trailer Wiring Harness** 

Police/Fire

1670# Maximum Payload

GVWR: 6,840 lbs (3,103 kgs)

Gas-Pressurized Shock Absorbers

Front And Rear Anti-Roll Bars

Electric Power-Assist Steering

19 Gal, Fuel Tank

**Dual Stainless Steel Exhaust** 

Permanent Locking Hubs

Strut Front Suspension w/Coil Springs

Multi-Link Rear Suspension w/Coil Springs

Regenerative 4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control

Lithium Ion Traction Battery

### Exterior

Wheels: 18" x 8" 5-Spoke Painted Black Steel -inc: polished stainless steel hub cover and center caps

Tires: 255/60R18 AS BSW

Steel Spare Wheel

Spare Tire Mounted Inside Under Cargo



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

#### Exterior

Clearcoat Paint

Body-Colored Front Bumper w/Black Rub Strip/Fascia Accent and 1 Tow Hook

Body-Colored Rear Bumper w/Black Rub Strip/Fascia Accent

Body-Colored Bodyside Cladding and Black Wheel Well Trim

Black Side Windows Trim and Black Front Windshield Trim

Black Door Handles

Black Power Side Mirrors w/Convex Spotter and Manual Folding

Fixed Rear Window w/Fixed Interval Wiper, Heated Wiper Park and Defroster

**Deep Tinted Glass** 

Speed Sensitive Variable Intermittent Wipers

Galvanized Steel/Aluminum Panels

Lip Spoiler

Black Grille

Liftgate Rear Cargo Access

Tailgate/Rear Door Lock Included w/Power Door Locks

Auto On/Off Projector Beam Led Low/High Beam Headlamps

**LED Brakelights** 

#### Entertainment

Radio w/Seek-Scan, Speed Compensated Volume Control and Steering Wheel Controls

Radio: AM/FM/MP3 Capable -inc: clock, 4-speakers, Bluetooth interface w/hands-free voice command support (compatible w/most Bluetooth connected mobile devices), 1 USB port and 4.2" color LCD screen center stack smart display

Integrated Roof Antenna

1 LCD Monitor In The Front

### Interior

8-Way Driver Seat

Passenger Seat

35-30-35 Folding Split-Bench Front Facing Fold Forward Seatback Rear Seat

Manual Tilt/Telescoping Steering Column

Gauges -inc: Speedometer, Odometer, Engine Coolant Temp, Tachometer, Engine Hour Meter, Traction Battery Level, Trip Odometer and Trip Computer

Power Rear Windows and Fixed 3rd Row Windows

Fleet Telematics Modern Selective Service Internet Access



## CHROMEDATA Wondries Fleet Group / National Auto Fleet Group

Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

#### Interior

Remote Releases -Inc: Power Cargo Access

Cruise Control w/Steering Wheel Controls

**Dual Zone Front Automatic Air Conditioning** 

HVAC -inc: Underseat Ducts

Locking Glove Box

**Driver Foot Rest** 

Unique HD Cloth Front Bucket Seats w/Vinyl Rear -inc: reduced bolsters, driver 6-way power track (fore/aft, up/down, tilt w/manual recline, 2-way manual lumbar), passenger 2-way manual track (fore/aft, w/manual recline) and built-in steel intrusion plates in both driver/passenger seatbacks

Interior Trim -inc: Metal-Look Instrument Panel Insert, Metal-Look Door Panel Insert and Metal-Look Interior Accents

Full Cloth Headliner

**Urethane Gear Shifter Material** 

Day-Night Rearview Mirror

Driver And Passenger Visor Vanity Mirrors

Mini Overhead Console w/Storage and 2 12V DC Power Outlets

Front And Rear Map Lights

Fade-To-Off Interior Lighting

Full Vinyl/Rubber Floor Covering

Carpet Floor Trim

Cargo Features -inc: Cargo Tray/Organizer

Cargo Space Lights

Dashboard Storage, Driver And Passenger Door Bins

Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down

**Delayed Accessory Power** 

Power Door Locks

Systems Monitor

Redundant Digital Speedometer

**Trip Computer** 

**Analog Appearance** 

Seats w/Vinyl Back Material

Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints

2 12V DC Power Outlets



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (

✓ Complete)

| Interior          |  |
|-------------------|--|
|                   | Air Filtration   |
| Safety-Mechanical |  |
|                   | Electronic Stability Control (ESC) And Roll Stability Control (RSC)  |
|                   | ABS And Driveline Traction Control   |
| Safety-Exterior   |  |
|                   | Side Impact Beams  |
| Safety-Interior   |  |
|                   | Dual Stage Driver And Passenger Seat-Mounted Side Airbags  |
|                   | Tire Specific Low Tire Pressure Warning  |
|                   | Dual Stage Driver And Passenger Front Airbags  |
|                   | Curtain 1st And 2nd Row Airbags  |
|                   | Airbag Occupancy Sensor  |
|                   | Passenger Knee Airbag  |
|                   | Rear Child Safety Locks  |
|                   | Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners |
|                   | Back-Up Camera w/Washer  |



Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD (

✓ Complete)

### Window Sticker

#### SUMMARY

[Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD

MSRP:\$40,845.00

Interior: Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear

Exterior 1:Agate Black

Exterior 2:No color has been selected.

Engine: 3.0L V6 EcoBoost

Transmission: 10-Speed Automatic (44U)

| OPTIONS |   |             |
|---------|---|-------------|
| CODE    | MODEL   | MSRP        |
| K8A     | [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD          | \$40,845.00 |
|         | OPTIONS   |             |
| 153     | Front License Plate Bracket                                     | \$0.00      |
| 16D     | Badge Delete  | \$0.00      |
| 19V     | Rear Camera On-Demand   | \$230.00    |
| 43D     | Dark Car Feature  | \$25.00     |
| 44U     | Transmission: 10-Speed Automatic (44U)                          | \$0.00      |
| 47A     | Police Engine Idle Feature                                      | \$260.00    |
| 500A    | Order Code 500A   | \$0.00      |
| 518     | Dual (Driver & Passenger) LED Spot Lamps (Unity)                | \$620.00    |
| 52P     | Hidden Door-Lock Plunger  | \$160.00    |
| 59B     | Keyed Alike - 1284x   | \$50.00     |
| 60R     | Noise Suppression Bonds (Ground Straps)                         | \$100.00    |
| 76D     | Underbody Deflector Plate                                       | \$335.00    |
| 76R     | Reverse Sensing System  | \$275.00    |
| 85R     | Rear Console Plate  | \$45.00     |
| 86T     | Tail Lamp/Police Interceptor Housing Only                       | \$60.00     |
| 87R     | Rear View Camera  | \$0.00      |
| 96      | Charcoal Black, Unique HD Cloth Front Bucket Seats w/Vinyl Rear | \$0.00      |
| 99C     | Engine: 3.0L V6 EcoBoost  | \$790.00    |
| UM      | Agate Black   | \$0.00      |
| _       | 3.31 Axle Ratio Inc.  |             |



# CHROMEDATA An Autodata Solutions Brand Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Kevin Buzzard | 626-457-5590 OFC | Buzzard5150@gmail.com

Vehicle: [Fleet] 2021 Ford Police Interceptor Utility (K8A) AWD ( ✓ Complete )

SUBTOTAL

\$43,795.00

Adjustments Total

\$0.00

**Destination Charge** 

\$1,245.00

TOTAL PRICE

\$45,040.00

### **FUEL ECONOMY**

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A



DATE

QUOTE#

CUST#

7/14/2021

0000002386

0000011

### CUSTOMER

1 ... 6

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

### SHIP TO:

|       | P.O. NUMBE      | R                            | TERMS  | a de la companya de l | IOB OR UNIT# | CALCON. |      |
|-------|-----------------|------------------------------|--|--|--------------|---------|------|
|       |                 |                              | NET 30   |  | GPD Unit P-4 |         |      |
| QUAN  |                 |                              | DESCRIPTION  |  | PRICE EACH   | AMOUN   | T    |
|       | Z865100372A     | 44' Valor lens re            |  | 1.0  | 150.00       |         | 0.00 |
| 1.00  | PF200R          | 100/200 watt, C              | Pathfinder Remote Head Siren / Lig<br>BD integration capability, integrate<br>ntegrated dual-tone capability |  | 765.00       | 768     | 5.00 |
| 1.00  | MS4000U         | mini-siren                   | mograted dual tone dapability  |  | 172.00       | 172     | 2.00 |
| 2.00  | ES100C          | SIREN SPEAKI                 | ≣R   |  | 151.00       |         | 2.00 |
| 2.00  | ESB-U           |                              | REN BKT FOR ES100C   |  | 19.00        |         | 8.00 |
| 1.00  | RB-FPIU20       | 2020 RUMBLE                  | R BKTS INTCEPTOR UTILITY   |  | 26.50        |         | 6.50 |
| 14.00 | MPS 620U-BR     | 6-LED Surface                | mount lighthead, BLUE/Red  |  | 75.00        | 1,050   | 0.00 |
| 2.00  | MPS 620U-RW     | 6-LED Surface                | mount lighthead, Red/White   |  | 75.00        | 150     | 0.00 |
| 12.00 | MPSM6-LB        | MPS 600 SERI                 | ES L BRACKET   |  | 7.95         | 95      | 5.40 |
| 2.00  | MPS1220U-RB     | MicroPulse Ultra<br>RED/BLUE | a, Dual-Color  |  | 90.00        | 180     | 0.00 |
| 4.00  | 416900-BA       | Corner LED Du<br>Blue/Amber  | al Color Corner LED with in-line flas  | sher,  | 51.00        | 204     | 4.00 |
| 1.00  | FHL-TAIL        |                              | ASHER INTERCEPTOR UTILTY   |  | 41.00        | 41      | 1.00 |
| 1.00  | MA5-0900120B-N  |                              | router (1200Mbps modem)  |  | 1,225.00     | 1,225   |      |
| 2.00  | AP-MMF-CCWW     |                              | ellular/LTE/MIMO antennas  |  | 325.00       |         | 0.00 |
|       |                 | which support L              | TE Band 14 for FirstNet, three high  | gain dual band   |              |         |      |
|       |                 | Wi-Fi antennas               | and a  |  |              |         |      |
|       |                 | GNSS antenna                 | inside a single robust and compact   | housing  |              |         |      |
| 1.00  | C-VS-1012-INUT  | 2020 Ford Inter              | ceptor Utility Specific Angled Consc   | lewith 22 inches of  | 320.04       | 320     | 0.04 |
|       |                 | total internal mo            | ounting space; 10 inches front angle   | ed, 12 inches rear   |              |         |      |
|       |                 | horizontal                   |  |  |              |         |      |
| 1.00  | C-EB30-FSR-1P   |                              | ent Mounting Bracket, 3" Mounting<br>er PF200R switch panel remote   | Space, Fits Federal  |              |         |      |
| 1.00  | C-EB25-XPR-1P   |                              | E HEAD Equipment Mounting Brad   | cket 2.5" Mounting   | 17.64        | 17      | 7.64 |
|       |                 |                              | orola XPR4550, XPR4380, XPR458   |  | 17.01        |         | .01  |
| 1.00  | C-FP-35         | 3-1/2" Filler Plat           |  |  |              |         |      |
| 1.00  | C-FP-2          | Filler plate 2 inc           | h  |  | 7.27         | 7       | 7.27 |
|       | C-FP5           | 1/2 inch facepla             |  |  | 7.95         |         | 7.95 |
| 1.00  | CUP2-1001       |                              | ouble Cup Holder   |  | 40.01        |         | 0.01 |
|       | C-TCB-7         |                              | coping Computer Base, 7" To 14", S   | ide mount  | 89.94        |         | 9.94 |
| 1.00  | C-AP-0325       |                              | NAL POCKET HAVIS CONSOLE   |  | 31.34        |         | 1.34 |
| 2.00  | C-ARM-102       | Side mount arm               | rest   |  | 47.01        |         | 1.02 |
|       |                 | Allows for adjus             | table height.  |  |              |         |      |
|       |                 |                              | de of the enclosed console   |  |              |         |      |
| 1.00  | C-DMM-3015      |                              | e Mount for Ford 2020 Interceptor I  | Jtility Vehicle  | 316.52       | 316     | 3.52 |
| 1.00  | C-TTP-INUT-1201 |                              | RAISED FOLD-UP CARGO PLATE   |  | 532.10       |         | 2.10 |



DATE

QUOTE#

CUST#

7/14/2021

0000002386

0000011

## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

## SHIP TO:

|                  | P.O. NUMB     | ER                           | TERMS                                |  | JOB OR UNIT# |             |
|------------------|---------------|------------------------------|--------------------------------------|--|--------------|-------------|
|                  |               |                              | NET 30                               |  | GPD Unit P-4 |             |
| QUAN             |               | 和新发展,1980年1980年              | DESCRIPTION                          |  | PRICE EACH   | AMOUNT      |
|                  |               | UNDERNEATH                   |                                      |  |              |             |
| 1.00             | C-TTP-INUT-4  | 2020 FORD IU                 | PREMIUM FOLD-UPEQUIPMENT             | TRAY.  | 190.52       | 190.52      |
| 1.00             | C-MD-202      | Tilt Swivel Motion           |                                      |  | 51.78        | 51.78       |
| 1.00             | C-HDM-135     | 2" universal ada             | apter base                           |  | 56.79        | 56.79       |
| 1.00             | IK-TR-911     | Full Travel Keyk             | ooard with Attachment Versatility    |  | 395.00       | 395.00      |
| 1.00             | MXFX20JJ      | Ford Police Inte             | rceptor Utility, 2020, Two Split Red | Blue Lightheads  | 249.60       | 249.60      |
| 1                |               | with Smoked Le               | ens                                  | 10 Stage-Facility Constitution of the Stage Stag |              |             |
|                  | I3JC          | ION TRIO ION I               | R/B W/ WHT OVERRIDE                  |  | 121.59       | 486.36      |
| 1.00             | PE 215        |                              | EMPTION SUPPLY (OPTICOM)             |  | 305.40       | 305.40      |
|                  | VTXADAPT      | VERTEX TWIS                  | Γ-IN ADAPTER KIT                     |  | 10.00        | 40.00       |
| 2.00             | 20.1850 CLEAR | LINEAR STROE                 | BE CLEAR LENS                        |  | 105.37       | 210.74      |
| \$100 E-0.50     | 390-0042-0    | KUSSMAUL PC                  | WER CENTER DISTRIBUTION              |  | 318.00       | 318.00      |
| 1.00             | 14.0553       | CIG OUTLET X                 | 3                                    |  | 18.57        | 18.57       |
|                  | PG3969        | ADJUSTABLE (                 | GUNLOCK TIMER                        |  | 30.79        | 61.58       |
|                  | MVD-FB-CK4    | FLASHBACK 3                  |                                      |  | 195.50       | 195.50      |
| CHANGE MANAGED   | MV-ICV-EMIC   |                              | BACKSEAT,HD,SYS7                     |  | 45.00        | 45.00       |
| 1.00             | MV-CAM COIL   | Cord, coil, came<br>Subtotal | era, quick-connect (MV201, Nite-W    | atch)  | 19.95        | 19.95       |
| 2.00             | MAGNETIC MIC  | MAGNETIC MIC                 |                                      |  | 25.00        | 50.00       |
|                  | DEFAULT 4030  | Sbrpca wire har              |                                      |  | 387.65       | 387.65      |
| 1.00             | MISC PARTS    | WIRE, LOOM, H                |                                      |  | 600.00       | 600.00      |
| 1.00             |               | SHIPPING COS                 |                                      |  | 600.00       | 600.00      |
| 1.00             | RE-USE OLD    | TRANSFER OL                  | D PARTS: Light bar,siren system,si   | ren speakers.siren   |              |             |
|                  |               |                              | iter system,camera system, 2-way     |  |              |             |
|                  |               | Garden PD will               | supply the Westin push bumper pa     | ts, and Laguna   |              |             |
|                  |               | Prisoner seat.               |                                      |  |              |             |
|                  | 36-2125       |                              | ORD IU PUSH BUMPER                   |  | 271.52       | 271.52      |
|                  | 36-2125PB     |                              | ORD IU PIT BAR                       |  | 283.77       | 283.77      |
| 20 (20 (20 (20 ) | 36-6005W2     |                              | ORD IU WHELEN 2 LIGHT CHAN           | EL   | 25.22        | 25.22       |
|                  | 35-20045      |                              | ORD IU FRONT PARTITION               |  | 798.09       | 798.09      |
|                  | 35-220452     |                              | ORD IU REAR PARTITION                |  | 373.37       | 373.37      |
| 1.00             | FE7502-RBL    |                              | Police UI 2020 Seat with Ready B     |  | 877.00       | 877.00      |
|                  |               | Switching Retra              | ctor Seat Belts and Rear Cargo Po    | ycarbonate Screen  |              |             |
|                  |               |                              |                                      |  |              |             |
|                  |               | SUBTOTAL                     |                                      |  |              | \$13,417.14 |
|                  |               | TAX                          |                                      |  |              | \$1,313.76  |
| Ĺ                |               | TOTAL                        |                                      |  |              | \$14,730.90 |



DATE

QUOTE#

CUST#

7/14/2021

0000002388

0000011

## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

### SHIP TO:

| 100                                     | P.O. NUMBI      | ER                              | TERMS  |  | JOB OR UNIT# |          |
|---|-----------------|---------------------------------|--|--|--------------|----------|
|   |                 |                                 | NET 30                                       |  | GPD Unit P-6 | -        |
| QUAN                                    |                 | 10 M 10 M                       | DESCRIPTION                                  | 14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | PRICE EACH   | AMOUNT   |
| 200000000000000000000000000000000000000 | Z865100372A     | 44' Valor lens re               | placemnet kit                                |  | 150.00       | 150.00   |
| 1.00                                    | PF200R          |                                 | Pathfinder Remote Head Siren / Lig           |  | 765.00       | 765.00   |
|   |                 |                                 | BD integration capability, integrate         | d Rumbler                              |              |          |
|   |                 | capability, and in              | ntegrated dual-tone capability               |  |              |          |
|   | MS4000U         | mini-siren                      |  |  | 172.00       | 172.00   |
|   | ES100C          | SIREN SPEAKE                    |  |  | 151.00       | 302.00   |
|   | ESB-U           |                                 | REN BKT FOR ES100C                           |  | 19.00        | 38.00    |
|   | RB-FPIU20       |                                 | R BKTS INTCEPTOR UTILITY                     |  | 26.50        | 26.50    |
|   | MPS 620U-BR     |                                 | mount lighthead, BLUE/Red                    |  | 75.00        | 1,050.00 |
|   | MPS 620U-RW     |                                 | nount lighthead, Red/White                   |  | 75.00        | 150.00   |
|   | MPSM6-LB        | MPS 600 SERIE                   |  |  | 7.95         | 95.40    |
| 2.00                                    | MPS1220U-RB     | MicroPulse Ultra<br>RED/BLUE    |  |  | 90.00        | 180.00   |
| 4.00                                    | 416900-BA       | Corner LED Dua<br>Blue/Amber    | al Color Corner LED with in-line flas        | sher,                                  | 51.00        | 204.00   |
| 1.00                                    | FHL-TAIL        | TAIL LIGHT FLA                  | SHER INTERCEPTOR UTILTY                      |  | 41.00        | 41.00    |
| 1.00                                    | MA5-0900120B-N  | IBR900-B-NPS                    | router (1200Mbps modem)                      |  | 1,225.00     | 1,225.00 |
| 2.00                                    | AP-MMF-CCWW     | two high gain ce                | llular/LTE/MIMO antennas                     |  | 325.00       | 650.00   |
|   |                 | which support L Wi-Fi antennas, | ΓΕ Band 14 for FirstNet, three high<br>and a | gain dual band                         |              |          |
|   |                 | GNSS antenna i                  | nside a single robust and compact            | housing                                |              |          |
| 1.00                                    | C-VS-1012-INUT  | 2020 Ford Interd                | ceptor Utility Specific Angled Consc         | lewith 22 inches of                    | 320.04       | 320.04   |
|   |                 |                                 | unting space; 10 inches front angle          | ed, 12 inches rear                     |              |          |
|   |                 | horizontal                      |  |  |              |          |
| 1.00                                    | C-EB30-FSR-1P   |                                 | ent Mounting Bracket, 3" Mounting            | Space, Fits Federal                    |              |          |
|   |                 | Signal Pathfinde                | r PF200R switch panel remote                 |  | 77,7284      |          |
| 1.00                                    | C-EB25-XPR-1P   |                                 | E HEAD Equipment Mounting Brad               |  | 17.64        | 17.64    |
|   |                 | Space, Fits Motor               | orola XPR4550, XPR4380, XPR458               | 30 & XPR4350 radio                     |              |          |
|   | C-FP-35         | 3-1/2" Filler Plate             | -  |  |              |          |
|   | C-FP-2          | Filler plate 2 incl             |  |  | 7.27         | 7.27     |
|   | C-FP5           | 1/2 inch faceplat               |  |  | 7.95         | 7.95     |
|   | CUP2-1001       |                                 | ouble Cup Holder                             |  | 40.01        | 40.01    |
|   | C-TCB-7         |                                 | oping Computer Base, 7" To 14", S            | ide mount                              | 89.94        | 89.94    |
|   | C-AP-0325       |                                 | IAL POCKET HAVIS CONSOLE                     |  | 31.34        | 31.34    |
| 2.00                                    | C-ARM-102       | Side mount armi                 |  |  | 47.01        | 94.02    |
|   |                 | Allows for adjust               |  |  |              |          |
| (2) JS (4)                              |                 |                                 | de of the enclosed console                   |  |              |          |
| 1.00                                    | C-DMM-3015      |                                 | Mount for Ford 2020 Interceptor l            |  | 316.52       | 316.52   |
| 1.00                                    | C-TTP-INUT-1201 | 2020 FORD IU F                  | RAISED FOLD-UP CARGO PLATE                   | FOR EQUIPMENT                          | 532.10       | 532.10   |



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7/14/2021

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## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

### SHIP TO:

| 950  | P.O. NUMB     | <b>ER</b>                        | TERMS                                |                    | JOB OR UNIT#     | CO ESTA          |
|--|---------------|----------------------------------|--------------------------------------|--------------------|------------------|------------------|
|  |               |                                  | NET 30                               |                    | GPD Unit P-6     |                  |
| QUAN   | SEE MARKET    |                                  | DESCRIPTION                          | A CONTRACTOR       | PRICE EACH       | AMOUNT           |
|  |               | UNDERNEATH                       |                                      |                    |                  |                  |
|  | C-TTP-INUT-4  |                                  | PREMIUM FOLD-UPEQUIPMENT             | TRAY.              | 190.52           | 190.52           |
| 1.00   | C-MD-202      | Tilt Swivel Motion               | on Device                            |                    | 51.78            | 51.78            |
| 1.00   | C-HDM-135     | 2" universal ada                 |                                      |                    | 56.79            | 56.79            |
| 14 14 14 14 14 14 14 14                      | IK-TR-911     |                                  | poard with Attachment Versatility    |                    | 395.00           | 395.00           |
| 1.00   | MXFX20JJ      | Ford Police Inte                 | rceptor Utility, 2020, Two Split Red | /Blue Lightheads   | 249.60           | 249.60           |
| 4.00   | I3JC          | ION TRIO ION I                   | R/B W/ WHT OVERRIDE                  |                    | 121.59           | 486.36           |
|  | PE 215        | STROBE PRE-I                     | EMPTION SUPPLY (OPTICOM)             |                    | 305.40           | 305.40           |
|  | VTXADAPT      | VERTEX TWIS                      | Γ-IN ADAPTER KIT                     |                    | 10.00            | 40.00            |
|  | 20.1850 CLEAR |                                  | BE CLEAR LENS                        |                    | 105.37           | 210.74           |
|  | 390-0042-0    |                                  | WER CENTER DISTRIBUTION              |                    | 318.00           | 318.00           |
| 1  | 14.0553       | CIG OUTLET X                     |                                      |                    | 18.57            | 18.57            |
| 10-10-20-00-00-00-00-00-00-00-00-00-00-00-00 | PG3969        |                                  | GUNLOCK TIMER                        |                    | 30.79            | 61.58            |
|  | MVD-FB-CK4    | FLASHBACK 3                      |                                      |                    | 195.50           | 195.50           |
|  | MV-ICV-EMIC   |                                  | BACKSEAT,HD,SYS7                     |                    | 45.00            | 45.00            |
| 1.00   | MV-CAM COIL   |                                  | era, quick-connect (MV201, Nite-W    | atch)              | 19.95            | 19.95            |
| 2.00   | MAGNETIC MIC  | Subtotal MAGNETIC MIC            |                                      |                    | 25.00            | F0 00            |
| 100000000000000000000000000000000000000      | DEFAULT 4030  |                                  |                                      |                    | 25.00<br>387.65  | 50.00            |
| 1  | MISC PARTS    | Sbrpca wire har<br>WIRE, LOOM, I |                                      |                    |                  | 387.65           |
| 1.00   | MISC PARTS    | SHIPPING COS                     |                                      |                    | 600.00<br>600.00 | 600.00<br>600.00 |
|  | RE-USE OLD    |                                  | D PARTS: Light bar,siren system,si   | ran enaakare eiran | 600,00           | 600.00           |
| 1.00   | NL-OOL OLD    |                                  | uter system,camera system, 2-way     |                    |                  |                  |
|  |               |                                  | supply the Westin push bumper pa     |                    |                  |                  |
|  |               | Prisoner seat.                   | supply the vvestill pash bamper pa   | nto, and Laguna    |                  |                  |
| 1.00   | 36-2125       |                                  | ORD IU PUSH BUMPER                   |                    | 271.52           | 271.52           |
| 1.00   | 36-2125PB     |                                  | ORD IU PIT BAR                       |                    | 283.77           | 283.77           |
| 1.00   | 36-6005W2     |                                  | ORD IU WHELEN 2 LIGHT CHAN           | EL                 | 25.22            | 25.22            |
|  | 35-20045      |                                  | ORD IU FRONT PARTITION               |                    | 798.09           | 798.09           |
| 1.00   | 35-220452     | WESTIN 2020 F                    | ORD IU REAR PARTITION                |                    | 373.37           | 373.37           |
| 1.00   | FE7502-RBL    | Laguna 3P Ford                   | Police UI 2020 Seat with Ready B     | uckle Dual         | 877.00           | 877.00           |
|  |               | Switching Retra                  | ctor Seat Belts and Rear Cargo Po    | ycarbonate Screen  |                  |                  |
|  |               | SUBTOTAL                         |                                      |                    |                  | \$13,417.14      |
|  |               | TAX                              |                                      |                    |                  | \$1,313.76       |
|  |               | TOTAL                            |                                      |                    |                  | \$1,313.76       |



DATE

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7/14/2021

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## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

## SHIP TO:

|      | P.O. NUMBE      | R                                  | TERMS  |                     | JOB OR UNIT# | TANK BUTTER |
|------|-----------------|------------------------------------|--|---------------------|--------------|-------------|
|      |                 |                                    | NET 30   |                     | GPD Unit P-8 |             |
| QUAN | NEAR SE         |                                    | DESCRIPTION  |                     | PRICE EACH   | AMOUNT      |
| 1.00 | Z865100372A     | 44' Valor lens re                  | eplacemnet kit   |                     | 150.00       | 150.00      |
| 1.00 | PF200R          | Federal Signal I                   | Pathfinder Remote Head Siren / Lig                                 | ght Controller,     | 765.00       | 765.00      |
|      |                 | 100/200 watt, C                    | BD integration capability, integrate                               | d Rumbler           |              |             |
|      |                 | capability, and i                  | ntegrated dual-tone capability                                     |                     |              |             |
|      | MS4000U         | mini-siren                         |  |                     | 172.00       | 172.00      |
|      | ES100C          | SIREN SPEAKE                       |  |                     | 151.00       | 302.00      |
|      | ESB-U           |                                    | REN BKT FOR ES100C   |                     | 19.00        | 38.00       |
|      | RB-FPIU20       |                                    | R BKTS INTCEPTOR UTILITY   |                     | 26.50        | 26.50       |
|      | MPS 620U-BR     |                                    | mount lighthead, BLUE/Red  |                     | 75.00        | 1,050.00    |
|      | MPS 620U-RW     |                                    | mount lighthead, Red/White   |                     | 75.00        | 150.00      |
|      | MPSM6-LB        | MPS 600 SERIE                      |  |                     | 7.95         | 95.40       |
| 2.00 | MPS1220U-RB     | MicroPulse Ultra<br>RED/BLUE       | a, Dual-Color  |                     | 90.00        | 180.00      |
| 4.00 | 416900-BA       | Corner LED Dua<br>Blue/Amber       | al Color Corner LED with in-line flas                              | sher,               | 51.00        | 204.00      |
| 1.00 | FHL-TAIL        | TAIL LIGHT FLA                     | ASHER INTERCEPTOR UTILTY   |                     | 41.00        | 41.00       |
| 1.00 | MA5-0900120B-N  | IBR900-B-NPS                       | router (1200Mbps modem)  |                     | 1,225.00     | 1,225.00    |
| 2.00 | AP-MMF-CCWW     | two high gain ce                   | ellular/LTE/MIMO antennas  |                     | 325.00       | 650.00      |
|      |                 | which support L<br>Wi-Fi antennas, | TE Band 14 for FirstNet, three high<br>and a                       | gain dual band      |              |             |
|      |                 | GNSS antenna                       | inside a single robust and compact                                 | housing             |              |             |
| 1.00 | C-VS-1012-INUT  |                                    | ceptor Utility Specific Angled Consc                               |                     | 320.04       | 320.04      |
|      |                 | total internal mo<br>horizontal    | ounting space; 10 inches front angle                               | ed, 12 inches rear  |              |             |
| 1.00 | C-EB30-FSR-1P   |                                    | ent Mounting Bracket, 3" Mounting<br>er PF200R switch panel remote | Space, Fits Federal |              |             |
| 1.00 | C-EB25-XPR-1P   | 1-Piece REMOT                      | E HEAD Equipment Mounting Brad                                     | cket, 2.5" Mounting | 17.64        | 17.64       |
|      |                 | Space, Fits Mot                    | orola XPR4550, XPR4380, XPR458                                     | 80 & XPR4350 radio  |              |             |
| 1.00 | C-FP-35         | 3-1/2" Filler Plat                 | re   |                     |              |             |
|      | C-FP-2          | Filler plate 2 inc                 | h  |                     | 7.27         | 7.27        |
|      | C-FP5           | 1/2 inch facepla                   |  |                     | 7.95         | 7.95        |
|      | CUP2-1001       |                                    | ouble Cup Holder   |                     | 40.01        | 40.01       |
|      | C-TCB-7         |                                    | coping Computer Base, 7" To 14", S                                 | Side mount          | 89.94        | 89.94       |
|      | C-AP-0325       |                                    | NAL POCKET HAVIS CONSOLE   |                     | 31.34        | 31.34       |
| 2.00 | C-ARM-102       | Side mount arm                     |  |                     | 47.01        | 94.02       |
|      |                 | Allows for adjus                   |  |                     |              |             |
|      |                 |                                    | de of the enclosed console   |                     |              |             |
| 1.00 | C-DMM-3015      | Swing Up Devic                     | e Mount for Ford 2020 Interceptor                                  | Utility Vehicle     | 316.52       | 316.52      |
| 1.00 | C-TTP-INUT-1201 | 2020 FORD IU I                     | RAISED FOLD-UP CARGO PLATE   | FOR EQUIPMENT       | 532.10       | 532.10      |



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### CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

### SHIP TO:

|   | P.O. NUMB     | ER                                 | TERMS                                | J                  | OB OR UNIT#      |                  |
|---|---------------|------------------------------------|--------------------------------------|--------------------|------------------|------------------|
|   |               |                                    | NET 30                               |                    | GPD Unit P-8     |                  |
| QUAN                                    |               |                                    | DESCRIPTION                          |                    | PRICE EACH       | AMOUNT           |
|   |               | UNDERNEATH                         |                                      |                    |                  |                  |
|   | C-TTP-INUT-4  |                                    | PREMIUM FOLD-UPEQUIPMENT             | TRAY.              | 190.52           | 190.52           |
| 1.00                                    | C-MD-202      | Tilt Swivel Motion                 | on Device                            |                    | 51.78            | 51.78            |
|   | C-HDM-135     | 2" universal ada                   |                                      |                    | 56.79            | 56.79            |
| - 100 St. 150                           | IK-TR-911     |                                    | poard with Attachment Versatility    |                    | 395.00           | 395.00           |
| 1.00                                    | MXFX20JJ      | Ford Police Inte<br>with Smoked Le | rceptor Utility, 2020, Two Split Red | /Blue Lightheads   | 249.60           | 249.60           |
| 4.00                                    |               | ION TRIO ION I                     | R/B W/ WHT OVERRIDE                  |                    | 121.59           | 486.36           |
|   | PE 215        |                                    | EMPTION SUPPLY (OPTICOM)             |                    | 305.40           | 305.40           |
|   | VTXADAPT      | VERTEX TWIS                        | Γ-IN ADAPTER KIT                     |                    | 10.00            | 40.00            |
|   | 20.1850 CLEAR |                                    | BE CLEAR LENS                        |                    | 105.37           | 210.74           |
| 10 /00/00/00                            | 390-0042-0    |                                    | WER CENTER DISTRIBUTION              |                    | 318.00           | 318.00           |
|   | 14.0553       | CIG OUTLET X                       |                                      |                    | 18.57            | 18.57            |
|   | PG3969        |                                    | BUNLOCK TIMER                        |                    | 30.79            | 61.58            |
| 1                                       | MVD-FB-CK4    | FLASHBACK 3                        |                                      |                    | 195.50           | 195.50           |
| 20.000000000000000000000000000000000000 | MV-ICV-EMIC   |                                    | BACKSEAT,HD,SYS7                     |                    | 45.00            | 45.00            |
| 1.00                                    | MV-CAM COIL   | Cord, coil, came<br>Subtotal       | era, quick-connect (MV201, Nite-Wa   | atch)              | 19.95            | 19.95            |
| 2.00                                    | MAGNETIC MIC  | MAGNETIC MIC                       |                                      |                    | 25.00            | F0.00            |
| ı                                       | DEFAULT 4030  | Sbrpca wire har                    |                                      |                    | 25.00            | 50.00            |
|   | MISC PARTS    | WIRE, LOOM, H                      |                                      |                    | 387.65           | 387.65           |
| 1.00                                    | MICCITATO     | SHIPPING COS                       |                                      |                    | 600.00<br>600.00 | 600.00<br>600.00 |
| 12.5                                    | RE-USE OLD    |                                    | D PARTS: Light bar,siren system,si   | ran enaakare eiran | 00.00            | 600.00           |
|   |               |                                    | iter system,camera system, 2-way     |                    |                  |                  |
|   |               |                                    | supply the Westin push bumper pa     |                    |                  |                  |
|   |               | Prisoner seat.                     | supply and treetin patin bamper pa   | no, and Lagana     |                  |                  |
| 1.00                                    | 36-2125       | WESTIN 2020 F                      | ORD IU PUSH BUMPER                   |                    | 271.52           | 271.52           |
| 1.00                                    | 36-2125PB     |                                    | ORD IU PIT BAR                       |                    | 283.77           | 283.77           |
| 1.00                                    | 36-6005W2     | WESTIN 2020 F                      | ORD IU WHELEN 2 LIGHT CHAN           | EL                 | 25.22            | 25.22            |
| 1.00                                    | 35-20045      |                                    | ORD IU FRONT PARTITION               |                    | 798.09           | 798.09           |
| 1.00                                    | 35-220452     | WESTIN 2020 F                      | ORD IU REAR PARTITION                |                    | 373.37           | 373.37           |
| 1.00                                    | FE7502-RBL    | Laguna 3P Ford                     | Police UI 2020 Seat with Ready B     | uckle Dual         | 877.00           | 877.00           |
|   |               | Switching Retraction               | ctor Seat Belts and Rear Cargo Pol   | ycarbonate Screen  |                  |                  |
|   |               | SUBTOTAL                           |                                      |                    |                  | \$13,417.14      |
|   |               | TAX                                |                                      |                    |                  | \$1,313.76       |
|   |               | TOTAL                              |                                      |                    |                  | \$14,730.90      |



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## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

### SHIP TO:

|   | P.O. NUMBE       | R                                  | TERMS  |                     | JOB OR UNIT #    |                  |
|---|------------------|------------------------------------|--|---------------------|------------------|------------------|
|   |                  |                                    | NET 30                                       |                     | GPD P-9          | 2                |
| QUAN                                    |                  |                                    | DESCRIPTION                                  |                     | PRICE EACH       | AMOUNT           |
|   | Z865100372A      | 44' Valor lens re                  |  |                     | 150.00           | 150.00           |
| 1.00                                    | PF200R           |                                    | Pathfinder Remote Head Siren / Lig           |                     | 765.00           | 765.00           |
|   |                  |                                    | BD integration capability, integrate         | d Rumbler           |                  |                  |
|   |                  |                                    | ntegrated dual-tone capability               |                     |                  |                  |
|   | MS4000U          | mini-siren                         |  |                     | 172.00           | 172.00           |
|   | ES100C           | SIREN SPEAKE                       |  |                     | 151.00           | 302.00           |
|   | ESB-U            |                                    | REN BKT FOR ES100C                           |                     | 19.00            | 38.00            |
|   | RB-FPIU20        |                                    | R BKTS INTCEPTOR UTILITY                     |                     | 26.50            | 26.50            |
|   | MPS 620U-BR      |                                    | mount lighthead, BLUE/Red                    |                     | 75.00            | 1,050.00         |
| 100000000000000000000000000000000000000 | MPS 620U-RW      |                                    | mount lighthead, Red/White                   |                     | 75.00            | 150.00           |
| and the second second                   | MPSM6-LB         | MPS 600 SERIE                      |  |                     | 7.95             | 95.40            |
|   | MPS1220U-RB      | MicroPulse Ultra<br>RED/BLUE       | a, Dual-Color                                |                     | 90.00            | 180.00           |
| 4.00                                    | 416900-BA        | Corner LED Dua<br>Blue/Amber       | al Color Corner LED with in-line flas        | sher,               | 51.00            | 204.00           |
| 1.00                                    | FHL-TAIL         |                                    | SHER INTERCEPTOR UTILTY                      |                     | 41.00            | 41.00            |
|   | MA5-0900120B-N   |                                    | router (1200Mbps modem)                      |                     | 1,225.00         | 1,225.00         |
|   | AP-MMF-CCWW      |                                    | ellular/LTE/MIMO antennas                    |                     | 325.00           | 650.00           |
|   |                  | which support L<br>Wi-Fi antennas, | TE Band 14 for FirstNet, three high<br>and a | _                   | 020.00           | 000.00           |
|   |                  |                                    | inside a single robust and compact           |                     |                  |                  |
| 1.00                                    | C-VS-1012-INUT   |                                    | ceptor Utility Specific Angled Consc         |                     | 320.04           | 320.04           |
|   |                  | total internal mo<br>horizontal    | unting space; 10 inches front angle          | ed, 12 inches rear  |                  |                  |
| 1.00                                    | C-EB30-FSR-1P    | 1-Piece Equipm                     | ent Mounting Bracket, 3" Mounting            | Space, Fits Federal |                  |                  |
| 1.00                                    | C EDGE VDD 4D    |                                    | er PF200R switch panel remote                |                     |                  |                  |
| 1.00                                    | C-EB25-XPR-1P    |                                    | E HEAD Equipment Mounting Brad               |                     | 17.64            | 17.64            |
| 1.00                                    | C-FP-35          | 3-1/2" Filler Plat                 | orola XPR4550, XPR4380, XPR458               | 30 & XPR4350 radio  |                  |                  |
|   | C-FP-2           | Filler plate 2 incl                |  |                     | 7.07             | 7.07             |
| A 754 A                                 | C-FP5            | 1/2 inch faceplat                  |  |                     | 7.27             | 7.27             |
| 200000000000000000000000000000000000000 | CUP2-1001        |                                    | ouble Cup Holder                             |                     | 7.95<br>40.01    | 7.95             |
|   | C-TCB-7          |                                    | coping Computer Base, 7" To 14", S           | ido mount           | 89.94            | 40.01            |
|   | C-AP-0325        |                                    | VAL POCKET HAVIS CONSOLE                     | side mount          | 31.34            | 89.94<br>31.34   |
|   | C-ARM-102        | Side mount armi                    |  |                     | 47.01            | 94.02            |
| 2.00                                    | 5 7 11 (IVI 10Z  | Allows for adjust                  |  |                     | 47.01            | 94.02            |
|   |                  |                                    | de of the enclosed console                   |                     |                  |                  |
| 1.00                                    | C-DMM-3015       |                                    | e Mount for Ford 2020 Interceptor l          | Itility Vohiolo     | 216 52           | 216 50           |
|   |                  |                                    | RAISED FOLD-UP CARGO PLATE                   |                     | 316.52<br>532.10 | 316.52<br>532.10 |
| 1.00                                    | O 111 11101-1201 | 2020 1 0110 10 1                   | WIGED FOLD-OF CARGO PLATE                    | I ON EQUIPIVIENT    | 532.10           | 53∠.10           |



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## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

### SHIP TO:

| 1972           | P.O. NUMBI    | ER                           | TERMS  |                    | JOB OR UNIT#     |                  |
|----------------|---------------|------------------------------|--|--------------------|------------------|------------------|
|                |               |                              | NET 30   |                    | GPD P-9          |                  |
| QUAN           |               | THE REAL PROPERTY.           | DESCRIPTION  |                    | PRICE EACH       | AMOUNT           |
|                |               | UNDERNEATH                   |  |                    |                  |                  |
|                | C-TTP-INUT-4  |                              | PREMIUM FOLD-UPEQUIPMENT   | TRAY.              | 190.52           | 190.52           |
| 1.00           | C-MD-202      | Tilt Swivel Motion           | on Device  |                    | 51.78            | 51.78            |
| 1.00           | C-HDM-135     | 2" universal ada             |  |                    | 56.79            | 56.79            |
| 4,74,744,744,7 | IK-TR-911     |                              | poard with Attachment Versatility  |                    | 395.00           | 395.00           |
| 1.00           | MXFX20JJ      | Ford Police Inte             | erceptor Utility, 2020, Two Split Red                                    | /Blue Lightheads   | 249.60           | 249.60           |
| 4.00           | I3JC          |                              | R/B W/ WHT OVERRIDE  |                    | 121.59           | 486.36           |
| 1.00           | PE 215        | STROBE PRE-                  | EMPTION SUPPLY (OPTICOM)   |                    | 305.40           | 305.40           |
| 4.00           | VTXADAPT      | <b>VERTEX TWIS</b>           | T-IN ADAPTER KIT   |                    | 10.00            | 40.00            |
| 2.00           | 20.1850 CLEAR | LINEAR STRO                  | BE CLEAR LENS  |                    | 105.37           | 210.74           |
| 1.00           | 390-0042-0    | KUSSMAUL PO                  | WER CENTER DISTRIBUTION  |                    | 318.00           | 318.00           |
|                | 14.0553       | CIG OUTLET X                 | 3  |                    | 18.57            | 18.57            |
| 2.00           | PG3969        | ADJUSTABLE                   | GUNLOCK TIMER  |                    | 30.79            | 61.58            |
| 100,000,000    | MVD-FB-CK4    | FLASHBACK 3                  |  |                    | 195.50           | 195.50           |
| 200 80 047     | MV-ICV-EMIC   |                              | , BACKSEAT,HD,SYS7   |                    | 45.00            | 45.00            |
| 1.00           | MV-CAM COIL   | Cord, coil, came<br>Subtotal | era, quick-connect (MV201, Nite-W  | atch)              | 19.95            | 19.95            |
| 2.00           | MAGNETIC MIC  | MAGNETIC MI                  |  |                    | 25.00            | 50.00            |
| 1.00           | DEFAULT 4030  | Sbrpca wire ha               | nes  |                    | 387.65           | 387.65           |
| 1.00           | MISC PARTS    | WIRE, LOOM,                  | HARDWARE   |                    | 600.00           | 600.00           |
| 1.00           |               | SHIPPING COS                 |  |                    | 600.00           | 600.00           |
| 1.00           | RE-USE OLD    |                              | D PARTS: Light bar, siren system, s                                      |                    |                  |                  |
|                |               |                              | uter system,camera system, 2-way   |                    |                  |                  |
|                |               |                              | supply the Westin push bumper pa   | rts, and Laguna    |                  |                  |
|                |               | Prisoner seat.               |  |                    |                  |                  |
| 24450-0420-05  | 36-2125       |                              | FORD IU PUSH BUMPER  |                    | 271.52           | 271.52           |
|                | 36-2125PB     |                              | FORD IU PIT BAR  |                    | 283.77           | 283.77           |
|                | 36-6005W2     |                              | FORD IU WHELEN 2 LIGHT CHAN  | EL                 | 25.22            | 25.22            |
|                | 35-20045      |                              | FORD IU FRONT PARTITION  |                    | 798.09<br>373.37 | 798.09<br>373.37 |
|                | 35-220452     |                              | FORD IU REAR PARTITION   | ualda Dual         | 373.37<br>877.00 | 877.00           |
| 1.00           | FE7502-RBL    |                              | d Police UI 2020 Seat with Ready B<br>actor Seat Belts and Rear Cargo Po |                    | 077.00           | 877.00           |
|                |               | Switching Retra              | icioi Seat Deits and Real Cargo Po                                       | iyoanbonate ooreen |                  |                  |
|                |               | SUBTOTAL                     |  |                    |                  | \$13,417.14      |
|                |               | TAX                          |  |                    |                  | \$1,313.76       |
|                |               | TOTAL                        |  |                    |                  | \$14,730.90      |



DATE

QUOTE#

CUST #

7/14/2021

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## CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

## SHIP TO:

|                        | P.O. NUMBI          | ER   | TERMS                                   |                       | JOB OR UNIT#  |          |
|------------------------|---------------------|--|---|-----------------------|---------------|----------|
|                        |                     |  | NET 30                                  |                       | GPD Unit P-21 |          |
| QUAN                   |                     |  | DESCRIPTION                             | WARRY DE ST           | PRICE EACH    | AMOUNT   |
| 1.00                   | Z865100372A         | 44' Valor lens re                                | placemnet kit                           |                       | 150.00        | 150.00   |
| 1.00                   | PF200R              |  | Pathfinder Remote Head Siren / Lig      |                       | 765.00        | 765.00   |
|                        |                     |  | BD integration capability, integrate    | d Rumbler             |               |          |
|                        |                     | 1 (a) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c | ntegrated dual-tone capability          |                       |               |          |
| l                      | MS4000U             | mini-siren                                       |   |                       | 172.00        | 172.00   |
|                        | ES100C              | SIREN SPEAKE                                     |   |                       | 151.00        | 302.00   |
| Hamilton Mark Activity | ESB-U               |  | REN BKT FOR ES100C                      |                       | 19.00         | 38.00    |
|                        | RB-FPIU20           |  | R BKTS INTCEPTOR UTILITY                |                       | 26.50         | 26.50    |
|                        | MPS 620U-BR         |  | mount lighthead, BLUE/Red               |                       | 75.00         | 1,050.00 |
|                        | MPS 620U-RW         |  | nount lighthead, Red/White              |                       | 75.00         | 150.00   |
|                        | MPSM6-LB            | MPS 600 SERIE                                    |   |                       | 7.95          | 95.40    |
| 2.00                   | MPS1220U-RB         | MicroPulse Ultra                                 | a, Dual-Color                           |                       | 90.00         | 180.00   |
| 4.00                   | 416000 DA           | RED/BLUE   | d Calan Camara I ED with its I've floor |                       |               |          |
| 4.00                   | 416900-BA           |  | al Color Corner LED with in-line flas   | sher,                 | 51.00         | 204.00   |
| 1.00                   | FHL-TAIL            | Blue/Amber                                       | SHER INTERCEPTOR UTILTY                 |                       | 44.00         | 44.00    |
| 1.00                   | MA5-0900120B-N      |  | router (1200Mbps modem)                 |                       | 41.00         | 41.00    |
|                        | AP-MMF-CCWW         |  | Ilular/LTE/MIMO antennas                |                       | 1,225.00      | 1,225.00 |
| 2.00                   | AI -IVIIVII -CCVVVV |  | ΓΕ Band 14 for FirstNet, three high     | gain dual hand        | 325.00        | 650.00   |
|                        |                     | Wi-Fi antennas,                                  |   | gairi duai barid      | · 69 300      |          |
|                        |                     |  | nside a single robust and compact       | housing               |               |          |
| 1.00                   | C-VS-1012-INUT      |  | ceptor Utility Specific Angled Consc    |                       | 320.04        | 320.04   |
| 1.00                   | 0 10 10 12 11101    |  | unting space; 10 inches front angle     |                       | 320.04        | 320.04   |
|                        |                     | horizontal                                       | unting space, To inches from angle      | iu, 12 mones real     |               |          |
| 1.00                   | C-EB30-FSR-1P       |  | ent Mounting Bracket, 3" Mounting       | Snace Fits Federal    |               |          |
|                        | 0 1200 1 011 11     |  | r PF200R switch panel remote            | opace, i its i ederai |               |          |
| 1.00                   | C-EB25-XPR-1P       |  | E HEAD Equipment Mounting Brace         | ket 2.5" Mounting     | 17.64         | 17.64    |
|                        |                     |  | orola XPR4550, XPR4380, XPR458          |                       | 17.04         | 17.04    |
| 1.00                   | C-FP-35             | 3-1/2" Filler Plate                              |   | * . 2                 |               |          |
|                        | C-FP-2              | Filler plate 2 incl                              | -<br>1                                  |                       | 7.27          | 7.27     |
| 1.00                   | C-FP5               | 1/2 inch faceplat                                |   |                       | 7.95          | 7.95     |
| 1.00                   | CUP2-1001           |  | ouble Cup Holder                        |                       | 40.01         | 40.01    |
| 1.00                   | C-TCB-7             |  | oping Computer Base, 7" To 14", S       | ide mount             | 89.94         | 89.94    |
| 1.00                   | C-AP-0325           |  | IAL POCKET HAVIS CONSOLE                |                       | 31.34         | 31.34    |
| 2.00                   | C-ARM-102           | Side mount armi                                  | rest                                    |                       | 47.01         | 94.02    |
|                        |                     | Allows for adjust                                | able height.                            |                       |               | 052      |
|                        |                     |  | de of the enclosed console              |                       |               |          |
| 1.00                   | C-DMM-3015          |  | Mount for Ford 2020 Interceptor L       | Jtility Vehicle       | 316.52        | 316.52   |
| 1.00                   | C-TTP-INUT-1201     |  | RAISED FOLD-UP CARGO PLATE              |                       | 532.10        | 532.10   |



## **QUOTE**

DATE

QUOTE#

CUST#

7/14/2021

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#### CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

#### SHIP TO:

Gardena Police Dept Attn: Gina Ayers 1718 W. 162nd Street Gardena CA 90247

|   | P.O. NUMB     | ER                                 | TERMS  |                   | JOB OR UNIT # |             |
|---|---------------|------------------------------------|--|-------------------|---------------|-------------|
|   |               |                                    | NET 30   |                   | GPD Unit P-21 |             |
| QUAN                                    |               |                                    | DESCRIPTION  | · 是一个一个           | PRICE EACH    | AMOUNT      |
|   |               | UNDERNEATH                         |  |                   |               |             |
|   | C-TTP-INUT-4  |                                    | PREMIUM FOLD-UPEQUIPMENT   | TRAY.             | 190.52        | 190.52      |
| 1.00                                    | C-MD-202      | Tilt Swivel Motion                 | on Device  |                   | 51.78         | 51.78       |
| 1                                       | C-HDM-135     | 2" universal ada                   |  |                   | 56.79         | 56.79       |
| 100000000000000000000000000000000000000 | IK-TR-911     |                                    | poard with Attachment Versatility  |                   | 395.00        | 395.00      |
|   | MXFX20JJ      | Ford Police Inte<br>with Smoked Le | rceptor Utility, 2020, Two Split Red   | Blue Lightheads   | 249.60        | 249.60      |
| 4.00                                    |               |                                    | R/B W/ WHT OVERRIDE  |                   | 121.59        | 486.36      |
|   | PE 215        | STROBE PRE-                        | EMPTION SUPPLY (OPTICOM)   |                   | 305.40        | 305.40      |
|   | VTXADAPT      |                                    | Γ-IN ADAPTER KIT   |                   | 10.00         | 40.00       |
| 1                                       | 20.1850 CLEAR |                                    | BE CLEAR LENS  |                   | 105.37        | 210.74      |
|   | 390-0042-0    |                                    | WER CENTER DISTRIBUTION  |                   | 318.00        | 318.00      |
|   | 14.0553       | CIG OUTLET X                       |  |                   | 18.57         | 18.57       |
|   | PG3969        |                                    | BUNLOCK TIMER  |                   | 30.79         | 61.58       |
| 1                                       | MVD-FB-CK4    | FLASHBACK 3                        | APPENDED TO THE PROPERTY OF THE PERSON OF TH |                   | 195.50        | 195.50      |
|   | MV-ICV-EMIC   |                                    | BACKSEAT, HD, SYS7   |                   | 45.00         | 45.00       |
| 1.00                                    | MV-CAM COIL   |                                    | era, quick-connect (MV201, Nite-W  | atch)             | 19.95         | 19.95       |
|   |               | Subtotal                           |  |                   |               |             |
| 1                                       | MAGNETIC MIC  | MAGNETIC MIC                       |  |                   | 25.00         | 50.00       |
|   | DEFAULT 4030  | Sbrpca wire har                    |  |                   | 387.65        | 387.65      |
|   | MISC PARTS    | WIRE, LOOM, H                      |  |                   | 600.00        | 600.00      |
| 1.00                                    | DE 110E 01 B  | SHIPPING COS                       |  |                   | 600.00        | 600.00      |
| 1.00                                    | RE-USE OLD    |                                    | D PARTS: Light bar,siren system,si   |                   |               |             |
|   |               |                                    | iter system, camera system, 2-way  |                   |               |             |
|   |               |                                    | supply the Westin push bumper pa   | ts, and Laguna    |               |             |
| 4.00                                    | 00.0405       | Prisoner seat.                     |  |                   |               |             |
| 8.85.5                                  | 36-2125       |                                    | ORD IU PUSH BUMPER   |                   | 271.52        | 271.52      |
|   | 36-2125PB     |                                    | ORD IU PIT BAR   |                   | 283.77        | 283.77      |
|   | 36-6005W2     |                                    | ORD IU WHELEN 2 LIGHT CHAN   | EL                | 25.22         | 25.22       |
| 0.00000000                              | 35-20045      |                                    | ORD IU FRONT PARTITION   |                   | 798.09        | 798.09      |
| S2000 E                                 | 35-220452     |                                    | ORD IU REAR PARTITION  |                   | 373.37        | 373.37      |
| 1.00                                    | FE7502-RBL    |                                    | Police UI 2020 Seat with Ready B   |                   | 877.00        | 877.00      |
|   |               | Switching Retra                    | ctor Seat Belts and Rear Cargo Po  | ycarbonate Screen |               |             |
|   | ř             |                                    |  |                   |               |             |
|   |               | SUBTOTAL                           |  |                   |               | \$13,417.14 |
|   |               | TAX                                |  |                   |               | \$1,313.76  |
|   |               | TOTAL                              |  |                   |               | \$14,730.90 |



**QUOTE** 

QUOTE#

7/14/2021

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#### CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

#### SHIP TO:

Gardena Police Dept Attn: Gina Ayers 1718 W. 162nd Street Gardena CA 90247

|       | P.O. NUMBE     | ER .                      | TERMS  |                | PRICE EACH   AMOUNT   151.00   302.0   19.00   38.0   26.50   26.0   51.00   102.0   102.0   10.00   40.0   121.59   486.0   327.00   327.00   327.00   327.00   305.40   305.40   305.40   765.00   765.0   765.00   1,050.0   7.95   95.4   75.00   150.0   90.00   180.0   41.00   41.00   441.00   848.00   848.00   954.00   954.00   954.00   954.00   954.00 |          |  |  |  |  |
|-------|----------------|---------------------------|--|----------------|---|----------|--|--|--|--|
|       |                |                           | NET 30   |                | GPD UNIT SEU-3  |          |  |  |  |  |
| QUAN  |                |                           | DESCRIPTION  |                | PRICE EACH  | AMOUNT   |  |  |  |  |
| 2.00  | ES 100         | SIREN SPEAK               | ≣R   |                | 151.00  | 302.00   |  |  |  |  |
| 2.00  | ESB-U          | UNIVERSAL SI              | REN BKT FOR ES100C   |                | 19.00   | 38.00    |  |  |  |  |
| 1.00  | RB-FPIU20      | 2020 RUMBLE               | R BKTS INTCEPTOR UTILITY   |                | 26.50   | 26.50    |  |  |  |  |
| 2.00  | 416900-RB      | Corner LED Du<br>Red/Blue | al Color Corner LED with in-line flas  | sher           | 51.00   | 102.00   |  |  |  |  |
| 2.00  | 416900-BW      |                           | al Color Corner LED with in-line flas  | sher,          | 51.00   | 102.00   |  |  |  |  |
| 4.00  | VTXADAPT       | VERTEX TWIS               | T-IN ADAPTER KIT   |                | 10.00   | 40.00    |  |  |  |  |
| 4.00  | I3JC           | ION TRIO ION              | R/B W/ WHT OVERRIDE  |                | 121.59  | 486.36   |  |  |  |  |
| 1.00  | MBFX20RB       |                           | d/Blue Lightheads  |                |   |          |  |  |  |  |
| 2.00  | 02-0363332-000 |                           | d/Blue Lightheads  RNER LINEAR STOBE (LFL) 60.60  ROBE PRE-EMPTION SUPPLY (OPTICOM) 305.40  Ideral Signal Pathfinder Remote Head Siren / Light Controller, 765.00  |                |   |          |  |  |  |  |
| 1.00  | PE 215         |                           | d/Blue Lightheads  RNER LINEAR STOBE (LFL)  ROBE PRE-EMPTION SUPPLY (OPTICOM)  deral Signal Pathfinder Remote Head Siren / Light Controller,  765  0/200 watt, OBD integration capability, integrated Rumbler  rability, and integrated dual-tone capability |                |   |          |  |  |  |  |
| 1.00  | PF200R         | Federal Signal            | ederal Signal Pathfinder Remote Head Siren / Light Controller, 765.0   |                |   |          |  |  |  |  |
|       |                | 100/200 watt, C           | •  |                |   |          |  |  |  |  |
|       |                | capability, and i         | ntegrated dual-tone capability   |                |   |          |  |  |  |  |
| 1.00  | MS-4000U       | UNDERCOVER                | SIREN 100W WITH, AIR HRN, YE   | ELP, WAIL      | 146.51  | 146.51   |  |  |  |  |
| 14.00 | MPS 620U-BR    | 6-LED Surface             | mount lighthead, BLUE/Red  |                | 75.00   | 1,050.00 |  |  |  |  |
| 12.00 | MPSM6-LB       | MPS 600 SERII             | ES L BRACKET   |                |   | 95.40    |  |  |  |  |
| 2.00  | MPS 620U-RW    | 6-LED Surface             | mount lighthead, Red/White   |                | 75.00   | 150.00   |  |  |  |  |
| 2.00  | MPS1220U-BA    | 12-LED light he           | ad, (12) Blue / (12) Amber   |                | 90.00   | 180.00   |  |  |  |  |
| 1.00  | FHL-TAIL       | TAIL LIGHT FLA            | ASHER INTERCEPTOR UTILTY   |                | 41.00   | 41.00    |  |  |  |  |
|       | SIFZS-4020356  |                           | pectraLux ILS Low Profile  |                | 848.00  | 848.00   |  |  |  |  |
|       | SIFMHS-FPIU20- |                           | ear Deck /Rear Hatch SIFM  |                | 954.00  | 954.00   |  |  |  |  |
| 1.00  | C-DMM-3015     |                           | e Mount for Ford 2020 Interceptor  |                | 316.52  | 316.52   |  |  |  |  |
| 1.00  | C-VS-1012-INUT |                           | ceptor Utility Specific Angled Consc<br>ounting space; 10 inches front angle   |                | 320.04  | 320.04   |  |  |  |  |
| 1.00  | C-EB40-SSP-1P  | Faceplate for sr          | nart siren Platnium series 4 inch  |                | 20.50   | 20.50    |  |  |  |  |
| 1.00  | C-EB25-XTL-1P  |                           | ent Mounting Bracket, 2.5" Mountir<br>500, XTL5000-05, APX 7500  | ng Space, Fits | 29.40   | 29.40    |  |  |  |  |
| 1.00  | C-FP-35        | 3-1/2" Filler Pla         | (4)  |                |   |          |  |  |  |  |
| 1.00  | CUP2-1001      |                           | ouble Cup Holder   |                | 40.01   | 40.01    |  |  |  |  |
| 2.00  | C-AP-0325      | 3 INCH INTER              | NAL POCKET HAVIS CONSOLE   |                | 31.34   | 62.68    |  |  |  |  |
| 1.00  | C-FP-2         | Filler plate 2 inc        | h  |                | 7.27  | 7.27     |  |  |  |  |
|       | C-TCB-7        | Universal Teleso          | coping Computer Base, 7" To 14", S   | Side mount     | 89.94   | 89.94    |  |  |  |  |
| 2.00  | C-ARM-102      | Side mount arm            | rest   |                | 47.01   | 94.02    |  |  |  |  |
|       |                | Allows for adjus          |  |                |   |          |  |  |  |  |
|       |                | Mounts to the s           | de of the enclosed console   |                |   |          |  |  |  |  |
|       |                |                           |  |                |   |          |  |  |  |  |



## **QUOTE**

DATE

QUOTE#

CUST#

7/14/2021

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#### CUSTOMER

City Of Gardena Attn: Accounts Payable 1700 W. 162nd Street Gardena CA 90247

#### SHIP TO:

Gardena Police Dept Attn: Gina Ayers 1718 W. 162nd Street Gardena CA 90247

| 12.50     | P.O. NUMBE      | R                                 | TERMS  |                 | JOB OR UNIT#   |                    |
|-----------|-----------------|-----------------------------------|--|-----------------|----------------|--------------------|
|           |                 |                                   | NET 30   |                 | GPD UNIT SEU-3 |                    |
| QUAN      |                 |                                   | DESCRIPTION  |                 | PRICE EACH     | AMOUNT             |
| 1.00      | C-TTP-INUT-1201 | 2020 FORD IU<br>UNDERNEATH        | RAISED FOLD-UP CARGO PLATE   | FOR EQUIPMENT   | 532.10         | 532.10             |
|           | C-TTP-INUT-4    | 2020 FORD IU                      | PREMIUM FOLD-UPEQUIPMENT   | TRAY.           | 190.52         | 190.52             |
|           | 36-2125         |                                   | FORD IU PUSH BUMPER  |                 | 271.52         | 271.52             |
|           | 36-2125PB       |                                   | FORD IU PIT BAR  |                 | 283.77         | 283.77             |
| 500000000 | 36-6005W2       |                                   | FORD IU WHELEN 2 LIGHT CHAN  | EL              | 25.22          | 25.22              |
|           | 35-20045        |                                   | FORD IU FRONT PARTITION  |                 | 798.09         | 798.09             |
| 1         | 35-220452       |                                   | FORD IU REAR PARTITION   |                 | 373.37         | 373.37             |
| 1.00      | FE7502-RBL      |                                   | d Police UI 2020 Seat with Ready B<br>actor Seat Belts and Rear Cargo Po   |                 | 877.00         | 877.00             |
| 1.00      | MA5-0900120B-N  |                                   | router (1200Mbps modem)  |                 | 1,225.00       | 1,225.00           |
| 2.00      | AP-MMF-CCWW     | which support L<br>Wi-Fi antennas | ellular/LTE/MIMO antennas<br>.TE Band 14 for FirstNet, three high<br>, and a<br>inside a single robust and compact |                 | 325.00         | 650.00             |
| 2.00      | MPS1220U-BA     |                                   | ad, (12) Blue / (12) Amber   | S               | 90.00          | 180.00             |
|           | MV-ICV-EMIC     |                                   | , BACKSEAT,HD,SYS7   |                 | 45.00          | 45.00              |
| 1.00      | MV-CAM COIL     |                                   | era, quick-connect (MV201, Nite-W  | atch)           | 19.95          | 19.95              |
| 1.00      | MVD-FB-CK4      | FLASHBACK C                       | ABLE KIT   |                 | 195.50         | 195.50             |
| 1.00      | GK10291S1LSSCA  | Dual T-Rail Mou                   | unt 1 Small, 1 Large   |                 | 272.30         | 272.30             |
| 1.00      | TK0841ITU20     | Cargo Storage                     | System - DSE - BSN 20-20 INTE  | RCEPTOR UTILITY | 1,175.30       | 1,175.30           |
| 2.00      | MAGNETIC MIC    | MAGNETIC MIC                      |  |                 | 25.00          | 50.00              |
| 2.00      | PG3969          | ADJUSTABLE (                      | GUNLOCK TIMER  |                 | 30.79          | 61.58              |
|           | DEFAULT 4030    | Sbrpca wire har                   |  |                 | 387.65         | 387.65             |
|           | MISC PARTS      | WIRE, LOOM, I                     | HARDWARE   |                 | 600.00         | 600.00             |
| 1.00      |                 | SHIPPING COS                      | STS  |                 | 600.00         | 600.00             |
|           |                 | CURTOTAL                          |  |                 |                | <b>\$15,874.62</b> |
|           |                 | SUBTOTAL<br>TAX                   |  |                 |                | \$1,565.64         |
|           |                 | TOTAL                             |  |                 |                | \$17,440.26        |



TO: THE HONORABLE MAYOR AND CITY COUNCIL

SUBJECT: PERSONNEL REPORT

1. Report the count of confirmed COVID-19 employee cases.

Total Count: Eighty (80)

- a. Administrative Services Department: One (1)
- b. City Clerk's Office: One (1)
- c. Elected & Administrative Offices: One (1)
- d. Community Development Department: Two (2)
- e. Transportation Department: Twenty-Four (24)
- f. Police Department: Twenty-Nine (29)
- g. Public Works Department: Ten (10)
- h. Recreation & Human Services Department: Twelve (12)
- 2. Report the Probationary Appointment of **STEPHANIE ESCALANTE** to the position of Police Service Technician, Schedule 33 (\$3,388 \$4,324/month) with the Police Department effective August 2, 2021.
- 3. Report the Promotional Appointment of the following individuals:
  - a. **KHOI QUACH** to the position of Cost Accountant, Schedule 119 (\$6,593 \$8,415/month) with the Administrative Services Department effective July 1, 2021.
  - b. **ALEXANDER PINTO** to the position of Information Technology Supervisor, Schedule 62 (\$6,931 \$8,846/month) with the Administrative Services Department effective July 28, 2021.
- 4. Report the Separation of the following individuals:
  - a. Transit Mechanic, *ABRAHAM MAYES*, of the Transportation Department effective August 8, 2021. Mr. Mayes provided 2 years and 10 months of service to the City.
  - b. Administrative Aide, *WILLIAM TURNER LOTT*, of the Public Works Department effective August 12, 2021. Mr. Lott provided 1 year and 5 months of service to the City.
- 5. Report that the following individuals are on leave under the Family Medical Leave Act / California Family Rights Act:
  - a. Police Officer, *JASMINE ZARAGOZA* of the Police Department effective July 9, 2021 through November 1, 2021.
- 6. Report the Return of the following individuals:
  - a. Records Management Coordinator, *KATHERINE RHEE*, of the City Clerk's Office effective July 6, 2021.

- b. Police Officer, AESON RAMOS, of the Police Department effective July 18, 2021.
- 7. Report the recruitment for the Closed/Promotional position of Police Lieutenant (Police Department). This recruitment closed on August 2, 2021.

## CITY OF GARDENA



# INVESTMENT REPORT June 2021

Reviewed: Deputy City Treasurer

Reviewed Chief Fiscal Officer



## City of Gardena Consolidated - Account #10647

#### **MONTHLY ACCOUNT STATEMENT**

JUNE 1, 2021 THROUGH JUNE 30, 2021

#### **Chandler Team:**

For questions about your account, please call (800) 317-4747, or contact operations@chandlerasset.com

CHANDLER ASSET MANAGEMENT chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.

## **Portfolio Summary**

Account #10647

As of June 30, 2021



| PORTFOLIO CHARACTERISTICS |          |
|---------------------------|----------|
| Average Modified Duration | 0.57     |
| Average Coupon            | 0.68%    |
| Average Purchase YTM      | 0.54%    |
| Average Market YTM        | 0.27%    |
| Average S&P/Moody Rating  | AA/Aa1   |
| Average Final Maturity    | 0.64 yrs |
| Average Life              | 0.58 yrs |

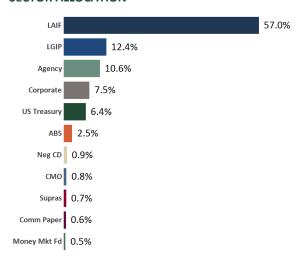
#### **ACCOUNT SUMMARY**

|                          | Beg. Values<br>as of 5/31/21 | End Values<br>as of 6/30/21 |
|--------------------------|------------------------------|-----------------------------|
| Market Value             | 53,808,243                   | 53,775,326                  |
| Accrued Interest         | 57,663                       | 69,249                      |
| Total Market Value       | 53,865,907                   | 53,844,575                  |
| Income Earned Cont/WD    | 21,554                       | 25,097                      |
| Par                      | 47,430,376                   | 47,437,479                  |
| Book Value<br>Cost Value | 53,441,846<br>53,495,086     | 53,455,357<br>53,511,666    |

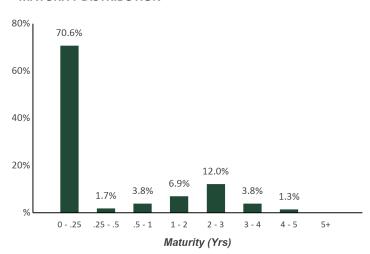
#### **TOP ISSUERS**

| Local Agency Investment Fund    | 57.0% |
|---------------------------------|-------|
| CalTrust                        | 12.4% |
| Government of United States     | 6.4%  |
| Federal Home Loan Mortgage Corp | 5.7%  |
| Federal Home Loan Bank          | 2.3%  |
| Federal National Mortgage Assoc | 2.3%  |
| Federal Farm Credit Bank        | 1.1%  |
| Toyota Motor Corp               | 1.0%  |
| Total                           | 88.2% |

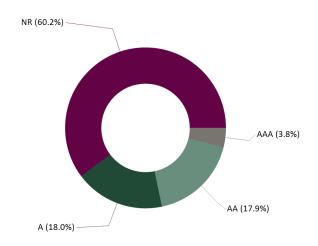
#### **SECTOR ALLOCATION**



#### **MATURITY DISTRIBUTION**



#### **CREDIT QUALITY (S&P)**



## **Holdings Report**

Account #10647



| CUSIP     | Security Description  | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value     | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturity<br>Duration |
|-----------|---|-----------------|-----------------------------|------------------------------|----------------------|------------------------------|-------------------------|--------------------|----------------------|
| ABS       |   |                 |                             |                              |                      |                              |                         |                    |                      |
| 89231PAD0 | Toyota Auto Receivables Trust 2018-D<br>A3<br>3.18% Due 3/15/2023   | 75,382.11       | 08/29/2019<br>1.98%         | 76,992.82<br>76,156.94       | 101.02<br>0.07%      | 76,154.48<br>106.54          | 0.14%<br>(2.46)         | Aaa / AAA<br>NR    | 1.71<br>0.33         |
| 47789JAD8 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023             | 229,856.08      | Various<br>1.39%            | 235,237.19<br>232,315.08     | 101.15<br>0.18%      | 232,508.86<br>297.28         | 0.43%<br>193.78         | Aaa / NR<br>AAA    | 2.05<br>0.42         |
| 43815NAC8 | Honda Auto Receivables Trust 2019-3<br>A3<br>1.78% Due 8/15/2023    | 107,552.32      | 08/20/2019<br>1.79%         | 107,551.43<br>107,551.97     | 100.92<br>0.23%      | 108,542.55<br>85.09          | 0.20%<br>990.58         | Aaa / AAA<br>NR    | 2.13<br>0.59         |
| 92348AAA3 | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024               | 80,000.00       | 10/01/2019<br>1.95%         | 79,993.83<br>79,996.18       | 101.41<br>0.22%      | 81,130.00<br>47.42           | 0.15%<br>1,133.82       | NR / AAA<br>AAA    | 2.81<br>0.82         |
| 89232HAC9 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024         | 215,000.00      | 07/06/2020<br>0.70%         | 219,736.72<br>218,531.50     | 101.31<br>0.24%      | 217,807.90<br>158.62         | 0.40%<br>(723.60)       | Aaa / AAA<br>NR    | 2.88<br>0.92         |
| 65479JAD5 | Nissan Auto Receivables Owner 2019-C<br>A3<br>1.93% Due 7/15/2024   | 120,000.00      | 10/16/2019<br>1.94%         | 119,993.66<br>119,995.93     | 101.24<br>0.29%      | 121,492.44<br>102.93         | 0.23%<br>1,496.51       | Aaa / AAA<br>NR    | 3.04<br>0.76         |
| 43813KAC6 | Honda Auto Receivables Trust 2020-3<br>A3<br>0.37% Due 10/18/2024   | 85,000.00       | 09/22/2020<br>0.38%         | 84,987.51<br>84,990.51       | 100.13<br>0.28%      | 85,109.31<br>11.36           | 0.16%<br>118.80         | NR / AAA<br>AAA    | 3.30<br>1.43         |
| 58769KAD6 | Mercedes-Benz Auto Lease Trust 2021-<br>B A3<br>0.4% Due 11/15/2024 | 80,000.00       | 06/22/2021<br>0.40%         | 79,993.96<br>79,993.97       | 99.95<br>0.42%       | 79,960.48<br>1.78            | 0.15%<br>(33.49)        | NR / AAA<br>AAA    | 3.38<br>2.06         |
| 89236XAC0 | Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025               | 70,000.00       | 10/06/2020<br>0.36%         | 69,986.96<br>69,989.15       | 100.09<br>0.28%      | 70,063.56<br>10.89           | 0.13%<br>74.41          | NR / AAA<br>AAA    | 3.55<br>1.32         |
| 92290BAA9 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025                 | 120,000.00      | 08/04/2020<br>0.48%         | 119,974.80<br>119,979.72     | 100.27<br>0.30%      | 120,322.68<br>17.23          | 0.22%<br>342.96         | Aaa / NR<br>AAA    | 3.65<br>1.58         |
| 43813GAC5 | Honda Auto Receivables Trust 2021-1<br>A3<br>0.27% Due 4/21/2025    | 80,000.00       | 02/17/2021<br>0.27%         | 79,998.54<br>79,998.71       | 99.93<br>0.32%       | 79,943.52<br>6.00            | 0.15%<br>(55.19)        | Aaa / NR<br>AAA    | 3.81<br>1.49         |
| 47788UAC6 | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025             | 60,000.00       | 03/02/2021<br>0.37%         | 59,988.47<br>59,989.46       | 99.87<br>0.43%       | 59,922.30<br>9.60            | 0.11%<br>(67.16)        | Aaa / NR<br>AAA    | 4.21<br>1.92         |
| Total ABS |   | 1,322,790.51    | 1.05%                       | 1,334,435.89<br>1,329,489.12 | 0.26%                | 1,332,958.08<br>854.74       | 2.48%<br>3,468.96       | Aaa / AAA<br>AAA   | 2.89<br>1.01         |

## **Holdings Report**

Account #10647



| CUSIP     | Security Description                | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturity<br>Duration |
|-----------|-------------------------------------|-----------------|-----------------------------|--------------------------|----------------------|------------------------------|-------------------------|--------------------|----------------------|
| AGENCY    |                                     |                 |                             |                          |                      |                              |                         |                    |                      |
| 3130AHSR5 | FHLB Note<br>1.625% Due 12/20/2021  | 320,000.00      | 12/19/2019<br>1.68%         | 319,654.40<br>319,918.68 | 100.74<br>0.07%      | 322,355.52<br>158.89         | 0.60%<br>2,436.84       | Aaa / AA+<br>AAA   | 0.47<br>0.47         |
| 3137EADB2 | FHLMC Note<br>2.375% Due 1/13/2022  | 350,000.00      | 10/30/2019<br>1.69%         | 355,124.00<br>351,247.58 | 101.23<br>0.08%      | 354,303.60<br>3,879.17       | 0.67%<br>3,056.02       | Aaa / AA+<br>AAA   | 0.54<br>0.53         |
| 3133ELWD2 | FFCB Note<br>0.375% Due 4/8/2022    | 285,000.00      | 04/03/2020<br>0.45%         | 284,578.20<br>284,837.64 | 100.22<br>0.09%      | 285,636.69<br>246.41         | 0.53%<br>799.05         | Aaa / AA+<br>AAA   | 0.77<br>0.77         |
| 3133ELYR9 | FFCB Note<br>0.25% Due 5/6/2022     | 325,000.00      | 04/30/2020<br>0.31%         | 324,587.25<br>324,825.29 | 100.11<br>0.12%      | 325,371.48<br>124.13         | 0.60%<br>546.19         | Aaa / AA+<br>AAA   | 0.85<br>0.85         |
| 3134GVJ66 | FHLMC Note<br>0.25% Due 6/8/2022    | 350,000.00      | 06/04/2020<br>0.28%         | 349,790.00<br>349,901.62 | 100.14<br>0.10%      | 350,506.80<br>55.90          | 0.65%<br>605.18         | Aaa / NR<br>AAA    | 0.94<br>0.94         |
| 3137EAET2 | FHLMC Note<br>0.125% Due 7/25/2022  | 170,000.00      | 07/21/2020<br>0.24%         | 169,615.80<br>169,795.83 | 100.02<br>0.10%      | 170,037.91<br>92.08          | 0.32%<br>242.08         | Aaa / AA+<br>AAA   | 1.07<br>1.07         |
| 3130ADRG9 | FHLB Note<br>2.75% Due 3/10/2023    | 350,000.00      | 04/11/2019<br>2.34%         | 355,330.50<br>352,303.16 | 104.27<br>0.22%      | 364,949.90<br>2,967.71       | 0.68%<br>12,646.74      | Aaa / AA+<br>NR    | 1.69<br>1.65         |
| 3137EAER6 | FHLMC Note<br>0.375% Due 5/5/2023   | 305,000.00      | 05/05/2020<br>0.39%         | 304,871.90<br>304,921.12 | 100.25<br>0.24%      | 305,771.35<br>177.92         | 0.57%<br>850.23         | Aaa / AA+<br>AAA   | 1.85<br>1.84         |
| 3135G04Q3 | FNMA Note<br>0.25% Due 5/22/2023    | 245,000.00      | 05/20/2020<br>0.35%         | 244,262.55<br>244,535.31 | 99.99<br>0.26%       | 244,974.28<br>66.35          | 0.46%<br>438.97         | Aaa / AA+<br>AAA   | 1.89<br>1.89         |
| 3137EAES4 | FHLMC Note<br>0.25% Due 6/26/2023   | 300,000.00      | 06/24/2020<br>0.35%         | 299,124.00<br>299,420.00 | 99.99<br>0.26%       | 299,960.10<br>10.42          | 0.56%<br>540.10         | Aaa / AA+<br>AAA   | 1.99<br>1.98         |
| 3135G05G4 | FNMA Note<br>0.25% Due 7/10/2023    | 250,000.00      | 07/08/2020<br>0.32%         | 249,462.50<br>249,637.25 | 99.99<br>0.26%       | 249,971.50<br>296.88         | 0.46%<br>334.25         | Aaa / AA+<br>AAA   | 2.03<br>2.02         |
| 3137EAEV7 | FHLMC Note<br>0.25% Due 8/24/2023   | 300,000.00      | 08/19/2020<br>0.28%         | 299,694.00<br>299,781.51 | 99.98<br>0.26%       | 299,928.90<br>264.58         | 0.56%<br>147.39         | Aaa / AA+<br>AAA   | 2.15<br>2.14         |
| 3137EAEW5 | FHLMC Note<br>0.25% Due 9/8/2023    | 300,000.00      | 09/11/2020<br>0.24%         | 300,093.00<br>300,068.23 | 99.90<br>0.30%       | 299,703.00<br>235.42         | 0.56%<br>(365.23)       | Aaa / AA+<br>AAA   | 2.19<br>2.18         |
| 3135G0U43 | FNMA Note<br>2.875% Due 9/12/2023   | 350,000.00      | 09/25/2019<br>1.63%         | 366,702.00<br>359,268.63 | 105.69<br>0.28%      | 369,902.75<br>3,046.70       | 0.69%<br>10,634.12      | Aaa / AA+<br>AAA   | 2.20<br>2.13         |
| 3137EAEY1 | FHLMC Note<br>0.125% Due 10/16/2023 | 225,000.00      | 10/14/2020<br>0.25%         | 224,160.75<br>224,358.49 | 99.61<br>0.30%       | 224,114.40<br>58.59          | 0.42%<br>(244.09)       | Aaa / AA+<br>AAA   | 2.30<br>2.29         |
| 3137EAEZ8 | FHLMC Note<br>0.25% Due 11/6/2023   | 335,000.00      | 11/03/2020<br>0.28%         | 334,698.50<br>334,763.97 | 99.89<br>0.30%       | 334,638.87<br>127.95         | 0.62%<br>(125.10)       | Aaa / AA+<br>AAA   | 2.35<br>2.34         |

## **Holdings Report**

Account #10647



| CUSIP         | Security Description  | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value     | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturity<br>Duration |
|---------------|---|-----------------|-----------------------------|------------------------------|----------------------|------------------------------|-------------------------|--------------------|----------------------|
| AGENCY        |   |                 |                             |                              |                      |                              |                         |                    |                      |
| 3130A0F70     | FHLB Note<br>3.375% Due 12/8/2023                             | 350,000.00      | 10/30/2019<br>1.72%         | 372,781.50<br>363,526.04     | 107.34<br>0.35%      | 375,705.40<br>754.69         | 0.70%<br>12,179.36      | Aaa / AA+<br>AAA   | 2.44<br>2.36         |
| 3130A1XJ2     | FHLB Note<br>2.875% Due 6/14/2024                             | 155,000.00      | 03/24/2020<br>0.99%         | 167,010.95<br>163,404.55     | 106.99<br>0.49%      | 165,835.28<br>210.43         | 0.31%<br>2,430.73       | Aaa / AA+<br>NR    | 2.96<br>2.85         |
| 3135G06G3     | FNMA Note<br>0.5% Due 11/7/2025                               | 350,000.00      | 11/18/2020<br>0.52%         | 349,639.50<br>349,684.02     | 98.91<br>0.75%       | 346,195.15<br>262.50         | 0.64%<br>(3,488.87)     | Aaa / AA+<br>AAA   | 4.36<br>4.29         |
| Total Agency  |   | 5,615,000.00    | 0.81%                       | 5,671,181.30<br>5,646,198.92 | 0.25%                | 5,689,862.88<br>13,036.72    | 10.59%<br>43,663.96     | Aaa / AA+<br>AAA   | 1.83<br>1.81         |
| СМО           |   |                 |                             |                              |                      |                              |                         |                    |                      |
| 3137BM6P6     | FHLMC K721 A2<br>3.09% Due 8/25/2022                          | 133,565.84      | 06/26/2019<br>2.09%         | 137,228.46<br>134,898.86     | 102.24<br>0.48%      | 136,552.09<br>343.93         | 0.25%<br>1,653.23       | Aaa / NR<br>NR     | 1.15<br>0.92         |
| 3137B4GY6     | FHLMC K032 A2<br>3.31% Due 5/25/2023                          | 275,000.00      | 07/23/2019<br>2.21%         | 285,881.84<br>280,390.36     | 105.14<br>0.42%      | 289,123.18<br>151.71         | 0.54%<br>8,732.82       | NR / NR<br>AAA     | 1.90<br>1.80         |
| Total CMO     |   | 408,565.84      | 2.17%                       | 423,110.30<br>415,289.22     | 0.44%                | 425,675.27<br>495.64         | 0.79%<br>10,386.05      | Aaa / NR<br>AAA    | 1.66<br>1.52         |
| COMMERCIAL    | PAPER   |                 |                             |                              |                      |                              |                         |                    |                      |
| 89233GYP5     | Toyota Motor Credit Discount CP<br>0.18% Due 11/23/2021       | 350,000.00      | 04/26/2021<br>0.18%         | 349,632.50<br>349,746.25     | 99.93<br>0.18%       | 349,746.25<br>0.00           | 0.65%                   | P-1 / A-1+<br>F-1  | 0.40<br>0.40         |
| Total Commerc | cial Paper  | 350,000.00      | 0.18%                       | 349,632.50<br>349,746.25     | 0.18%                | 349,746.25<br>0.00           | 0.65%<br>0.00           | Aaa / AAA<br>AA    | 0.40<br>0.40         |
| CORPORATE     |   |                 |                             |                              |                      |                              |                         |                    |                      |
| 02665WBF7     | American Honda Finance Note<br>1.65% Due 7/12/2021            | 200,000.00      | 07/30/2019<br>2.26%         | 197,692.00<br>199,964.34     | 100.04<br>0.46%      | 200,079.00<br>1,549.17       | 0.37%<br>114.66         | A3 / A-<br>NR      | 0.03<br>0.03         |
| 69371RP42     | Paccar Financial Corp Note<br>3.15% Due 8/9/2021              | 200,000.00      | 04/24/2019<br>2.74%         | 201,814.00<br>200,084.62     | 100.30<br>0.37%      | 200,601.40<br>2,485.00       | 0.38%<br>516.78         | A1 / A+<br>NR      | 0.11<br>0.11         |
| 69353RFB9     | PNC Bank Callable Note Cont 1/18/2022<br>2.625% Due 2/17/2022 | 250,000.00      | 02/21/2019<br>3.07%         | 246,827.50<br>249,326.43     | 101.31<br>0.23%      | 253,270.75<br>2,442.71       | 0.47%<br>3,944.32       | A2 / A<br>A+       | 0.64<br>0.54         |
| 459200JX0     | IBM Corp Note<br>2.85% Due 5/13/2022                          | 200,000.00      | 05/16/2019<br>2.80%         | 200,300.00<br>200,087.05     | 102.28<br>0.22%      | 204,565.80<br>760.00         | 0.38%<br>4,478.75       | A2 / A-<br>NR      | 0.87<br>0.86         |

## **Holdings Report**

Account #10647



| CUSIP     | Security Description   | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturity<br>Duration |
|-----------|--|-----------------|-----------------------------|--------------------------|----------------------|------------------------------|-------------------------|--------------------|----------------------|
| CORPORATE |  |                 |                             |                          |                      |                              |                         |                    |                      |
| 24422ETV1 | John Deere Capital Corp Note<br>2.15% Due 9/8/2022                           | 305,000.00      | 04/17/2019<br>2.78%         | 298,851.20<br>302,839.21 | 102.18<br>0.31%      | 311,643.21<br>2,058.33       | 0.58%<br>8,804.00       | A2 / A<br>A        | 1.19<br>1.17         |
| 89236TEL5 | Toyota Motor Credit Corp Note 2.7% Due 1/11/2023                             | 200,000.00      | 04/25/2019<br>2.72%         | 199,856.00<br>199,940.51 | 103.61<br>0.33%      | 207,223.00<br>2,550.00       | 0.39%<br>7,282.49       | A1 / A+<br>A+      | 1.53<br>1.49         |
| 037833DE7 | Apple Inc Callable Note Cont<br>12/13/2022<br>2.4% Due 1/13/2023             | 200,000.00      | 11/21/2019<br>1.83%         | 203,350.00<br>201,593.81 | 103.23<br>0.17%      | 206,459.00<br>2,240.00       | 0.39%<br>4,865.19       | Aa1 / AA+<br>NR    | 1.54<br>1.42         |
| 747525AR4 | Qualcomm Inc Callable Note Cont<br>12/30/2022<br>2.6% Due 1/30/2023          | 75,000.00       | 02/11/2020<br>1.75%         | 76,775.25<br>75,923.94   | 103.60<br>0.20%      | 77,696.40<br>817.92          | 0.15%<br>1,772.46       | A2 / A-<br>NR      | 1.59<br>1.46         |
| 037833AK6 | Apple Inc Note<br>2.4% Due 5/3/2023  | 200,000.00      | 03/11/2019<br>2.79%         | 196,968.00<br>198,654.45 | 103.75<br>0.36%      | 207,496.60<br>773.33         | 0.39%<br>8,842.15       | Aa1 / AA+<br>NR    | 1.84<br>1.80         |
| 404280BA6 | HSBC Holdings PLC Note<br>3.6% Due 5/25/2023                                 | 200,000.00      | 05/15/2019<br>2.97%         | 204,780.00<br>202,254.96 | 105.87<br>0.50%      | 211,744.20<br>720.00         | 0.39%<br>9,489.24       | A3 / A-<br>A+      | 1.90<br>1.85         |
| 90331HNV1 | US Bank NA Callable Note Cont<br>6/23/2023<br>3.4% Due 7/24/2023             | 250,000.00      | 05/17/2019<br>2.70%         | 256,695.00<br>253,235.47 | 105.96<br>0.38%      | 264,897.00<br>3,706.94       | 0.50%<br>11,661.53      | A1 / AA-<br>AA-    | 2.07<br>1.90         |
| 06406FAD5 | Bank of NY Mellon Corp Callable Note<br>Cont 6/16/2023<br>2.2% Due 8/16/2023 | 200,000.00      | 04/11/2019<br>2.90%         | 194,298.00<br>197,206.60 | 103.55<br>0.38%      | 207,093.40<br>1,650.00       | 0.39%<br>9,886.80       | A1 / A<br>AA-      | 2.13<br>1.91         |
| 594918BX1 | Microsoft Callable Note Cont 12/6/2023<br>2.875% Due 2/6/2024                | 200,000.00      | 03/05/2020<br>1.06%         | 213,320.00<br>208,652.64 | 105.76<br>0.49%      | 211,517.20<br>2,315.97       | 0.40%<br>2,864.56       | Aaa / AAA<br>AAA   | 2.61<br>2.34         |
| 89114QCB2 | Toronto Dominion Bank Note<br>3.25% Due 3/11/2024                            | 200,000.00      | 07/16/2019<br>2.49%         | 206,600.00<br>203,824.73 | 107.07<br>0.60%      | 214,131.60<br>1,986.11       | 0.40%<br>10,306.87      | Aa3 / A<br>AA-     | 2.70<br>2.58         |
| 808513BN4 | Charles Schwab Corp Callable Note<br>Cont 2/18/2024<br>0.75% Due 3/18/2024   | 245,000.00      | Various<br>0.58%            | 246,097.00<br>246,061.37 | 100.57<br>0.53%      | 246,403.12<br>525.73         | 0.46%<br>341.75         | A2 / A<br>A        | 2.72<br>2.60         |
| 023135BW5 | Amazon.com Inc Callable Note Cont<br>11/12/2021<br>0.45% Due 5/12/2024       | 130,000.00      | 05/10/2021<br>0.50%         | 129,810.20<br>129,818.86 | 99.81<br>0.52%       | 129,756.90<br>79.63          | 0.24%<br>(61.96)        | A1 / AA<br>AA-     | 2.87<br>2.84         |
| 14913R2L0 | Caterpillar Financial Service Note<br>0.45% Due 5/17/2024                    | 205,000.00      | 05/10/2021<br>0.50%         | 204,725.30<br>204,736.58 | 99.70<br>0.56%       | 204,381.31<br>112.75         | 0.38%<br>(355.27)       | A2 / A<br>A        | 2.88<br>2.86         |
| 78015K7C2 | Royal Bank of Canada Note<br>2.25% Due 11/1/2024                             | 225,000.00      | 09/22/2020<br>0.69%         | 239,145.75<br>236,503.45 | 104.76<br>0.80%      | 235,714.50<br>843.75         | 0.44%<br>(788.95)       | A2 / A<br>AA       | 3.34<br>3.21         |

## **Holdings Report**

Account #10647



| CUSIP          | Security Description  | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value       | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturit<br>Duratio      |
|----------------|---|-----------------|-----------------------------|--------------------------------|----------------------|------------------------------|-------------------------|--------------------|-------------------------|
| CORPORATE      |   |                 |                             |                                |                      |                              |                         |                    |                         |
| 46647PAH9      | JP Morgan Chase & Co Callable Note 2X 3/1/2024 3.22% Due 3/1/2025 | 210,000.00      | 08/19/2020<br>0.91%         | 226,818.90<br>222,718.64       | 106.25<br>0.85%      | 223,119.54<br>2,254.00       | 0.42%<br>400.90         | A2 / A-<br>AA-     | 3.6 <sup>-</sup><br>2.5 |
| Total Corpora  | te  | 3,895,000.00    | 2.04%                       | 3,944,724.10<br>3,933,427.66   | 0.44%                | 4,017,793.93<br>29,871.34    | 7.52%<br>84,366.27      | A1 / A+<br>AA-     | 1.9<br>1.7              |
|                |   |                 |                             |                                |                      |                              |                         |                    |                         |
| LAIF           |   |                 |                             |                                |                      |                              |                         |                    |                         |
| 90LAIF\$00     | Local Agency Investment Fund State<br>Pool                        | 30,653,874.68   | Various<br>0.25%            | 30,653,874.68<br>30,653,874.68 | 1.00<br>0.25%        | 30,653,874.68<br>11,486.62   | 56.95%<br>0.00          | NR / NR<br>NR      | 0.0                     |
| Total LAIF     |   | 30,653,874.68   | 0.25%                       | 30,653,874.68<br>30,653,874.68 | 0.25%                | 30,653,874.68<br>11,486.62   | 56.95%<br>0.00          | NR / NR<br>NR      | 0.0                     |
|                |   |                 |                             |                                |                      |                              |                         |                    |                         |
| LOCAL GOV IN   | IVESTMENT POOL  |                 |                             |                                |                      |                              |                         |                    |                         |
| 09CATR\$05     | CalTrust Medium Term Fund   | 652,114.02      | Various<br>0.22%            | 6,559,955.43<br>6,559,955.43   | 10.26<br>0.22%       | 6,690,689.77<br>0.00         | 12.43%<br>130,734.34    | NR / A+<br>NR      | 0.00                    |
| Total Local Go | v Investment Pool   | 652,114.02      | 0.22%                       | 6,559,955.43<br>6,559,955.43   | 0.22%                | 6,690,689.77<br>0.00         | 12.43%<br>130,734.34    | NR / A+<br>NR      | 0.00                    |
| MONEY MARK     | KET FUND  |                 |                             |                                |                      |                              |                         |                    |                         |
| 31846V203      | First American Govt Obligation Fund<br>Class Y                    | 264,134.12      | Various<br>0.01%            | 264,134.12<br>264,134.12       | 1.00<br>0.01%        | 264,134.12<br>0.00           | 0.49%                   | Aaa / AAA<br>AAA   | 0.00                    |
| Total Money N  | Market Fund   | 264,134.12      | 0.01%                       | 264,134.12<br>264,134.12       | 0.01%                | 264,134.12<br>0.00           | 0.49%<br>0.00           | Aaa / AAA<br>AAA   | 0.0                     |
| NEGOT          |   |                 |                             |                                |                      |                              |                         |                    |                         |
| NEGOTIABLE (   |   |                 |                             |                                |                      |                              |                         |                    |                         |
| 08173QBS4      | Beneficial Bank Negotiable CD<br>1.55% Due 10/7/2021              | 248,000.00      | 09/20/2016<br>1.55%         | 248,000.00<br>248,000.00       | 100.39<br>0.12%      | 248,961.00<br>895.18         | 0.46%<br>961.00         | NR / NR<br>NR      | 0.27                    |
|                |   |                 |                             |                                |                      |                              |                         |                    |                         |

## **Holdings Report**

Account #10647



| CUSIP          | Security Description                                      | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturity<br>Duration |
|----------------|---|-----------------|-----------------------------|--------------------------|----------------------|------------------------------|-------------------------|--------------------|----------------------|
| NEGOTIABLE (   | CD  |                 |                             |                          |                      |                              |                         |                    |                      |
| 29976D2F6      | Everbank Negotiable CD<br>2.05% Due 2/14/2022             | 248,000.00      | 02/09/2017<br>2.04%         | 248,000.00<br>248,000.00 | 101.27<br>0.03%      | 251,149.85<br>1,810.74       | 0.47%<br>3,149.85       | NR / NR<br>NR      | 0.63<br>0.62         |
| Total Negotial | ble CD  | 496,000.00      | 1.79%                       | 496,000.00<br>496,000.00 | 0.07%                | 500,110.85<br>2,705.92       | 0.93%<br>4,110.85       | NR / NR<br>NR      | 0.45<br>0.45         |
| SUPRANATIO     | NAL   |                 |                             |                          |                      |                              |                         |                    |                      |
| 459058JM6      | Intl. Bank Recon & Development Note 0.25% Due 11/24/2023  | 165,000.00      | 11/17/2020<br>0.32%         | 164,645.25<br>164,716.20 | 99.67<br>0.39%       | 164,456.00<br>42.40          | 0.31%<br>(260.20)       | Aaa / AAA<br>AAA   | 2.40<br>2.39         |
| 459058GQ0      | Intl. Bank Recon & Development Note<br>2.5% Due 3/19/2024 | 225,000.00      | 01/26/2021<br>0.26%         | 240,736.50<br>238,621.82 | 105.50<br>0.46%      | 237,379.50<br>1,593.75       | 0.44%<br>(1,242.32)     | Aaa / AAA<br>AAA   | 2.72<br>2.63         |
| Total Suprana  | tional  | 390,000.00      | 0.29%                       | 405,381.75<br>403,338.02 | 0.43%                | 401,835.50<br>1,636.15       | 0.75%<br>(1,502.52)     | Aaa / AAA<br>AAA   | 2.59<br>2.53         |
| US TREASURY    |   |                 |                             |                          |                      |                              |                         |                    |                      |
| 912828M80      | US Treasury Note<br>2% Due 11/30/2022                     | 300,000.00      | Various<br>1.60%            | 303,459.37<br>301,642.67 | 102.59<br>0.17%      | 307,781.40<br>508.20         | 0.57%<br>6,138.73       | Aaa / AA+<br>AAA   | 1.42<br>1.40         |
| 912828VB3      | US Treasury Note<br>1.75% Due 5/15/2023                   | 250,000.00      | 12/16/2019<br>1.69%         | 250,517.58<br>250,283.94 | 102.83<br>0.24%      | 257,070.25<br>558.76         | 0.48%<br>6,786.31       | Aaa / AA+<br>AAA   | 1.87<br>1.85         |
| 912828T26      | US Treasury Note<br>1.375% Due 9/30/2023                  | 300,000.00      | Various<br>1.94%            | 293,108.59<br>296,388.78 | 102.41<br>0.30%      | 307,230.60<br>1,036.89       | 0.57%<br>10,841.82      | Aaa / AA+<br>AAA   | 2.25<br>2.21         |
| 912828V80      | US Treasury Note<br>2.25% Due 1/31/2024                   | 200,000.00      | 11/26/2019<br>1.59%         | 205,304.69<br>203,281.54 | 104.85<br>0.36%      | 209,695.40<br>1,877.07       | 0.39%<br>6,413.86       | Aaa / AA+<br>AAA   | 2.59<br>2.50         |
| 91282CBV2      | US Treasury Note<br>0.375% Due 4/15/2024                  | 350,000.00      | 04/29/2021<br>0.34%         | 350,314.45<br>350,296.41 | 99.88<br>0.42%       | 349,562.50<br>276.13         | 0.65%<br>(733.91)       | Aaa / AA+<br>AAA   | 2.79<br>2.77         |
| 912828WJ5      | US Treasury Note<br>2.5% Due 5/15/2024                    | 300,000.00      | 12/12/2019<br>1.74%         | 309,691.41<br>306,294.92 | 105.93<br>0.42%      | 317,800.80<br>957.88         | 0.59%<br>11,505.88      | Aaa / AA+<br>AAA   | 2.88<br>2.78         |
| 91282CCG4      | US Treasury Note<br>0.25% Due 6/15/2024                   | 400,000.00      | 06/17/2021<br>0.43%         | 397,890.63<br>397,915.72 | 99.40<br>0.45%       | 397,593.60<br>43.72          | 0.74%<br>(322.12)       | Aaa / AA+<br>AAA   | 2.96<br>2.94         |

## **Holdings Report**

Account #10647



| CUSIP          | Security Description                      | Par Value/Units | Purchase Date<br>Book Yield | Cost Value<br>Book Value       | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody/S&P<br>Fitch | Maturity<br>Duration |
|----------------|---|-----------------|-----------------------------|--------------------------------|----------------------|------------------------------|-------------------------|--------------------|----------------------|
| US TREASURY    |   |                 |                             |                                |                      |                              |                         |                    |                      |
| 912828Y87      | US Treasury Note<br>1.75% Due 7/31/2024   | 300,000.00      | 01/31/2020<br>1.35%         | 305,203.13<br>303,565.87       | 103.93<br>0.47%      | 311,789.10<br>2,189.92       | 0.58%<br>8,223.23       | Aaa / AA+<br>AAA   | 3.09<br>2.99         |
| 912828ZF0      | US Treasury Note<br>0.5% Due 3/31/2025    | 350,000.00      | 03/25/2021<br>0.58%         | 348,906.26<br>348,976.53       | 99.53<br>0.63%       | 348,345.55<br>439.89         | 0.65%<br>(630.98)       | Aaa / AA+<br>AAA   | 3.75<br>3.70         |
| 912828ZT0      | US Treasury Note<br>0.25% Due 5/31/2025   | 365,000.00      | 02/25/2021<br>0.60%         | 359,653.32<br>360,083.12       | 98.35<br>0.68%       | 358,983.34<br>77.29          | 0.67%<br>(1,099.78)     | Aaa / AA+<br>AAA   | 3.92<br>3.89         |
| 9128284Z0      | US Treasury Note<br>2.75% Due 8/31/2025   | 125,000.00      | 06/24/2021<br>0.72%         | 135,444.34<br>135,403.33       | 108.35<br>0.71%      | 135,434.63<br>1,148.95       | 0.25%<br>31.30          | Aaa / AA+<br>AAA   | 4.17<br>3.93         |
| 91282CAZ4      | US Treasury Note<br>0.375% Due 11/30/2025 | 150,000.00      | 12/09/2020<br>0.41%         | 149,742.19<br>149,771.01       | 98.24<br>0.78%       | 147,357.45<br>47.64          | 0.27%<br>(2,413.56)     | Aaa / AA+<br>AAA   | 4.42<br>4.37         |
| Total US Treas | sury                                      | 3,390,000.00    | 1.06%                       | 3,409,235.96<br>3,403,903.84   | 0.45%                | 3,448,644.62<br>9,162.34     | 6.42%<br>44,740.78      | Aaa / AA+<br>AAA   | 2.93<br>2.88         |
| TOTAL PORTF    | OLIO                                      | 47,437,479.17   | 0.54%                       | 53,511,666.03<br>53,455,357.26 | 0.27%                | 53,775,325.95<br>69,249.47   | 100.00%<br>319,968.69   | Aa1 / AA<br>AAA    | 0.64<br>0.57         |
| TOTAL MARKE    | ET VALUE PLUS ACCRUED                     |                 |                             |                                |                      | 53,844,575.42                |                         |                    |                      |

## **Transaction Ledger**

Account #10647



| Transaction<br>Type | Settlement<br>Date | CUSIP     | Quantity   | Security Description                           | Price  | Acq/Disp<br>Yield | Amount     | Interest<br>Pur/Sold | Total Amount | Gain/Loss |
|---------------------|--------------------|-----------|------------|--|--------|-------------------|------------|----------------------|--------------|-----------|
| ACQUISITIONS        |                    |           |            |  |        |                   |            |                      |              |           |
| Purchase            | 06/01/2021         | 31846V203 | 2.88       | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 2.88       | 0.00                 | 2.88         | 0.00      |
| Purchase            | 06/08/2021         | 31846V203 | 6,343.75   | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 6,343.75   | 0.00                 | 6,343.75     | 0.00      |
| Purchase            | 06/14/2021         | 31846V203 | 2,228.13   | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 2,228.13   | 0.00                 | 2,228.13     | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 20.42      | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 20.42      | 0.00                 | 20.42        | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 297.42     | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 297.42     | 0.00                 | 297.42       | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 193.00     | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 193.00     | 0.00                 | 193.00       | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 18.00      | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 18.00      | 0.00                 | 18.00        | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 7,618.26   | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 7,618.26   | 0.00                 | 7,618.26     | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 23,873.40  | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 23,873.40  | 0.00                 | 23,873.40    | 0.00      |
| Purchase            | 06/15/2021         | 31846V203 | 9,704.52   | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 9,704.52   | 0.00                 | 9,704.52     | 0.00      |
| Purchase            | 06/18/2021         | 31846V203 | 26.21      | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 26.21      | 0.00                 | 26.21        | 0.00      |
| Purchase            | 06/18/2021         | 91282CCG4 | 400,000.00 | US Treasury Note<br>0.25% Due 6/15/2024        | 99.473 | 0.43%             | 397,890.63 | 8.20                 | 397,898.83   | 0.00      |
| Purchase            | 06/20/2021         | 31846V203 | 2,600.00   | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 2,600.00   | 0.00                 | 2,600.00     | 0.00      |
| Purchase            | 06/21/2021         | 31846V203 | 47.00      | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 47.00      | 0.00                 | 47.00        | 0.00      |
| Purchase            | 06/21/2021         | 31846V203 | 18.00      | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 18.00      | 0.00                 | 18.00        | 0.00      |
| Purchase            | 06/21/2021         | 31846V203 | 129.33     | First American Govt Obligation Fund<br>Class Y | 1.000  | 0.01%             | 129.33     | 0.00                 | 129.33       | 0.00      |

## **Transaction Ledger**

Account #10647



| Transaction Type | Settlement<br>Date | CUSIP      | Quantity   | Security Description  | Price   | Acq/Disp<br>Yield | Amount     | Interest<br>Pur/Sold | Total Amount | Gain/Loss |
|------------------|--------------------|------------|------------|---|---------|-------------------|------------|----------------------|--------------|-----------|
| ACQUISITIONS     | 5                  |            |            |   |         |                   |            |                      |              |           |
| Purchase         | 06/25/2021         | 31846V203  | 758.53     | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 758.53     | 0.00                 | 758.53       | 0.00      |
| Purchase         | 06/25/2021         | 31846V203  | 559.98     | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 559.98     | 0.00                 | 559.98       | 0.00      |
| Purchase         | 06/25/2021         | 9128284Z0  | 125,000.00 | US Treasury Note<br>2.75% Due 8/31/2025                             | 108.355 | 0.72%             | 135,444.34 | 1,092.90             | 136,537.24   | 0.00      |
| Purchase         | 06/26/2021         | 31846V203  | 375.00     | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 375.00     | 0.00                 | 375.00       | 0.00      |
| Purchase         | 06/29/2021         | 31846V203  | 248,000.00 | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 248,000.00 | 0.00                 | 248,000.00   | 0.00      |
| Purchase         | 06/29/2021         | 31846V203  | 1,916.73   | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 1,916.73   | 0.00                 | 1,916.73     | 0.00      |
| Purchase         | 06/29/2021         | 58769KAD6  | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-<br>B A3<br>0.4% Due 11/15/2024 | 99.992  | 0.40%             | 79,993.96  | 0.00                 | 79,993.96    | 0.00      |
| Purchase         | 06/30/2021         | 09CATR\$05 | 205.28     | CalTrust Medium Term Fund   | 10.260  | 0.22%             | 2,106.20   | 0.00                 | 2,106.20     | 0.00      |
| Subtotal         |                    |            | 909,935.84 |   |         |                   | 920,165.69 | 1,101.10             | 921,266.79   | 0.00      |
| TOTAL ACQUIS     | SITIONS            |            | 909,935.84 |   |         |                   | 920,165.69 | 1,101.10             | 921,266.79   | 0.00      |
| DISPOSITIONS     |                    |            |            |   |         |                   |            |                      |              |           |
| Sale             | 06/18/2021         | 31846V203  | 397,898.83 | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 397,898.83 | 0.00                 | 397,898.83   | 0.00      |
| Sale             | 06/25/2021         | 31846V203  | 136,537.24 | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 136,537.24 | 0.00                 | 136,537.24   | 0.00      |
| Sale             | 06/29/2021         | 31846V203  | 79,993.96  | First American Govt Obligation Fund<br>Class Y                      | 1.000   | 0.01%             | 79,993.96  | 0.00                 | 79,993.96    | 0.00      |
| Subtotal         |                    |            | 614,430.03 |   |         |                   | 614,430.03 | 0.00                 | 614,430.03   | 0.00      |

## **Transaction Ledger**

Account #10647



| Transaction<br>Type | Settlement<br>Date | CUSIP     | Quantity  | Security Description  | Price   | Acq/Disp A<br>Yield | mount  | Interest<br>Pur/Sold | Total Amount | Gain/Loss |
|---------------------|--------------------|-----------|-----------|---|---------|---------------------|--------|----------------------|--------------|-----------|
| DISPOSITIONS        |                    |           |           |   |         |                     |        |                      |              |           |
| Paydown             | 06/15/2021         | 43815NAC8 | 7,447.68  | Honda Auto Receivables Trust 2019-3<br>A3<br>1.78% Due 8/15/2023  | 100.000 | 7,                  | 447.68 | 170.58               | 7,618.26     | 0.00      |
| Paydown             | 06/15/2021         | 47788UAC6 | 0.00      | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025           | 100.000 |                     | 0.00   | 18.00                | 18.00        | 0.00      |
| Paydown             | 06/15/2021         | 47789JAD8 | 23,259.59 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023           | 100.000 | 23,                 | 259.59 | 613.81               | 23,873.40    | 0.00      |
| Paydown             | 06/15/2021         | 65479JAD5 | 0.00      | Nissan Auto Receivables Owner 2019-C<br>A3<br>1.93% Due 7/15/2024 | 100.000 |                     | 0.00   | 193.00               | 193.00       | 0.00      |
| Paydown             | 06/15/2021         | 89231PAD0 | 9,479.64  | Toyota Auto Receivables Trust 2018-D<br>A3<br>3.18% Due 3/15/2023 | 100.000 | 9,                  | 479.64 | 224.88               | 9,704.52     | 0.00      |
| Paydown             | 06/15/2021         | 89232HAC9 | 0.00      | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024       | 100.000 |                     | 0.00   | 297.42               | 297.42       | 0.00      |
| Paydown             | 06/15/2021         | 89236XAC0 | 0.00      | Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025             | 100.000 |                     | 0.00   | 20.42                | 20.42        | 0.00      |
| Paydown             | 06/18/2021         | 43813KAC6 | 0.00      | Honda Auto Receivables Trust 2020-3<br>A3<br>0.37% Due 10/18/2024 | 100.000 |                     | 0.00   | 26.21                | 26.21        | 0.00      |
| Paydown             | 06/21/2021         | 43813GAC5 | 0.00      | Honda Auto Receivables Trust 2021-1<br>A3<br>0.27% Due 4/21/2025  | 100.000 |                     | 0.00   | 18.00                | 18.00        | 0.00      |
| Paydown             | 06/21/2021         | 92290BAA9 | 0.00      | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025               | 100.000 |                     | 0.00   | 47.00                | 47.00        | 0.00      |
| Paydown             | 06/21/2021         | 92348AAA3 | 0.00      | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024             | 100.000 |                     | 0.00   | 129.33               | 129.33       | 0.00      |
| Paydown             | 06/25/2021         | 3137B4GY6 | 0.00      | FHLMC K032 A2Due 5/25/2023  | 100.000 |                     | 0.00   | 758.53               | 758.53       | 0.00      |
| Paydown             | 06/25/2021         | 3137BM6P6 | 215.49    | FHLMC K721 A2Due 8/25/2022  | 100.000 |                     | 215.49 | 344.49               | 559.98       | 0.00      |
| Subtotal            |                    |           | 40,402.40 |   |         | 40,                 | 402.40 | 2,861.67             | 43,264.07    | 0.00      |

## **Transaction Ledger**

Account #10647



| Transaction<br>Type | Settlement<br>Date | CUSIP      | Quantity     | Security Description                                | Price   | Acq/Disp<br>Yield Amount | Interest<br>Pur/Sold | Total Amount | Gain/Loss |
|---------------------|--------------------|------------|--------------|---|---------|--------------------------|----------------------|--------------|-----------|
| DISPOSITIONS        | }                  |            |              |   |         |                          |                      |              |           |
| Maturity            | 06/29/2021         | 87164XMJ2  | 248,000.00   | Synchrony Bank Negotiable CD<br>1.55% Due 6/29/2021 | 100.000 | 248,000.00               | 0.00                 | 248,000.00   | 0.00      |
| Subtotal            |                    |            | 248,000.00   |   |         | 248,000.00               | 0.00                 | 248,000.00   | 0.00      |
| TOTAL DISPOS        | SITIONS            |            | 902,832.43   |   |         | 902,832.43               | 2,861.67             | 905,694.10   | 0.00      |
| OTHER TRANS         | ACTIONS            |            |              |   |         |                          |                      |              |           |
| Interest            | 06/08/2021         | 3130A0F70  | 350,000.00   | FHLB Note<br>3.375% Due 12/8/2023                   | 0.000   | 5,906.25                 | 0.00                 | 5,906.25     | 0.00      |
| Interest            | 06/08/2021         | 3134GVJ66  | 350,000.00   | FHLMC Note<br>0.25% Due 6/8/2022                    | 0.000   | 437.50                   | 0.00                 | 437.50       | 0.00      |
| Interest            | 06/14/2021         | 3130A1XJ2  | 155,000.00   | FHLB Note<br>2.875% Due 6/14/2024                   | 0.000   | 2,228.13                 | 0.00                 | 2,228.13     | 0.00      |
| Interest            | 06/20/2021         | 3130AHSR5  | 320,000.00   | FHLB Note<br>1.625% Due 12/20/2021                  | 0.000   | 2,600.00                 | 0.00                 | 2,600.00     | 0.00      |
| Interest            | 06/26/2021         | 3137EAES4  | 300,000.00   | FHLMC Note<br>0.25% Due 6/26/2023                   | 0.000   | 375.00                   | 0.00                 | 375.00       | 0.00      |
| Interest            | 06/29/2021         | 87164XMJ2  | 248,000.00   | Synchrony Bank Negotiable CD<br>1.55% Due 6/29/2021 | 0.000   | 1,916.73                 | 0.00                 | 1,916.73     | 0.00      |
| Subtotal            |                    |            | 1,723,000.00 |   |         | 13,463.61                | 0.00                 | 13,463.61    | 0.00      |
| Dividend            | 06/01/2021         | 31846V203  | 573,833.59   | First American Govt Obligation Fund<br>Class Y      | 0.000   | 2.88                     | 0.00                 | 2.88         | 0.00      |
| Dividend            | 06/30/2021         | 09CATR\$05 | 651,908.73   | CalTrust Medium Term Fund                           | 0.000   | 2,106.20                 | 0.00                 | 2,106.20     | 0.00      |
| Subtotal            |                    |            | 1,225,742.32 |   |         | 2,109.08                 | 0.00                 | 2,109.08     | 0.00      |
| TOTAL OTHER         | TRANSACTIONS       |            | 2,948,742.32 |   |         | 15,572.69                | 0.00                 | 15,572.69    | 0.00      |

## **Income Earned**

Account #10647



| CUSIP        | Security Description  | Trade Date<br>Settle Date<br>Units     | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|--------------|---|--|---|--|---|--------------|
| FIXED INCOME |   |  |   |  |   |              |
| 023135BW5    | Amazon.com Inc<br>Callable Note Cont 11/12/2021<br>0.45% Due 05/12/2024       | 05/10/2021<br>05/12/2021<br>130,000.00 | 129,813.66<br>0.00<br>0.00<br>129,818.86                                    | 30.88<br>0.00<br>79.63<br>48.75                                    | 5.20<br>0.00<br>5.20<br>53.95   | 53.95        |
| 02665WBF7    | American Honda Finance<br>Note<br>1.65% Due 07/12/2021                        | 07/30/2019<br>07/31/2019<br>200,000.00 | 199,867.10<br>0.00<br>0.00<br>199,964.34                                    | 1,274.17<br>0.00<br>1,549.17<br>275.00                             | 97.24<br>0.00<br>97.24<br>372.24  | 372.24       |
| 037833AK6    | Apple Inc<br>Note<br>2.4% Due 05/03/2023                                      | 03/11/2019<br>03/13/2019<br>200,000.00 | 198,594.29<br>0.00<br>0.00<br>198,654.45                                    | 373.33<br>0.00<br>773.33<br>400.00                                 | 60.16<br>0.00<br>60.16<br>460.16  | 460.16       |
| 037833DE7    | Apple Inc<br>Callable Note Cont 12/13/2022<br>2.4% Due 01/13/2023             | 11/21/2019<br>11/25/2019<br>200,000.00 | 201,684.02<br>0.00<br>0.00<br>201,593.81                                    | 1,840.00<br>0.00<br>2,240.00<br>400.00                             | 0.00<br>90.21<br>(90.21)<br>309.79  | 309.79       |
| 06406FAD5    | Bank of NY Mellon Corp<br>Callable Note Cont 6/16/2023<br>2.2% Due 08/16/2023 | 04/11/2019<br>04/15/2019<br>200,000.00 | 197,098.60<br>0.00<br>0.00<br>197,206.60                                    | 1,283.33<br>0.00<br>1,650.00<br>366.67                             | 108.00<br>0.00<br>108.00<br>474.67  | 474.67       |
| 14913R2L0    | Caterpillar Financial Service<br>Note<br>0.45% Due 05/17/2024                 | 05/10/2021<br>05/17/2021<br>205,000.00 | 204,729.06<br>0.00<br>0.00<br>204,736.58                                    | 35.88<br>0.00<br>112.75<br>76.87                                   | 7.52<br>0.00<br>7.52<br>84.39   | 84.39        |
| 24422ETV1    | John Deere Capital Corp<br>Note<br>2.15% Due 09/08/2022                       | 04/17/2019<br>04/22/2019<br>305,000.00 | 302,689.84<br>0.00<br>0.00<br>302,839.21                                    | 1,511.87<br>0.00<br>2,058.33<br>546.46                             | 149.37<br>0.00<br>149.37<br>695.83  | 695.83       |
| 3130A0F70    | FHLB<br>Note<br>3.375% Due 12/08/2023   | 10/30/2019<br>10/31/2019<br>350,000.00 | 363,981.97<br>0.00<br>0.00<br>363,526.04                                    | 5,676.56<br>5,906.25<br>754.69<br>984.38                           | 0.00<br>455.93<br>(455.93)<br>528.45  | 528.45       |
| 3130A1XJ2    | FHLB<br>Note<br>2.875% Due 06/14/2024   | 03/24/2020<br>03/25/2020<br>155,000.00 | 163,638.23<br>0.00<br>0.00<br>163,404.55                                    | 2,067.20<br>2,228.13<br>210.43<br>371.36                           | 0.00<br>233.68<br>(233.68)<br>137.68  | 137.68       |

## **Income Earned**

Account #10647



| CUSIP     | Security Description  | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|-----------------------|------------------------------------|---|--|---|--------------|
| 3130ADRG9 | FHLB                  | 04/11/2019                         | 352,415.15  | 2,165.63   | 0.00  | 690.09       |
|           | Note                  | 04/12/2019                         | 0.00  | 0.00   | 111.99  |              |
|           | 2.75% Due 03/10/2023  | 350,000.00                         | 0.00<br>352,303.16  | 2,967.71<br>802.08   | (111.99)<br>690.09  |              |
| 3130AHSR5 | FHLB                  | 12/19/2019                         | 319,904.50  | 2,325.56   | 14.18   | 447.51       |
|           | Note                  | 12/20/2019                         | 0.00  | 2,600.00   | 0.00  |              |
|           | 1.625% Due 12/20/2021 | 320,000.00                         | 0.00  | 158.89   | 14.18   |              |
|           |                       |                                    | 319,918.68  | 433.33   | 447.51  |              |
| 3133ELWD2 | FFCB                  | 04/03/2020                         | 284,820.30  | 157.34   | 17.34   | 106.41       |
|           | Note                  | 04/08/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.375% Due 04/08/2022 | 285,000.00                         | 0.00  | 246.41   | 17.34   |              |
|           |                       |                                    | 284,837.64  | 89.07  | 106.41  |              |
| 3133ELYR9 | FFCB                  | 04/30/2020                         | 324,808.33  | 56.42  | 16.96   | 84.67        |
|           | Note                  | 05/06/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 05/06/2022  | 325,000.00                         | 0.00  | 124.13   | 16.96   |              |
|           |                       |                                    | 324,825.29  | 67.71  | 84.67   |              |
| 3134GVJ66 | FHLMC                 | 06/04/2020                         | 349,892.99  | 420.49   | 8.63  | 81.54        |
|           | Note                  | 06/08/2020                         | 0.00  | 437.50   | 0.00  |              |
|           | 0.25% Due 06/08/2022  | 350,000.00                         | 0.00  | 55.90  | 8.63  |              |
|           |                       |                                    | 349,901.62  | 72.91  | 81.54   |              |
| 3135G04Q3 | FNMA                  | 05/20/2020                         | 244,515.10  | 15.31  | 20.21   | 71.25        |
|           | Note                  | 05/22/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 05/22/2023  | 245,000.00                         | 0.00  | 66.35  | 20.21   |              |
|           |                       |                                    | 244,535.31  | 51.04  | 71.25   |              |
| 3135G05G4 | FNMA                  | 07/08/2020                         | 249,622.52  | 244.79   | 14.73   | 66.82        |
|           | Note                  | 07/10/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 07/10/2023  | 250,000.00                         | 0.00  | 296.88   | 14.73   |              |
|           |                       |                                    | 249,637.25  | 52.09  | 66.82   |              |
| 3135G06G3 | FNMA                  | 11/18/2020                         | 349,678.05  | 116.67   | 5.97  | 151.80       |
|           | Note                  | 11/19/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.5% Due 11/07/2025   | 350,000.00                         | 0.00  | 262.50   | 5.97  |              |
|           |                       |                                    | 349,684.02  | 145.83   | 151.80  |              |
| 3135G0U43 | FNMA                  | 09/25/2019                         | 359,614.90  | 2,208.16   | 0.00  | 492.27       |
|           | Note                  | 09/26/2019                         | 0.00  | 0.00   | 346.27  |              |
|           | 2.875% Due 09/12/2023 | 350,000.00                         | 0.00  | 3,046.70   | (346.27)  |              |
|           |                       |                                    | 359,268.63  | 838.54   | 492.27  |              |

## **Income Earned**

Account #10647



| CUSIP     | Security Description  | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|-----------------------|------------------------------------|---|--|---|--------------|
| 3137B4GY6 | FHLMC                 | 07/23/2019                         | 280,623.71  | 151.71   | 0.00  | 525.18       |
|           | K032 A2               | 07/26/2019                         | 0.00  | 758.53   | 233.35  |              |
|           | 3.31% Due 05/25/2023  | 275,000.00                         | 0.00  | 151.71   | (233.35)  |              |
|           |                       |                                    | 280,390.36  | 758.53   | 525.18  |              |
| 3137BM6P6 | FHLMC                 | 06/26/2019                         | 135,211.87  | 344.49   | 0.00  | 246.41       |
|           | K721 A2               | 06/28/2019                         | 0.00  | 344.49   | 97.52   |              |
|           | 3.09% Due 08/25/2022  | 133,565.84                         | 215.49  | 343.93   | (97.52)   |              |
|           |                       |                                    | 134,898.86  | 343.93   | 246.41  |              |
| 3137EADB2 | FHLMC                 | 10/30/2019                         | 351,438.54  | 3,186.46   | 0.00  | 501.75       |
|           | Note                  | 10/31/2019                         | 0.00  | 0.00   | 190.96  |              |
|           | 2.375% Due 01/13/2022 | 350,000.00                         | 0.00  | 3,879.17   | (190.96)  |              |
|           |                       |                                    | 351,247.58  | 692.71   | 501.75  |              |
| 3137EAER6 | FHLMC                 | 05/05/2020                         | 304,917.61  | 82.60  | 3.51  | 98.83        |
|           | Note                  | 05/07/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.375% Due 05/05/2023 | 305,000.00                         | 0.00  | 177.92   | 3.51  |              |
|           |                       |                                    | 304,921.12  | 95.32  | 98.83   |              |
| 3137EAES4 | FHLMC                 | 06/24/2020                         | 299,396.00  | 322.92   | 24.00   | 86.50        |
|           | Note                  | 06/26/2020                         | 0.00  | 375.00   | 0.00  |              |
|           | 0.25% Due 06/26/2023  | 300,000.00                         | 0.00  | 10.42  | 24.00   |              |
|           |                       |                                    | 299,420.00  | 62.50  | 86.50   |              |
| 3137EAET2 | FHLMC                 | 07/21/2020                         | 169,780.08  | 74.38  | 15.75   | 33.45        |
|           | Note                  | 07/23/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.125% Due 07/25/2022 | 170,000.00                         | 0.00  | 92.08  | 15.75   |              |
|           |                       |                                    | 169,795.83  | 17.70  | 33.45   |              |
| 3137EAEV7 | FHLMC                 | 08/19/2020                         | 299,773.15  | 202.08   | 8.36  | 70.86        |
|           | Note                  | 08/21/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 08/24/2023  | 300,000.00                         | 0.00  | 264.58   | 8.36  |              |
|           |                       |                                    | 299,781.51  | 62.50  | 70.86   |              |
| 3137EAEW5 | FHLMC                 | 09/11/2020                         | 300,070.80  | 172.92   | 0.00  | 59.93        |
|           | Note                  | 09/14/2020                         | 0.00  | 0.00   | 2.57  |              |
|           | 0.25% Due 09/08/2023  | 300,000.00                         | 0.00  | 235.42   | (2.57)  |              |
|           |                       |                                    | 300,068.23  | 62.50  | 59.93   |              |
| 3137EAEY1 | FHLMC                 | 10/14/2020                         | 224,335.50  | 35.16  | 22.99   | 46.42        |
|           | Note                  | 10/16/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.125% Due 10/16/2023 | 225,000.00                         | 0.00  | 58.59  | 22.99   |              |
|           |                       |                                    | 224,358.49  | 23.43  | 46.42   |              |

## **Income Earned**

Account #10647



| CUSIP     | Security Description                    | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|---|------------------------------------|---|--|---|--------------|
| 3137EAEZ8 | FHLMC                                   | 11/03/2020                         | 334,755.72  | 58.16  | 8.25  | 78.04        |
|           | Note                                    | 11/05/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 11/06/2023                    | 335,000.00                         | 0.00  | 127.95   | 8.25  |              |
| 404200046 | LICEO III III                           | 05/45/2040                         | 334,763.97  | 69.79  | 78.04   | 502.20       |
| 404280BA6 | HSBC Holdings PLC<br>Note               | 05/15/2019<br>05/17/2019           | 202,352.58<br>0.00  | 120.00<br>0.00   | 0.00<br>97.62   | 502.38       |
|           | 3.6% Due 05/25/2023                     | 200,000.00                         | 0.00  | 720.00   |   |              |
|           | 3.0% Due 05/25/2023                     | 200,000.00                         | 202,254.96  | 600.00   | (97.62)<br>502.38   |              |
| 43813GAC5 | Honda Auto Receivables Trust            | 02/17/2021                         | 79,998.67   | 6.00   | 0.04  | 18.04        |
|           | 2021-1 A3                               | 02/24/2021                         | 0.00  | 18.00  | 0.00  |              |
|           | 0.27% Due 04/21/2025                    | 80,000.00                          | 0.00  | 6.00   | 0.04  |              |
|           | , | ,                                  | 79,998.71   | 18.00  | 18.04   |              |
| 43813KAC6 | Honda Auto Receivables Trust            | 09/22/2020                         | 84,990.18   | 11.36  | 0.33  | 26.54        |
|           | 2020-3 A3                               | 09/29/2020                         | 0.00  | 26.21  | 0.00  |              |
|           | 0.37% Due 10/18/2024                    | 85,000.00                          | 0.00  | 11.36  | 0.33  |              |
|           |   |                                    | 84,990.51   | 26.21  | 26.54   |              |
| 43815NAC8 | Honda Auto Receivables Trust            | 08/20/2019                         | 114,999.60  | 90.98  | 0.05  | 164.74       |
|           | 2019-3 A3                               | 08/27/2019                         | 0.00  | 170.58   | 0.00  |              |
|           | 1.78% Due 08/15/2023                    | 107,552.32                         | 7,447.68  | 85.09  | 0.05  |              |
|           |   |                                    | 107,551.97  | 164.69   | 164.74  |              |
| 459058GQ0 | Intl. Bank Recon & Development          | 01/26/2021                         | 239,033.77  | 1,125.00   | 0.00  | 56.80        |
|           | Note                                    | 01/28/2021                         | 0.00  | 0.00   | 411.95  |              |
|           | 2.5% Due 03/19/2024                     | 225,000.00                         | 0.00  | 1,593.75   | (411.95)  |              |
|           |   |                                    | 238,621.82  | 468.75   | 56.80   |              |
| 459058JM6 | Intl. Bank Recon & Development          | 11/17/2020                         | 164,706.48  | 8.02   | 9.72  | 44.10        |
|           | Note                                    | 11/24/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 11/24/2023                    | 165,000.00                         | 0.00  | 42.40  | 9.72  |              |
|           |   |                                    | 164,716.20  | 34.38  | 44.10   |              |
| 459200JX0 | IBM Corp                                | 05/16/2019                         | 200,095.32  | 285.00   | 0.00  | 466.73       |
|           | Note                                    | 05/20/2019                         | 0.00  | 0.00   | 8.27  |              |
|           | 2.85% Due 05/13/2022                    | 200,000.00                         | 0.00  | 760.00   | (8.27)  |              |
|           |   |                                    | 200,087.05  | 475.00   | 466.73  |              |
| 46647PAH9 | JP Morgan Chase & Co                    | 08/19/2020                         | 223,110.38  | 1,690.50   | 0.00  | 171.76       |
|           | Callable Note 2X 3/1/2024               | 08/21/2020                         | 0.00  | 0.00   | 391.74  |              |
|           | 3.22% Due 03/01/2025                    | 210,000.00                         | 0.00  | 2,254.00   | (391.74)  |              |
|           |   |                                    | 222,718.64  | 563.50   | 171.76  |              |

## **Income Earned**

Account #10647



| CUSIP     | Security Description   | Trade Date<br>Settle Date<br>Units     | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|--|--|---|--|---|--------------|
| 47788UAC6 | John Deere Owner Trust<br>2021-A A3<br>0.36% Due 09/15/2025          | 03/02/2021<br>03/10/2021<br>60,000.00  | 59,989.20<br>0.00<br>0.00<br>59,989.46                                      | 9.60<br>18.00<br>9.60<br>18.00                                     | 0.26<br>0.00<br>0.26<br>18.26   | 18.26        |
| 47789JAD8 | John Deere Owner Trust<br>2019-A A3<br>2.91% Due 07/17/2023          | Various<br>Various<br>229,856.08       | 256,021.63<br>0.00<br>23,259.59<br>232,315.08                               | 327.37<br>613.81<br>297.28<br>583.72                               | 0.00<br>446.96<br>(446.96)<br>136.76  | 136.76       |
| 58769KAD6 | Mercedes-Benz Auto Lease Trust<br>2021-B A3<br>0.4% Due 11/15/2024   | 06/22/2021<br>06/29/2021<br>80,000.00  | 0.00<br>79,993.96<br>0.00<br>79,993.97                                      | 0.00<br>0.00<br>1.78<br>1.78                                       | 0.01<br>0.00<br>0.01<br>1.79  | 1.79         |
| 594918BX1 | Microsoft<br>Callable Note Cont 12/6/2023<br>2.875% Due 02/06/2024   | 03/05/2020<br>03/09/2020<br>200,000.00 | 208,944.96<br>0.00<br>0.00<br>208,652.64                                    | 1,836.81<br>0.00<br>2,315.97<br>479.16                             | 0.00<br>292.32<br>(292.32)<br>186.84  | 186.84       |
| 65479JAD5 | Nissan Auto Receivables Owner<br>2019-C A3<br>1.93% Due 07/15/2024   | 10/16/2019<br>10/23/2019<br>120,000.00 | 119,995.81<br>0.00<br>0.00<br>119,995.93                                    | 102.93<br>193.00<br>102.93<br>193.00                               | 0.12<br>0.00<br>0.12<br>193.12  | 193.12       |
| 69353RFB9 | PNC Bank<br>Callable Note Cont 1/18/2022<br>2.625% Due 02/17/2022    | 02/21/2019<br>02/25/2019<br>250,000.00 | 249,238.95<br>0.00<br>0.00<br>249,326.43                                    | 1,895.83<br>0.00<br>2,442.71<br>546.88                             | 87.48<br>0.00<br>87.48<br>634.36  | 634.36       |
| 69371RP42 | Paccar Financial Corp<br>Note<br>3.15% Due 08/09/2021                | 04/24/2019<br>04/26/2019<br>200,000.00 | 200,149.72<br>0.00<br>0.00<br>200,084.62                                    | 1,960.00<br>0.00<br>2,485.00<br>525.00                             | 0.00<br>65.10<br>(65.10)<br>459.90  | 459.90       |
| 747525AR4 | Qualcomm Inc<br>Callable Note Cont 12/30/2022<br>2.6% Due 01/30/2023 | 02/11/2020<br>02/13/2020<br>75,000.00  | 75,974.61<br>0.00<br>0.00<br>75,923.94                                      | 655.42<br>0.00<br>817.92<br>162.50                                 | 0.00<br>50.67<br>(50.67)<br>111.83  | 111.83       |
| 78015K7C2 | Royal Bank of Canada<br>Note<br>2.25% Due 11/01/2024                 | 09/22/2020<br>09/24/2020<br>225,000.00 | 236,786.55<br>0.00<br>0.00<br>236,503.45                                    | 421.88<br>0.00<br>843.75<br>421.87                                 | 0.00<br>283.10<br>(283.10)<br>138.77  | 138.77       |

## **Income Earned**

Account #10647



| CUSIP     | Security Description          | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|-------------------------------|------------------------------------|---|--|---|--------------|
| 808513BN4 | Charles Schwab Corp           | Various                            | 246,094.51  | 372.61   | 1.30  | 119.98       |
|           | Callable Note Cont 2/18/2024  | Various                            | 0.00  | 0.00   | 34.44   |              |
|           | 0.75% Due 03/18/2024          | 245,000.00                         | 0.00  | 525.73   | (33.14)   |              |
|           |                               |                                    | 246,061.37  | 153.12   | 119.98  |              |
| 89114QCB2 | Toronto Dominion Bank         | 07/16/2019                         | 203,941.34  | 1,444.44   | 0.00  | 425.06       |
|           | Note                          | 07/18/2019                         | 0.00  | 0.00   | 116.61  |              |
|           | 3.25% Due 03/11/2024          | 200,000.00                         | 0.00  | 1,986.11   | (116.61)  |              |
|           |                               |                                    | 203,824.73  | 541.67   | 425.06  |              |
| 89231PAD0 | Toyota Auto Receivables Trust | 08/29/2019                         | 85,776.09   | 119.94   | 0.00  | 71.97        |
|           | 2018-D A3                     | 08/30/2019                         | 0.00  | 224.88   | 139.51  |              |
|           | 3.18% Due 03/15/2023          | 75,382.11                          | 9,479.64  | 106.54   | (139.51)  |              |
|           |                               |                                    | 76,156.94   | 211.48   | 71.97   |              |
| 89232HAC9 | Toyota Auto Receivable Own    | 07/06/2020                         | 218,632.50  | 158.62   | 0.00  | 196.42       |
|           | 2020-A A3                     | 07/08/2020                         | 0.00  | 297.42   | 101.00  |              |
|           | 1.66% Due 05/15/2024          | 215,000.00                         | 0.00  | 158.62   | (101.00)  |              |
|           |                               |                                    | 218,531.50  | 297.42   | 196.42  |              |
| 89236TEL5 | Toyota Motor Credit Corp      | 04/25/2019                         | 199,937.31  | 2,100.00   | 3.20  | 453.20       |
|           | Note                          | 04/29/2019                         | 0.00  | 0.00   | 0.00  |              |
|           | 2.7% Due 01/11/2023           | 200,000.00                         | 0.00  | 2,550.00   | 3.20  |              |
|           |                               |                                    | 199,940.51  | 450.00   | 453.20  |              |
| 89236XAC0 | Toyota Auto Receivables       | 10/06/2020                         | 69,988.90   | 10.89  | 0.25  | 20.67        |
|           | 2020-D A3                     | 10/13/2020                         | 0.00  | 20.42  | 0.00  |              |
|           | 0.35% Due 01/15/2025          | 70,000.00                          | 0.00  | 10.89  | 0.25  |              |
|           |                               |                                    | 69,989.15   | 20.42  | 20.67   |              |
| 90331HNV1 | US Bank NA                    | 05/17/2019                         | 253,369.91  | 2,998.61   | 0.00  | 573.89       |
|           | Callable Note Cont 6/23/2023  | 05/21/2019                         | 0.00  | 0.00   | 134.44  |              |
|           | 3.4% Due 07/24/2023           | 250,000.00                         | 0.00  | 3,706.94   | (134.44)  |              |
|           |                               |                                    | 253,235.47  | 708.33   | 573.89  |              |
| 9128284Z0 | US Treasury                   | 06/24/2021                         | 0.00  | 0.00   | 0.00  | 15.04        |
|           | Note                          | 06/25/2021                         | 135,444.34  | (1,092.90)   | 41.01   |              |
|           | 2.75% Due 08/31/2025          | 125,000.00                         | 0.00  | 1,148.95   | (41.01)   |              |
|           |                               |                                    | 135,403.33  | 56.05  | 15.04   |              |
| 912828M80 | US Treasury                   | Various                            | 301,737.99  | 16.39  | 0.00  | 396.49       |
|           | Note                          | Various                            | 0.00  | 0.00   | 95.32   |              |
|           | 2% Due 11/30/2022             | 300,000.00                         | 0.00  | 508.20   | (95.32)   |              |
|           | • •                           | ,                                  | 301,642.67  | 491.81   | 396.49  |              |

## **Income Earned**

Account #10647



| CUSIP     | Security Description  | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|-----------------------|------------------------------------|---|--|---|--------------|
| 912828T26 | US Treasury           | Various                            | 296,256.82  | 698.77   | 131.96  | 470.08       |
|           | Note                  | Various                            | 0.00  | 0.00   | 0.00  |              |
|           | 1.375% Due 09/30/2023 | 300,000.00                         | 0.00<br>296,388.78  | 1,036.89<br>338.12   | 131.96<br>470.08  |              |
| 912828V80 | US Treasury           | 11/26/2019                         | 203,385.82  | 1,504.14   | 0.00  | 268.65       |
|           | Note                  | 11/27/2019                         | 0.00  | 0.00   | 104.28  |              |
|           | 2.25% Due 01/31/2024  | 200,000.00                         | 0.00  | 1,877.07   | (104.28)  |              |
|           |                       |                                    | 203,281.54  | 372.93   | 268.65  |              |
| 912828VB3 | US Treasury           | 12/16/2019                         | 250,296.41  | 202.11   | 0.00  | 344.18       |
|           | Note                  | 12/17/2019                         | 0.00  | 0.00   | 12.47   |              |
|           | 1.75% Due 05/15/2023  | 250,000.00                         | 0.00  | 558.76   | (12.47)   |              |
|           |                       |                                    | 250,283.94  | 356.65   | 344.18  |              |
| 912828WJ5 | US Treasury           | 12/12/2019                         | 306,474.94  | 346.47   | 0.00  | 431.39       |
|           | Note                  | 12/13/2019                         | 0.00  | 0.00   | 180.02  |              |
|           | 2.5% Due 05/15/2024   | 300,000.00                         | 0.00  | 957.88   | (180.02)  |              |
|           |                       |                                    | 306,294.92  | 611.41   | 431.39  |              |
| 912828Y87 | US Treasury           | 01/31/2020                         | 303,660.88  | 1,754.83   | 0.00  | 340.08       |
|           | Note                  | 01/31/2020                         | 0.00  | 0.00   | 95.01   |              |
|           | 1.75% Due 07/31/2024  | 300,000.00                         | 0.00  | 2,189.92   | (95.01)   |              |
|           |                       |                                    | 303,565.87  | 435.09   | 340.08  |              |
| 912828ZF0 | US Treasury           | 03/25/2021                         | 348,954.11  | 296.45   | 22.42   | 165.86       |
|           | Note                  | 03/29/2021                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.5% Due 03/31/2025   | 350,000.00                         | 0.00  | 439.89   | 22.42   |              |
|           |                       |                                    | 348,976.53  | 143.44   | 165.86  |              |
| 912828ZT0 | US Treasury           | 02/25/2021                         | 359,979.97  | 2.49   | 103.15  | 177.95       |
|           | Note                  | 02/26/2021                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.25% Due 05/31/2025  | 365,000.00                         | 0.00  | 77.29  | 103.15  |              |
|           |                       |                                    | 360,083.12  | 74.80  | 177.95  |              |
| 91282CAZ4 | US Treasury           | 12/09/2020                         | 149,766.75  | 1.54   | 4.26  | 50.36        |
|           | Note                  | 12/10/2020                         | 0.00  | 0.00   | 0.00  |              |
|           | 0.375% Due 11/30/2025 | 150,000.00                         | 0.00  | 47.64  | 4.26  |              |
|           |                       |                                    | 149,771.01  | 46.10  | 50.36   |              |
| 91282CBV2 | US Treasury           | 04/29/2021                         | 350,305.14  | 168.55   | 0.00  | 98.85        |
|           | Note                  | 04/30/2021                         | 0.00  | 0.00   | 8.73  |              |
|           | 0.375% Due 04/15/2024 | 350,000.00                         | 0.00  | 276.13   | (8.73)  |              |
|           |                       |                                    | 350,296.41  | 107.58   | 98.85   |              |

## **Income Earned**

Account #10647



| CUSIP                  | Security Description   | Trade Date<br>Settle Date<br>Units   | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End  | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest                                 | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned              | Total Income     |
|------------------------|--|--|--|--|--|------------------|
| 91282CCG4              | US Treasury  | 06/17/2021   | 0.00   | 0.00   | 25.09  | 60.61            |
|                        | Note   | 06/18/2021   | 397,890.63   | (8.20)   | 0.00   |                  |
|                        | 0.25% Due 06/15/2024   | 400,000.00   | 0.00   | 43.72  | 25.09  |                  |
|                        |  |  | 397,915.72   | 35.52  | 60.61  |                  |
| 92290BAA9              | Verizon Owner Trust  | 08/04/2020   | 119,979.27   | 17.23  | 0.45   | 47.45            |
|                        | 2020-B A   | 08/12/2020   | 0.00   | 47.00  | 0.00   |                  |
|                        | 0.47% Due 02/20/2025   | 120,000.00   | 0.00   | 17.23  | 0.45   |                  |
|                        |  |  | 119,979.72   | 47.00  | 47.45  |                  |
| 92348AAA3              | Verizon Owner Trust  | 10/01/2019   | 79,996.07  | 47.42  | 0.11   | 129.44           |
|                        | 2019-C A1A   | 10/08/2019   | 0.00   | 129.33   | 0.00   |                  |
|                        | 1.94% Due 04/22/2024   | 80,000.00  | 0.00   | 47.42  | 0.11   |                  |
|                        |  |  | 79,996.18  | 129.33   | 129.44   |                  |
| Total Fixed Inco       |  | 45.024.256.25  | 14,562,594.73<br>613,328.93<br>40,402.40   | 49,242.67<br>13,307.45<br>55,056.93  | 998.57<br>4,873.05<br>(3,874.48)   | 45 247 22        |
| Total Fixed Incol      | ne   | 15,021,356.35  | 15,131,646.78  | 19,121.71  | 15,247.23  | 15,247.23        |
| CASH & EQUIVA          | LENT   |  |  |  |  |                  |
| 004700064              | Danafiaial Dank  |  |  |  |  |                  |
| 08173QBS4              | Beneficial Bank  | 09/20/2016   | 248,000.00   | 579.23   | 0.00   | 315.95           |
| 08173QBS4              | Negotiable CD  | 09/20/2016<br>09/20/2016   | 0.00   | 579.23<br>0.00   | 0.00<br>0.00   | 315.95           |
| 081/3QBS4              |  |  |  |  |  | 315.95           |
| 08173QBS4              | Negotiable CD  | 09/20/2016   | 0.00   | 0.00   | 0.00   | 315.95           |
| 29976D2F6              | Negotiable CD  | 09/20/2016   | 0.00<br>0.00   | 0.00<br>895.18   | 0.00<br>0.00   | 315.95<br>417.86 |
|                        | Negotiable CD<br>1.55% Due 10/07/2021  | 09/20/2016<br>248,000.00   | 0.00<br>0.00<br>248,000.00   | 0.00<br>895.18<br>315.95   | 0.00<br>0.00<br>315.95   |                  |
|                        | Negotiable CD<br>1.55% Due 10/07/2021<br>Everbank  | 09/20/2016<br>248,000.00<br>02/09/2017   | 0.00<br>0.00<br>248,000.00<br>248,000.00   | 0.00<br>895.18<br>315.95<br>1,392.88   | 0.00<br>0.00<br>315.95<br>0.00   |                  |
|                        | Negotiable CD<br>1.55% Due 10/07/2021<br>Everbank<br>Negotiable CD   | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017   | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00   | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00   | 0.00<br>0.00<br>315.95<br>0.00<br>0.00   |                  |
|                        | Negotiable CD<br>1.55% Due 10/07/2021<br>Everbank<br>Negotiable CD   | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017   | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00   | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74   | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00   |                  |
| 29976D2F6              | Negotiable CD 1.55% Due 10/07/2021  Everbank Negotiable CD 2.05% Due 02/14/2022  | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017<br>248,000.00                                     | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00<br>248,000.00   | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74<br>417.86                                 | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00<br>417.86                                 | 417.86           |
| 29976D2F6              | Negotiable CD 1.55% Due 10/07/2021  Everbank Negotiable CD 2.05% Due 02/14/2022  First American  | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017<br>248,000.00<br>Various                          | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00<br>248,000.00<br>573,833.59   | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74<br>417.86                                 | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00<br>417.86                                 | 417.86           |
| 29976D2F6              | Negotiable CD 1.55% Due 10/07/2021  Everbank Negotiable CD 2.05% Due 02/14/2022  First American  | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017<br>248,000.00<br>Various<br>Various               | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00<br>248,000.00<br>573,833.59<br>304,730.56   | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74<br>417.86<br>0.00<br>2.88                 | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00<br>417.86<br>0.00<br>0.00                 | 417.86           |
| 29976D2F6              | Negotiable CD 1.55% Due 10/07/2021  Everbank Negotiable CD 2.05% Due 02/14/2022  First American  | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017<br>248,000.00<br>Various<br>Various               | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00<br>248,000.00<br>573,833.59<br>304,730.56<br>614,430.03                             | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74<br>417.86<br>0.00<br>2.88<br>0.00         | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00<br>417.86<br>0.00<br>0.00<br>0.00         | 417.86           |
| 29976D2F6<br>31846V203 | Negotiable CD 1.55% Due 10/07/2021  Everbank Negotiable CD 2.05% Due 02/14/2022  First American Govt Obligation Fund Class Y                 | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017<br>248,000.00<br>Various<br>Various<br>264,134.12 | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00<br>248,000.00<br>573,833.59<br>304,730.56<br>614,430.03<br>264,134.12               | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74<br>417.86<br>0.00<br>2.88<br>0.00<br>2.88 | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00<br>417.86<br>0.00<br>0.00<br>0.00<br>2.88 | 2.88             |
| 29976D2F6<br>31846V203 | Negotiable CD 1.55% Due 10/07/2021  Everbank Negotiable CD 2.05% Due 02/14/2022  First American Govt Obligation Fund Class Y  Synchrony Bank | 09/20/2016<br>248,000.00<br>02/09/2017<br>02/09/2017<br>248,000.00<br>Various<br>Various<br>264,134.12 | 0.00<br>0.00<br>248,000.00<br>248,000.00<br>0.00<br>0.00<br>248,000.00<br>573,833.59<br>304,730.56<br>614,430.03<br>264,134.12<br>248,000.00 | 0.00<br>895.18<br>315.95<br>1,392.88<br>0.00<br>1,810.74<br>417.86<br>0.00<br>2.88<br>0.00<br>2.88 | 0.00<br>0.00<br>315.95<br>0.00<br>0.00<br>0.00<br>417.86<br>0.00<br>0.00<br>0.00<br>2.88 | 2.88             |

## **Income Earned**

Account #10647



| CUSIP            | Security Description                                       | Trade Date<br>Settle Date<br>Units     | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|------------------|--|--|---|--|---|--------------|
| 89233GYP5        | Toyota Motor Credit<br>Discount CP<br>0.18% Due 11/23/2021 | 04/26/2021<br>04/27/2021<br>350,000.00 | 349,693.75<br>0.00<br>0.00<br>349,746.25                                    | 0.00<br>0.00<br>0.00<br>0.00                                       | 52.50<br>0.00<br>52.50<br>52.50   | 52.50        |
| Total Cash & Equ | uivalent   | 1,110,134.12                           | 1,667,527.34<br>304,730.56<br>862,430.03<br>1,109,880.37                    | 3,593.96<br>1,919.61<br>2,705.92<br>1,031.57                       | 52.50<br>0.00<br>52.50<br>1,084.07  | 1,084.07     |
| LOCAL AGENCY     | INVESTMENT FUND  |  |   |  |   |              |
| 90LAIF\$00       | Local Agency Investment Fund<br>State Pool                 | Various<br>Various<br>30,653,874.68    | 30,653,874.68<br>0.00<br>0.00<br>30,653,874.68                              | 4,826.70<br>0.00<br>11,486.62<br>6,659.92                          | 0.00<br>0.00<br>0.00<br>6,659.92  | 6,659.92     |
| Total Local Agen | ncy Investment Fund  | 30,653,874.68                          | 30,653,874.68<br>0.00<br>0.00<br>30,653,874.68                              | 4,826.70<br>0.00<br>11,486.62<br>6,659.92                          | 0.00<br>0.00<br>0.00<br>6,659.92  | 6,659.92     |

# As of June 30, 2021

Account #10647



| CUSIP           | Security Description         | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------------|------------------------------|------------------------------------|---|--|---|--------------|
| INVESTMENT PO   | OOL                          |                                    |   |  |   |              |
| 09CATR\$05      | CalTrust<br>Medium Term Fund | Various<br>Various<br>652,114.02   | 6,557,849.23<br>2,106.20<br>0.00<br>6,559,955.43                            | 0.00<br>2,106.20<br>0.00<br>2,106.20                               | 0.00<br>0.00<br>0.00<br>2,106.20  | 2,106.20     |
|                 |                              |                                    | 6,557,849.23<br>2,106.20<br>0.00  | 0.00<br>2,106.20<br>0.00   | 0.00<br>0.00<br>0.00  |              |
| Total Investmen | t Pool                       | 652,114.02                         | 6,559,955.43  | 2,106.20   | 2,106.20  | 2,106.20     |
|                 |                              |                                    | 53,441,845.98<br>920,165.69   | 57,663.33<br>17,333.26   | 1,051.07<br>4,873.05  |              |
| TOTAL PORTFOL   | IO                           | 47,437,479.17                      | 902,832.43<br>53,455,357.26   | 69,249.47<br>28,919.40   | (3,821.98)<br>25,097.42   | 25,097.42    |

## **Cash Flow Report**

Account #10647



| 07/10/2021 | Interest      | 3135G05G4  | 250,000.00       |   |            |           |            |
|------------|---------------|------------|------------------|---|------------|-----------|------------|
| 07/11/2021 | lock a second |            | ,                | FNMA Note<br>0.25% Due 7/10/2023  | 0.00       | 312.50    | 312.50     |
|            | Interest      | 89236TEL5  | 200,000.00       | Toyota Motor Credit Corp Note<br>2.7% Due 1/11/2023                     | 0.00       | 2,700.00  | 2,700.00   |
| 07/12/2021 | Maturity      | 02665WBF7  | 200,000.00       | American Honda Finance Note<br>1.65% Due 7/12/2021                      | 200,000.00 | 1,650.00  | 201,650.00 |
| 07/12/2021 | Purchase      | 79466LAG9  | 35,000.00        | Salesforce.com Inc Callable Note Cont 7/15/2022<br>0.625% Due 7/15/2024 | -34,982.15 | 0.00      | -34,982.15 |
| 07/12/2021 | Sale          | 31846V203  | 34,982.15        | First American Govt Obligation Fund Class Y                             | 34,982.15  | 0.00      | 34,982.15  |
| 07/13/2021 | Interest      | 037833DE7  | 200,000.00       | Apple Inc Callable Note Cont 12/13/2022<br>2.4% Due 1/13/2023           | 0.00       | 2,400.00  | 2,400.00   |
| 07/13/2021 | Interest      | 3137EADB2  | 350,000.00       | FHLMC Note<br>2.375% Due 1/13/2022                                      | 0.00       | 4,156.25  | 4,156.25   |
| 07/15/2021 | Dividend      | 90LAIF\$00 | 1,445,393,675.48 | Local Agency Investment Fund State Pool                                 | 0.00       | 11,289.01 | 11,289.01  |
| 07/15/2021 | Paydown       | 47789JAD8  | 229,856.08       | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023                 | 16,167.22  | 557.40    | 16,724.62  |
| 07/15/2021 | Paydown       | 89231PAD0  | 75,382.11        | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023             | 3,526.38   | 199.76    | 3,726.14   |
| 07/15/2021 | Paydown       | 89236XAC0  | 70,000.00        | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025                | 1,735.47   | 20.42     | 1,755.89   |
| 07/15/2021 | Paydown       | 47788UAC6  | 60,000.00        | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025                 | 0.00       | 18.00     | 18.00      |
| 07/15/2021 | Paydown       | 65479JAD5  | 120,000.00       | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024          | 3,113.76   | 193.00    | 3,306.76   |
| 07/15/2021 | Paydown       | 43815NAC8  | 107,552.32       | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023           | 9,391.09   | 159.54    | 9,550.63   |
| 07/15/2021 | Paydown       | 58769KAD6  | 80,000.00        | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024            | 0.00       | 14.22     | 14.22      |
| 07/15/2021 | Paydown       | 89232HAC9  | 215,000.00       | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024             | 0.00       | 297.42    | 297.42     |
| 07/18/2021 | Paydown       | 43813KAC6  | 85,000.00        | Honda Auto Receivables Trust 2020-3 A3<br>0.37% Due 10/18/2024          | 0.00       | 26.21     | 26.21      |

## **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|-----------|--------------|
| 07/19/2021   | Paydown          | 3137BM6P6 | 0.00       | FHLMC K721 A2<br>3.09% Due 8/25/2022                             | 215.49           | 344.49    | 559.98       |
| 07/20/2021   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024            | 2,199.47         | 129.33    | 2,328.80     |
| 07/20/2021   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025              | 2,704.37         | 47.00     | 2,751.37     |
| 07/21/2021   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025       | 0.00             | 18.00     | 18.00        |
| 07/24/2021   | Interest         | 90331HNV1 | 250,000.00 | US Bank NA Callable Note Cont 6/23/2023<br>3.4% Due 7/24/2023    | 0.00             | 4,250.00  | 4,250.00     |
| 07/25/2021   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                             | 0.00             | 343.93    | 343.93       |
| 07/25/2021   | Interest         | 3137EAET2 | 170,000.00 | FHLMC Note<br>0.125% Due 7/25/2022                               | 0.00             | 106.25    | 106.25       |
| 07/25/2021   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                             | 0.00             | 758.54    | 758.54       |
| 07/30/2021   | Interest         | 747525AR4 | 75,000.00  | Qualcomm Inc Callable Note Cont 12/30/2022<br>2.6% Due 1/30/2023 | 0.00             | 975.00    | 975.00       |
| 07/31/2021   | Interest         | 912828V80 | 200,000.00 | US Treasury Note<br>2.25% Due 1/31/2024                          | 0.00             | 2,250.00  | 2,250.00     |
| 07/31/2021   | Interest         | 912828Y87 | 300,000.00 | US Treasury Note<br>1.75% Due 7/31/2024                          | 0.00             | 2,625.00  | 2,625.00     |
| JUL 2021     |                  |           |            |  | 239,053.25       | 35,841.27 | 274,894.52   |
| 08/06/2021   | Interest         | 594918BX1 | 200,000.00 | Microsoft Callable Note Cont 12/6/2023<br>2.875% Due 2/6/2024    | 0.00             | 2,875.00  | 2,875.00     |
| 08/09/2021   | Maturity         | 69371RP42 | 200,000.00 | Paccar Financial Corp Note<br>3.15% Due 8/9/2021                 | 200,000.00       | 3,150.00  | 203,150.00   |
| 08/15/2021   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3<br>3.18% Due 3/15/2023   | 3,532.63         | 190.42    | 3,723.05     |
| 08/15/2021   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024      | 0.00             | 297.42    | 297.42       |
| 08/15/2021   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025         | 1,731.07         | 19.91     | 1,750.98     |

## **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|-----------|--------------|
| 08/15/2021   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024               | 3,120.77         | 187.99    | 3,308.76     |
| 08/15/2021   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024                 | 0.00             | 26.67     | 26.67        |
| 08/15/2021   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023                | 9,077.13         | 145.61    | 9,222.74     |
| 08/15/2021   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025                      | 0.00             | 18.00     | 18.00        |
| 08/15/2021   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023                      | 16,205.48        | 518.19    | 16,723.67    |
| 08/16/2021   | Interest         | 06406FAD5 | 200,000.00 | Bank of NY Mellon Corp Callable Note Cont<br>6/16/2023<br>2.2% Due 8/16/2023 | 0.00             | 2,200.00  | 2,200.00     |
| 08/17/2021   | Interest         | 69353RFB9 | 250,000.00 | PNC Bank Callable Note Cont 1/18/2022<br>2.625% Due 2/17/2022                | 0.00             | 3,281.25  | 3,281.25     |
| 08/18/2021   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3<br>0.37% Due 10/18/2024               | 0.00             | 26.21     | 26.21        |
| 08/20/2021   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024                        | 2,204.41         | 125.78    | 2,330.19     |
| 08/20/2021   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025                          | 2,705.43         | 45.94     | 2,751.37     |
| 08/21/2021   | Interest         | 29976D2F6 | 248,000.00 | Everbank Negotiable CD<br>2.05% Due 2/14/2022                                | 0.00             | 2,521.11  | 2,521.11     |
| 08/21/2021   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3<br>0.27% Due 4/21/2025                | 0.00             | 18.00     | 18.00        |
| 08/24/2021   | Interest         | 3137EAEV7 | 300,000.00 | FHLMC Note<br>0.25% Due 8/24/2023  | 0.00             | 375.00    | 375.00       |
| 08/25/2021   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022   | 0.00             | 343.93    | 343.93       |
| 08/25/2021   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023   | 0.00             | 758.54    | 758.54       |
| 08/31/2021   | Interest         | 9128284Z0 | 125,000.00 | US Treasury Note<br>2.75% Due 8/31/2025                                      | 0.00             | 1,718.75  | 1,718.75     |
| AUG 2021     |                  |           |            |  | 238,576.92       | 18,843.72 | 257,420.64   |

## **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income   | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|----------|--------------|
| 09/01/2021   | Interest         | 46647PAH9 | 210,000.00 | JP Morgan Chase & Co Callable Note 2X 3/1/2024<br>3.22% Due 3/1/2025    | 0.00             | 3,381.00 | 3,381.00     |
| 09/08/2021   | Interest         | 3137EAEW5 | 300,000.00 | FHLMC Note<br>0.25% Due 9/8/2023  | 0.00             | 375.00   | 375.00       |
| 09/08/2021   | Interest         | 24422ETV1 | 305,000.00 | John Deere Capital Corp Note<br>2.15% Due 9/8/2022                      | 0.00             | 3,278.75 | 3,278.75     |
| 09/10/2021   | Interest         | 3130ADRG9 | 350,000.00 | FHLB Note<br>2.75% Due 3/10/2023  | 0.00             | 4,812.50 | 4,812.50     |
| 09/11/2021   | Interest         | 89114QCB2 | 200,000.00 | Toronto Dominion Bank Note<br>3.25% Due 3/11/2024                       | 0.00             | 3,250.00 | 3,250.00     |
| 09/12/2021   | Interest         | 3135G0U43 | 350,000.00 | FNMA Note<br>2.875% Due 9/12/2023                                       | 0.00             | 5,031.25 | 5,031.25     |
| 09/15/2021   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023           | 8,762.41         | 132.14   | 8,894.55     |
| 09/15/2021   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025                 | 0.00             | 18.00    | 18.00        |
| 09/15/2021   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024            | 0.00             | 26.67    | 26.67        |
| 09/15/2021   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023             | 3,538.90         | 181.06   | 3,719.96     |
| 09/15/2021   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025                | 1,726.62         | 19.41    | 1,746.03     |
| 09/15/2021   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024          | 3,127.79         | 182.97   | 3,310.76     |
| 09/15/2021   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024             | 0.00             | 297.42   | 297.42       |
| 09/15/2021   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023                 | 16,243.83        | 478.90   | 16,722.73    |
| 09/18/2021   | Interest         | 808513BN4 | 245,000.00 | Charles Schwab Corp Callable Note Cont 2/18/2024<br>0.75% Due 3/18/2024 | 0.00             | 918.75   | 918.75       |
| 09/18/2021   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3<br>0.37% Due 10/18/2024          | 0.00             | 26.21    | 26.21        |
| 09/19/2021   | Interest         | 459058GQ0 | 225,000.00 | Intl. Bank Recon & Development Note<br>2.5% Due 3/19/2024               | 0.00             | 2,812.50 | 2,812.50     |

## **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|-----------|--------------|
| 09/20/2021   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024          | 2,209.38         | 122.21    | 2,331.59     |
| 09/20/2021   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025            | 2,706.49         | 44.88     | 2,751.37     |
| 09/21/2021   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3<br>0.27% Due 4/21/2025  | 0.00             | 18.00     | 18.00        |
| 09/25/2021   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                           | 0.00             | 343.93    | 343.93       |
| 09/25/2021   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                           | 0.00             | 758.54    | 758.54       |
| 09/30/2021   | Interest         | 912828ZF0 | 350,000.00 | US Treasury Note<br>0.5% Due 3/31/2025                         | 0.00             | 875.00    | 875.00       |
| 09/30/2021   | Interest         | 912828T26 | 300,000.00 | US Treasury Note<br>1.375% Due 9/30/2023                       | 0.00             | 2,062.50  | 2,062.50     |
| SEP 2021     |                  |           |            |  | 38,315.42        | 29,447.59 | 67,763.01    |
| 10/07/2021   | Maturity         | 08173QBS4 | 248,000.00 | Beneficial Bank Negotiable CD<br>1.55% Due 10/7/2021           | 248,000.00       | 1,927.27  | 249,927.27   |
| 10/08/2021   | Interest         | 3133ELWD2 | 285,000.00 | FFCB Note<br>0.375% Due 4/8/2022                               | 0.00             | 534.38    | 534.38       |
| 10/15/2021   | Interest         | 91282CBV2 | 350,000.00 | US Treasury Note<br>0.375% Due 4/15/2024                       | 0.00             | 656.25    | 656.25       |
| 10/15/2021   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024   | 0.00             | 26.67     | 26.67        |
| 10/15/2021   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025        | 0.00             | 18.00     | 18.00        |
| 10/15/2021   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023        | 16,282.27        | 439.51    | 16,721.78    |
| 10/15/2021   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023  | 8,446.93         | 119.14    | 8,566.07     |
| 10/15/2021   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3<br>3.18% Due 3/15/2023 | 3,545.17         | 171.68    | 3,716.85     |
| 10/15/2021   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024    | 10,100.64        | 297.42    | 10,398.06    |

## **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income   | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|----------|--------------|
| 10/15/2021   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025            | 1,722.13         | 18.90    | 1,741.03     |
| 10/15/2021   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024      | 3,134.83         | 177.94   | 3,312.77     |
| 10/16/2021   | Interest         | 3137EAEY1 | 225,000.00 | FHLMC Note<br>0.125% Due 10/16/2023                                 | 0.00             | 140.63   | 140.63       |
| 10/18/2021   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024         | 0.00             | 26.21    | 26.21        |
| 10/20/2021   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025                 | 2,707.55         | 43.82    | 2,751.37     |
| 10/20/2021   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024               | 2,214.35         | 118.64   | 2,332.99     |
| 10/21/2021   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025          | 0.00             | 18.00    | 18.00        |
| 10/25/2021   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                                | 0.00             | 343.93   | 343.93       |
| 10/25/2021   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                                | 0.00             | 758.54   | 758.54       |
| OCT 2021     |                  |           |            |   | 296,153.87       | 5,836.93 | 301,990.80   |
| 11/01/2021   | Interest         | 78015K7C2 | 225,000.00 | Royal Bank of Canada Note<br>2.25% Due 11/1/2024                    | 0.00             | 2,531.25 | 2,531.25     |
| 11/03/2021   | Interest         | 037833AK6 | 200,000.00 | Apple Inc Note<br>2.4% Due 5/3/2023                                 | 0.00             | 2,400.00 | 2,400.00     |
| 11/05/2021   | Interest         | 3137EAER6 | 305,000.00 | FHLMC Note<br>0.375% Due 5/5/2023                                   | 0.00             | 571.88   | 571.88       |
| 11/06/2021   | Interest         | 3137EAEZ8 | 335,000.00 | FHLMC Note<br>0.25% Due 11/6/2023                                   | 0.00             | 418.75   | 418.75       |
| 11/06/2021   | Interest         | 3133ELYR9 | 325,000.00 | FFCB Note<br>0.25% Due 5/6/2022                                     | 0.00             | 406.25   | 406.25       |
| 11/07/2021   | Interest         | 3135G06G3 | 350,000.00 | FNMA Note<br>0.5% Due 11/7/2025                                     | 0.00             | 875.00   | 875.00       |
| 11/12/2021   | Interest         | 023135BW5 | 130,000.00 | Amazon.com Inc Callable Note Cont 11/12/2021<br>0.45% Due 5/12/2024 | 0.00             | 292.50   | 292.50       |

## **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income   | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|----------|--------------|
| 11/13/2021   | Interest         | 459200JX0 | 200,000.00 | IBM Corp Note<br>2.85% Due 5/13/2022                           | 0.00             | 2,850.00 | 2,850.00     |
| 11/15/2021   | Interest         | 912828WJ5 | 300,000.00 | US Treasury Note<br>2.5% Due 5/15/2024                         | 0.00             | 3,750.00 | 3,750.00     |
| 11/15/2021   | Interest         | 912828VB3 | 250,000.00 | US Treasury Note<br>1.75% Due 5/15/2023                        | 0.00             | 2,187.50 | 2,187.50     |
| 11/15/2021   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023        | 16,320.81        | 400.02   | 16,720.83    |
| 11/15/2021   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023  | 8,130.68         | 106.61   | 8,237.29     |
| 11/15/2021   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024   | 0.00             | 26.67    | 26.67        |
| 11/15/2021   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024    | 9,891.57         | 283.44   | 10,175.01    |
| 11/15/2021   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025        | 0.00             | 18.00    | 18.00        |
| 11/15/2021   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024 | 3,141.88         | 172.90   | 3,314.78     |
| 11/15/2021   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023    | 3,551.47         | 162.28   | 3,713.75     |
| 11/15/2021   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025       | 1,717.58         | 18.40    | 1,735.98     |
| 11/17/2021   | Interest         | 14913R2L0 | 205,000.00 | Caterpillar Financial Service Note<br>0.45% Due 5/17/2024      | 0.00             | 461.25   | 461.25       |
| 11/18/2021   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024    | 0.00             | 26.21    | 26.21        |
| 11/20/2021   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024          | 2,219.33         | 115.06   | 2,334.39     |
| 11/20/2021   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025            | 2,708.61         | 42.76    | 2,751.37     |
| 11/21/2021   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025     | 0.00             | 18.00    | 18.00        |
| 11/22/2021   | Interest         | 3135G04Q3 | 245,000.00 | FNMA Note<br>0.25% Due 5/22/2023                               | 0.00             | 306.25   | 306.25       |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|-----------|--------------|
| 11/23/2021   | Maturity         | 89233GYP5 | 350,000.00 | Toyota Motor Credit Discount CP<br>0.18% Due 11/23/2021        | 350,000.00       | 0.00      | 350,000.00   |
| 11/24/2021   | Interest         | 459058JM6 | 165,000.00 | Intl. Bank Recon & Development Note 0.25% Due 11/24/2023       | 0.00             | 206.25    | 206.25       |
| 11/25/2021   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                           | 0.00             | 343.93    | 343.93       |
| 11/25/2021   | Interest         | 404280BA6 | 200,000.00 | HSBC Holdings PLC Note<br>3.6% Due 5/25/2023                   | 0.00             | 3,600.00  | 3,600.00     |
| 11/25/2021   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                           | 0.00             | 758.54    | 758.54       |
| 11/30/2021   | Interest         | 912828M80 | 300,000.00 | US Treasury Note<br>2% Due 11/30/2022                          | 0.00             | 3,000.00  | 3,000.00     |
| 11/30/2021   | Interest         | 912828ZT0 | 365,000.00 | US Treasury Note<br>0.25% Due 5/31/2025                        | 0.00             | 456.25    | 456.25       |
| 11/30/2021   | Interest         | 91282CAZ4 | 150,000.00 | US Treasury Note<br>0.375% Due 11/30/2025                      | 0.00             | 281.25    | 281.25       |
| NOV 2021     |                  |           |            |  | 397,681.93       | 27,087.20 | 424,769.13   |
| 12/08/2021   | Interest         | 3130A0F70 | 350,000.00 | FHLB Note<br>3.375% Due 12/8/2023                              | 0.00             | 5,906.25  | 5,906.25     |
| 12/08/2021   | Interest         | 3134GVJ66 | 350,000.00 | FHLMC Note<br>0.25% Due 6/8/2022                               | 0.00             | 437.50    | 437.50       |
| 12/14/2021   | Interest         | 3130A1XJ2 | 155,000.00 | FHLB Note<br>2.875% Due 6/14/2024                              | 0.00             | 2,228.13  | 2,228.13     |
| 12/15/2021   | Interest         | 91282CCG4 | 400,000.00 | US Treasury Note<br>0.25% Due 6/15/2024                        | 0.00             | 500.00    | 500.00       |
| 12/15/2021   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024   | 0.00             | 26.67     | 26.67        |
| 12/15/2021   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024    | 9,681.60         | 269.76    | 9,951.36     |
| 12/15/2021   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024 | 3,148.95         | 167.85    | 3,316.80     |
| 12/15/2021   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3                         | 7,813.67         | 94.55     | 7,908.22     |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|-----------|--------------|
| 12/15/2021   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025       | 0.00             | 18.00     | 18.00        |
| 12/15/2021   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023       | 16,359.43        | 360.45    | 16,719.88    |
| 12/15/2021   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023   | 3,557.76         | 152.87    | 3,710.63     |
| 12/15/2021   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025         | 1,712.98         | 17.90     | 1,730.88     |
| 12/18/2021   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024   | 0.00             | 26.21     | 26.21        |
| 12/20/2021   | Maturity         | 3130AHSR5 | 320,000.00 | FHLB Note<br>1.625% Due 12/20/2021                            | 320,000.00       | 2,600.00  | 322,600.00   |
| 12/20/2021   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025           | 2,709.67         | 41.70     | 2,751.37     |
| 12/20/2021   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024         | 2,224.32         | 111.47    | 2,335.79     |
| 12/21/2021   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025    | 0.00             | 18.00     | 18.00        |
| 12/25/2021   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                          | 0.00             | 343.93    | 343.93       |
| 12/25/2021   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                          | 0.00             | 758.54    | 758.54       |
| 12/26/2021   | Interest         | 3137EAES4 | 300,000.00 | FHLMC Note<br>0.25% Due 6/26/2023                             | 0.00             | 375.00    | 375.00       |
| DEC 2021     |                  |           |            |   | 367,208.38       | 14,454.78 | 381,663.16   |
| 01/10/2022   | Interest         | 3135G05G4 | 250,000.00 | FNMA Note<br>0.25% Due 7/10/2023                              | 0.00             | 312.50    | 312.50       |
| 01/11/2022   | Interest         | 89236TEL5 | 200,000.00 | Toyota Motor Credit Corp Note<br>2.7% Due 1/11/2023           | 0.00             | 2,700.00  | 2,700.00     |
| 01/13/2022   | Interest         | 037833DE7 | 200,000.00 | Apple Inc Callable Note Cont 12/13/2022<br>2.4% Due 1/13/2023 | 0.00             | 2,400.00  | 2,400.00     |
| 01/13/2022   | Maturity         | 3137EADB2 | 350,000.00 | FHLMC Note<br>2.375% Due 1/13/2022                            | 350,000.00       | 4,156.25  | 354,156.25   |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income   | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|----------|--------------|
| 01/15/2022   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024     | 0.00             | 26.67    | 26.67        |
| 01/15/2022   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024      | 9,470.75         | 256.37   | 9,727.12     |
| 01/15/2022   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023    | 7,495.89         | 82.96    | 7,578.85     |
| 01/15/2022   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023          | 16,398.15        | 320.77   | 16,718.92    |
| 01/15/2022   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025          | 0.00             | 18.00    | 18.00        |
| 01/15/2022   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024   | 3,156.04         | 162.78   | 3,318.82     |
| 01/15/2022   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023      | 3,564.07         | 143.44   | 3,707.51     |
| 01/15/2022   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025         | 1,708.34         | 17.40    | 1,725.74     |
| 01/18/2022   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024      | 0.00             | 26.21    | 26.21        |
| 01/20/2022   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024            | 2,229.32         | 107.88   | 2,337.20     |
| 01/20/2022   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025              | 2,710.73         | 40.64    | 2,751.37     |
| 01/21/2022   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025       | 0.00             | 18.00    | 18.00        |
| 01/24/2022   | Interest         | 90331HNV1 | 250,000.00 | US Bank NA Callable Note Cont 6/23/2023<br>3.4% Due 7/24/2023    | 0.00             | 4,250.00 | 4,250.00     |
| 01/25/2022   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                             | 0.00             | 343.93   | 343.93       |
| 01/25/2022   | Interest         | 3137EAET2 | 170,000.00 | FHLMC Note<br>0.125% Due 7/25/2022                               | 0.00             | 106.25   | 106.25       |
| 01/25/2022   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                             | 0.00             | 758.54   | 758.54       |
| 01/30/2022   | Interest         | 747525AR4 | 75,000.00  | Qualcomm Inc Callable Note Cont 12/30/2022<br>2.6% Due 1/30/2023 | 0.00             | 975.00   | 975.00       |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|-----------|--------------|
| 01/31/2022   | Interest         | 912828Y87 | 300,000.00 | US Treasury Note<br>1.75% Due 7/31/2024                                      | 0.00             | 2,625.00  | 2,625.00     |
| 01/31/2022   | Interest         | 912828V80 | 200,000.00 | US Treasury Note<br>2.25% Due 1/31/2024                                      | 0.00             | 2,250.00  | 2,250.00     |
| JAN 2022     |                  |           |            |  | 396,733.29       | 22,098.59 | 418,831.88   |
| 02/06/2022   | Interest         | 594918BX1 | 200,000.00 | Microsoft Callable Note Cont 12/6/2023<br>2.875% Due 2/6/2024                | 0.00             | 2,875.00  | 2,875.00     |
| 02/14/2022   | Maturity         | 29976D2F6 | 248,000.00 | Everbank Negotiable CD<br>2.05% Due 2/14/2022                                | 248,000.00       | 2,465.39  | 250,465.39   |
| 02/15/2022   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025                      | 0.00             | 18.00     | 18.00        |
| 02/15/2022   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023                      | 16,436.96        | 281.01    | 16,717.97    |
| 02/15/2022   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024                 | 0.00             | 26.67     | 26.67        |
| 02/15/2022   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023                | 7,177.35         | 71.84     | 7,249.19     |
| 02/15/2022   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024               | 3,163.13         | 157.71    | 3,320.84     |
| 02/15/2022   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023                  | 3,570.39         | 134.00    | 3,704.39     |
| 02/15/2022   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024                  | 9,259.00         | 243.27    | 9,502.27     |
| 02/15/2022   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025                     | 1,703.64         | 16.90     | 1,720.54     |
| 02/16/2022   | Interest         | 06406FAD5 | 200,000.00 | Bank of NY Mellon Corp Callable Note Cont<br>6/16/2023<br>2.2% Due 8/16/2023 | 0.00             | 2,200.00  | 2,200.00     |
| 02/17/2022   | Maturity         | 69353RFB9 | 250,000.00 | PNC Bank Callable Note Cont 1/18/2022<br>2.625% Due 2/17/2022                | 250,000.00       | 3,281.25  | 253,281.25   |
| 02/18/2022   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3<br>0.37% Due 10/18/2024               | 0.00             | 26.21     | 26.21        |
| 02/19/2022   | Paydown          | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022   | 1,272.46         | 2.62      | 1,275.08     |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description   | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|-----------|--------------|
| 02/20/2022   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024                | 2,234.34         | 104.27    | 2,338.61     |
| 02/20/2022   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025                  | 2,711.79         | 39.58     | 2,751.37     |
| 02/21/2022   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025           | 0.00             | 18.00     | 18.00        |
| 02/24/2022   | Interest         | 3137EAEV7 | 300,000.00 | FHLMC Note<br>0.25% Due 8/24/2023                                    | 0.00             | 375.00    | 375.00       |
| 02/25/2022   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                                 | 0.00             | 340.66    | 340.66       |
| 02/25/2022   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                                 | 0.00             | 758.54    | 758.54       |
| 02/28/2022   | Interest         | 9128284Z0 | 125,000.00 | US Treasury Note<br>2.75% Due 8/31/2025                              | 0.00             | 1,718.75  | 1,718.75     |
| FEB 2022     |                  |           |            |  | 545,529.06       | 15,154.67 | 560,683.73   |
| 03/01/2022   | Interest         | 46647PAH9 | 210,000.00 | JP Morgan Chase & Co Callable Note 2X 3/1/2024<br>3.22% Due 3/1/2025 | 0.00             | 3,381.00  | 3,381.00     |
| 03/08/2022   | Interest         | 24422ETV1 | 305,000.00 | John Deere Capital Corp Note<br>2.15% Due 9/8/2022                   | 0.00             | 3,278.75  | 3,278.75     |
| 03/08/2022   | Interest         | 3137EAEW5 | 300,000.00 | FHLMC Note<br>0.25% Due 9/8/2023                                     | 0.00             | 375.00    | 375.00       |
| 03/10/2022   | Interest         | 3130ADRG9 | 350,000.00 | FHLB Note<br>2.75% Due 3/10/2023                                     | 0.00             | 4,812.50  | 4,812.50     |
| 03/11/2022   | Interest         | 89114QCB2 | 200,000.00 | Toronto Dominion Bank Note<br>3.25% Due 3/11/2024                    | 0.00             | 3,250.00  | 3,250.00     |
| 03/12/2022   | Interest         | 3135G0U43 | 350,000.00 | FNMA Note<br>2.875% Due 9/12/2023                                    | 0.00             | 5,031.25  | 5,031.25     |
| 03/15/2022   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025              | 0.00             | 18.00     | 18.00        |
| 03/15/2022   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024         | 0.00             | 26.67     | 26.67        |
| 03/15/2022   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023              | 16,475.86        | 241.15    | 16,717.01    |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|-----------|--------------|
| 03/15/2022   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023           | 6,858.02         | 61.20     | 6,919.22     |
| 03/15/2022   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023             | 3,576.72         | 124.54    | 3,701.26     |
| 03/15/2022   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025                | 1,698.89         | 16.40     | 1,715.29     |
| 03/15/2022   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024          | 3,170.25         | 152.62    | 3,322.87     |
| 03/15/2022   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024             | 9,046.36         | 230.46    | 9,276.82     |
| 03/18/2022   | Interest         | 808513BN4 | 245,000.00 | Charles Schwab Corp Callable Note Cont 2/18/2024<br>0.75% Due 3/18/2024 | 0.00             | 918.75    | 918.75       |
| 03/18/2022   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3<br>0.37% Due 10/18/2024          | 4,035.15         | 26.21     | 4,061.36     |
| 03/19/2022   | Interest         | 459058GQ0 | 225,000.00 | Intl. Bank Recon & Development Note<br>2.5% Due 3/19/2024               | 0.00             | 2,812.50  | 2,812.50     |
| 03/19/2022   | Paydown          | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                                    | 9,370.97         | 19.30     | 9,390.27     |
| 03/20/2022   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025                     | 2,712.86         | 38.51     | 2,751.37     |
| 03/20/2022   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024                   | 2,239.37         | 100.66    | 2,340.03     |
| 03/21/2022   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3<br>0.27% Due 4/21/2025           | 0.00             | 18.00     | 18.00        |
| 03/25/2022   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                                    | 0.00             | 316.53    | 316.53       |
| 03/25/2022   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                                    | 0.00             | 758.54    | 758.54       |
| 03/31/2022   | Interest         | 912828ZF0 | 350,000.00 | US Treasury Note<br>0.5% Due 3/31/2025                                  | 0.00             | 875.00    | 875.00       |
| 03/31/2022   | Interest         | 912828T26 | 300,000.00 | US Treasury Note<br>1.375% Due 9/30/2023                                | 0.00             | 2,062.50  | 2,062.50     |
| MAR 2022     |                  |           |            |   | 59,184.45        | 28,946.04 | 88,130.49    |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|--------|--------------|
| 04/08/2022   | Maturity         | 3133ELWD2 | 285,000.00 | FFCB Note<br>0.375% Due 4/8/2022                                | 285,000.00       | 534.38 | 285,534.38   |
| 04/15/2022   | Interest         | 91282CBV2 | 350,000.00 | US Treasury Note<br>0.375% Due 4/15/2024                        | 0.00             | 656.25 | 656.25       |
| 04/15/2022   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023   | 6,537.93         | 51.03  | 6,588.96     |
| 04/15/2022   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024  | 3,177.39         | 147.52 | 3,324.91     |
| 04/15/2022   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024     | 8,832.83         | 217.94 | 9,050.77     |
| 04/15/2022   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3<br>0.4% Due 11/15/2024 | 0.00             | 26.67  | 26.67        |
| 04/15/2022   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025         | 0.00             | 18.00  | 18.00        |
| 04/15/2022   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023         | 16,514.86        | 201.19 | 16,716.05    |
| 04/15/2022   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023     | 3,583.06         | 115.06 | 3,698.12     |
| 04/15/2022   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025           | 1,694.09         | 15.91  | 1,710.00     |
| 04/16/2022   | Interest         | 3137EAEY1 | 225,000.00 | FHLMC Note<br>0.125% Due 10/16/2023                             | 0.00             | 140.63 | 140.63       |
| 04/18/2022   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024     | 4,036.40         | 24.96  | 4,061.36     |
| 04/19/2022   | Paydown          | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                            | 9,407.03         | 19.38  | 9,426.41     |
| 04/20/2022   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025             | 2,713.92         | 37.45  | 2,751.37     |
| 04/20/2022   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024           | 2,244.41         | 97.04  | 2,341.45     |
| 04/21/2022   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3<br>0.27% Due 4/21/2025   | 0.00             | 18.00  | 18.00        |
| 04/25/2022   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                            | 0.00             | 292.30 | 292.30       |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income   | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|----------|--------------|
| 04/25/2022   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                                | 0.00             | 758.54   | 758.54       |
| APR 2022     |                  |           |            |   | 343,741.92       | 3,372.25 | 347,114.17   |
| 05/01/2022   | Interest         | 78015K7C2 | 225,000.00 | Royal Bank of Canada Note<br>2.25% Due 11/1/2024                    | 0.00             | 2,531.25 | 2,531.25     |
| 05/03/2022   | Interest         | 037833AK6 | 200,000.00 | Apple Inc Note<br>2.4% Due 5/3/2023                                 | 0.00             | 2,400.00 | 2,400.00     |
| 05/05/2022   | Interest         | 3137EAER6 | 305,000.00 | FHLMC Note<br>0.375% Due 5/5/2023                                   | 0.00             | 571.88   | 571.88       |
| 05/06/2022   | Interest         | 3137EAEZ8 | 335,000.00 | FHLMC Note<br>0.25% Due 11/6/2023                                   | 0.00             | 418.75   | 418.75       |
| 05/06/2022   | Maturity         | 3133ELYR9 | 325,000.00 | FFCB Note<br>0.25% Due 5/6/2022                                     | 325,000.00       | 406.25   | 325,406.25   |
| 05/07/2022   | Interest         | 3135G06G3 | 350,000.00 | FNMA Note<br>0.5% Due 11/7/2025                                     | 0.00             | 875.00   | 875.00       |
| 05/12/2022   | Interest         | 023135BW5 | 130,000.00 | Amazon.com Inc Callable Note Cont 11/12/2021<br>0.45% Due 5/12/2024 | 0.00             | 292.50   | 292.50       |
| 05/13/2022   | Maturity         | 459200JX0 | 200,000.00 | IBM Corp Note<br>2.85% Due 5/13/2022                                | 200,000.00       | 2,850.00 | 202,850.00   |
| 05/15/2022   | Interest         | 912828WJ5 | 300,000.00 | US Treasury Note<br>2.5% Due 5/15/2024                              | 0.00             | 3,750.00 | 3,750.00     |
| 05/15/2022   | Interest         | 912828VB3 | 250,000.00 | US Treasury Note<br>1.75% Due 5/15/2023                             | 0.00             | 2,187.50 | 2,187.50     |
| 05/15/2022   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023       | 6,217.07         | 41.33    | 6,258.40     |
| 05/15/2022   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023             | 16,553.94        | 161.14   | 16,715.08    |
| 05/15/2022   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024      | 3,184.53         | 142.41   | 3,326.94     |
| 05/15/2022   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023         | 3,589.42         | 105.56   | 3,694.98     |
| 05/15/2022   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3<br>0.35% Due 1/15/2025            | 1,689.24         | 15.41    | 1,704.65     |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income   | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|----------|--------------|
| 05/15/2022   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025       | 0.00             | 18.00    | 18.00        |
| 05/15/2022   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024  | 0.00             | 26.67    | 26.67        |
| 05/15/2022   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024   | 8,618.37         | 205.73   | 8,824.10     |
| 05/17/2022   | Interest         | 14913R2L0 | 205,000.00 | Caterpillar Financial Service Note<br>0.45% Due 5/17/2024     | 0.00             | 461.25   | 461.25       |
| 05/18/2022   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024   | 4,037.64         | 23.72    | 4,061.36     |
| 05/19/2022   | Paydown          | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                          | 29,751.78        | 61.29    | 29,813.07    |
| 05/20/2022   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024         | 2,249.46         | 93.41    | 2,342.87     |
| 05/20/2022   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025           | 2,714.98         | 36.39    | 2,751.37     |
| 05/21/2022   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3<br>0.27% Due 4/21/2025 | 0.00             | 18.00    | 18.00        |
| 05/22/2022   | Interest         | 3135G04Q3 | 245,000.00 | FNMA Note<br>0.25% Due 5/22/2023                              | 0.00             | 306.25   | 306.25       |
| 05/24/2022   | Interest         | 459058JM6 | 165,000.00 | Intl. Bank Recon & Development Note<br>0.25% Due 11/24/2023   | 0.00             | 206.25   | 206.25       |
| 05/25/2022   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                          | 0.00             | 215.69   | 215.69       |
| 05/25/2022   | Interest         | 404280BA6 | 200,000.00 | HSBC Holdings PLC Note<br>3.6% Due 5/25/2023                  | 0.00             | 3,600.00 | 3,600.00     |
| 05/25/2022   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                          | 0.00             | 758.54   | 758.54       |
| 05/31/2022   | Interest         | 91282CAZ4 | 150,000.00 | US Treasury Note<br>0.375% Due 11/30/2025                     | 0.00             | 281.25   | 281.25       |
| 05/31/2022   | Interest         | 912828M80 | 300,000.00 | US Treasury Note<br>2% Due 11/30/2022                         | 0.00             | 3,000.00 | 3,000.00     |
| 05/31/2022   | Interest         | 912828ZT0 | 365,000.00 | US Treasury Note<br>0.25% Due 5/31/2025                       | 0.00             | 456.25   | 456.25       |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description  | Principal Amount | Income    | Total Amount |
|--------------|------------------|-----------|------------|---|------------------|-----------|--------------|
| MAY 2022     |                  |           |            |   | 603,606.43       | 26,517.67 | 630,124.10   |
| 06/08/2022   | Interest         | 3130A0F70 | 350,000.00 | FHLB Note<br>3.375% Due 12/8/2023                               | 0.00             | 5,906.25  | 5,906.25     |
| 06/08/2022   | Maturity         | 3134GVJ66 | 350,000.00 | FHLMC Note<br>0.25% Due 6/8/2022                                | 350,000.00       | 437.50    | 350,437.50   |
| 06/14/2022   | Interest         | 3130A1XJ2 | 155,000.00 | FHLB Note<br>2.875% Due 6/14/2024                               | 0.00             | 2,228.13  | 2,228.13     |
| 06/15/2022   | Interest         | 91282CCG4 | 400,000.00 | US Treasury Note<br>0.25% Due 6/15/2024                         | 0.00             | 500.00    | 500.00       |
| 06/15/2022   | Paydown          | 58769KAD6 | 80,000.00  | Mercedes-Benz Auto Lease Trust 2021-B A3<br>0.4% Due 11/15/2024 | 0.00             | 26.67     | 26.67        |
| 06/15/2022   | Paydown          | 89232HAC9 | 215,000.00 | Toyota Auto Receivable Own 2020-A A3<br>1.66% Due 5/15/2024     | 8,403.03         | 193.80    | 8,596.83     |
| 06/15/2022   | Paydown          | 43815NAC8 | 107,552.32 | Honda Auto Receivables Trust 2019-3 A3<br>1.78% Due 8/15/2023   | 5,895.43         | 32.11     | 5,927.54     |
| 06/15/2022   | Paydown          | 65479JAD5 | 120,000.00 | Nissan Auto Receivables Owner 2019-C A3<br>1.93% Due 7/15/2024  | 3,191.70         | 137.29    | 3,328.99     |
| 06/15/2022   | Paydown          | 47788UAC6 | 60,000.00  | John Deere Owner Trust 2021-A A3<br>0.36% Due 9/15/2025         | 0.00             | 18.00     | 18.00        |
| 06/15/2022   | Paydown          | 47789JAD8 | 229,856.08 | John Deere Owner Trust 2019-A A3<br>2.91% Due 7/17/2023         | 16,593.11        | 121.00    | 16,714.11    |
| 06/15/2022   | Paydown          | 89231PAD0 | 75,382.11  | Toyota Auto Receivables Trust 2018-D A3 3.18% Due 3/15/2023     | 3,595.79         | 96.05     | 3,691.84     |
| 06/15/2022   | Paydown          | 89236XAC0 | 70,000.00  | Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025           | 1,684.33         | 14.92     | 1,699.25     |
| 06/18/2022   | Paydown          | 43813KAC6 | 85,000.00  | Honda Auto Receivables Trust 2020-3 A3<br>0.37% Due 10/18/2024  | 4,038.89         | 22.47     | 4,061.36     |
| 06/19/2022   | Paydown          | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                            | 8,402.85         | 17.31     | 8,420.16     |
| 06/20/2022   | Paydown          | 92348AAA3 | 80,000.00  | Verizon Owner Trust 2019-C A1A<br>1.94% Due 4/22/2024           | 2,254.51         | 89.78     | 2,344.29     |
| 06/20/2022   | Paydown          | 92290BAA9 | 120,000.00 | Verizon Owner Trust 2020-B A<br>0.47% Due 2/20/2025             | 2,716.04         | 35.33     | 2,751.37     |

# **Cash Flow Report**

Account #10647



| Payment Date | Transaction Type | CUSIP     | Quantity   | Security Description                                       | Principal Amount | Income     | Total Amount |
|--------------|------------------|-----------|------------|--|------------------|------------|--------------|
| 06/21/2022   | Paydown          | 43813GAC5 | 80,000.00  | Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025 | 0.00             | 18.00      | 18.00        |
| 06/25/2022   | Interest         | 3137BM6P6 | 133,565.84 | FHLMC K721 A2<br>3.09% Due 8/25/2022                       | 0.00             | 194.05     | 194.05       |
| 06/25/2022   | Paydown          | 3137B4GY6 | 275,000.00 | FHLMC K032 A2<br>3.31% Due 5/25/2023                       | 0.00             | 758.54     | 758.54       |
| 06/26/2022   | Interest         | 3137EAES4 | 300,000.00 | FHLMC Note<br>0.25% Due 6/26/2023                          | 0.00             | 375.00     | 375.00       |
| JUN 2022     |                  |           |            |  | 406,775.68       | 11,222.20  | 417,997.88   |
| TOTAL        |                  |           |            |  | 3,932,560.60     | 238,822.91 | 4,171,383.51 |

Account #10647

#### **Important Disclosures**





Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

#### **MEMORANDUM**

TO: Honorable Mayor and City Council

FROM: Treasurer's Department

DATE: August 5, 2021

SUBJECT: WARRANT REGISTER

PAYROLL REGISTER

August 10, 2021 TOTAL WARRANTS ISSUED: \$4,744,392.33

Wire Transfer: 12039-12046 Prepay: 164058-164061 Check Numbers: 164062-164234

Checks Voided:

Total Pages of Register: 21

July 30, 2021 TOTAL PAYROLL ISSUED: \$1,652,320.26

for J. Ingrid Tsukiyama, City Treasurer

cc: City Clerk

vchlist

08/05/2021 11:19:04AM

#### **Voucher List CITY OF GARDENA**

| Bank | code | : | usb |
|------|------|---|-----|
|------|------|---|-----|

| Voucher | Date      | Vendor                                     | Invoice             | PO#       | Description/Account                          | Amount                          |
|---------|-----------|--|---------------------|-----------|--|---------------------------------|
| 12039   | 7/26/2021 | 110645 ENTERTAINMENT CREATIVE CONCEPT      | 072221              |           | JAZZ FESTIVAL ARTIST PERFORMANCI  Total:     | 3,750.00<br><b>3,750.00</b>     |
| 12040   | 7/23/2021 | 111794 AGENCY FOR THE PERFORMING ARTS      | 072221              |           | JAZZ FESTIVAL ARTIST PERFORMANCI  Total:     | 12,500.00<br><b>12,500.00</b>   |
| 12041   | 7/23/2021 | 109900 U.S. BANK CORPORATE PAYMENT, SYSTEM | //S SANTIN 06/22/21 |           | CAL CARD STATEMENT 05/25-06/22/21  Total:    | 14,390.20<br><b>14,390.20</b>   |
| 12042   | 8/3/2021  | 104058 ADMINSURE INC.                      | 080221              |           | WORKERS' COMP CLAIMS  Total:                 | 28,097.79<br><b>28,097.79</b>   |
| 12043   | 8/2/2021  | 101641 CALPERS                             | 100000016474790     |           | SAFETY (CLASSIC) UAL PAYMENT FY 2<br>Total : | 504,934.00<br><b>504,934.00</b> |
| 12044   | 8/2/2021  | 101641 CALPERS                             | 100000016474799     |           | SAFETY (PEPRA) UAL PAYMENT FY 202<br>Total : | 8,697.00<br><b>8,697.00</b>     |
| 12045   | 8/2/2021  | 101641 CALPERS                             | 100000016474782     |           | MISC GROUP ANNUAL UAL PAYMENT F Total:       | 396,995.00<br><b>396,995.00</b> |
| 12046   | 8/4/2021  | 119126 S.B.R.P.C.A.                        | 03996               | 023-01326 | FY 21-22 1ST QUARTER ASSESSMENT<br>Total :   | 749,467.25<br><b>749,467.25</b> |
| 164058  | 7/27/2021 | 116663 PROGRESSIVE SOLUTIONS, INC.         | 3683                | 023-01328 | PSI SOFTWARE ANNUAL RENEWAL - F' Total :     | 36,075.44<br><b>36,075.44</b>   |
| 164059  | 7/28/2021 | 111802 ARMENIAN COUNCIL OF AMERICA         | KASKANIAN 20/21     |           | COMMUNITY PROMOTIONS  Total:                 | 1,000.00<br><b>1,000.00</b>     |
| 164060  | 8/2/2021  | 111602 DR. PAUL'S IMMEDIATE CARE           | 073021              |           | COVID-19 RAPID TESTS FOR CITY PER<br>Total : | 9,375.00<br><b>9,375.00</b>     |
| 164061  | 8/2/2021  | 108735 NORMANTIC ENTERTAINMENT             | 63021               | 034-00481 | JAZZ FESTIVAL ARTIST PERFORMANCI  Total:     | 8,250.00<br><b>8,250.00</b>     |
| 164062  | 8/10/2021 | 106086 ABC COMPANIES                       | 3214646             |           | GTRANS PARTS SUPPLIES                        | 735.43                          |

08/05/2021 11:19:04AM

Bank code: usb

| Voucher | Date      | Vendor                                    | Invoice  | PO#       | Description/Account   | Amount   |
|---------|-----------|---|--|-----------|---|--|
| 164062  | 8/10/2021 | 106086 106086 ABC COMPANIES               | (Continued)  |           | Total :   | 735.43   |
| 164063  | 8/10/2021 | 108656 ACCELA                             | INV-ACC53963   | 023-01334 | GARDENA DIRECT RENEWAL FY 2021-:<br>Total :   | 12,590.97<br><b>12,590.97</b>  |
| 164064  | 8/10/2021 | 101602 ADLERHORST INTERNATIONAL, LLC      | 106897   |           | K9 PROGRAM SUPPLIES  Total:   | 150.85<br><b>150.85</b>  |
| 164065  | 8/10/2021 | 101748 AFTERMARKET PARTS COMPANY LLC, THE | 82434321<br>82437537<br>82439698   |           | GTRANS AUTO PARTS GTRANS AUTO PARTS GTRANS AUTO PARTS Total:  | 1,915.53<br>132.41<br>102.23<br><b>2,150.17</b>  |
| 164066  | 8/10/2021 | 111673 AGA ENGINEERS, INC.                | 21203  | 024-00716 | 2020 RADAR SPEED SURVEY  Total:   | 1,100.00<br><b>1,100.00</b>  |
| 164067  | 8/10/2021 | 201283 ALARCON, RAUL A.                   | 11/29-12/07  |           | FIELD OFFICER TRAINING - PER DIEM  Total:   | 250.00<br><b>250.00</b>  |
| 164068  | 8/10/2021 | 101628 AQUA-FLO SUPPLY                    | 1772063  |           | PARK MAINT SUPPLIES  Total:   | 26.25<br><b>26.25</b>  |
| 164069  | 8/10/2021 | 101459 ASBURY ENVIRONMENTAL SERVICES      | 1500-00734575  |           | USED OIL SERVICE CHARGE  Total:   | 95.00<br><b>95.00</b>  |
| 164070  | 8/10/2021 | 104687 AT&T                               | 16755396<br>16755397<br>16758516<br>16785993<br>16785994<br>16786008<br>16786016<br>16786017 |           | TELEPHONE | 333.11<br>364.62<br>654.97<br>33.78<br>86.41<br>33.78<br>33.78<br>87.52<br><b>1,627.97</b> |
| 164071  | 8/10/2021 | 111170 AT&T FIRSTNET                      | 287295242065X071021  |           | PD CELL PHONE ACCT #287295242065<br>Total :   | 466.84<br><b>466.84</b>  |

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08/05/2021

Bank code:

164081

164082

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164084

8/10/2021 108298 BRAVO SIGN & DESIGN

8/10/2021 108720 BYD COACH & BUS LLC

8/10/2021 105991 BURRO CANYON ENT., INC.

8/10/2021 105008 CALIFORNIA BUILDING STANDARDS, COMMIS APR-JUN 2021

11:19:04AM

usb

#### Voucher List CITY OF GARDENA

Page:

3

| Voucher | Date      | Vendor                                      | Invoice            | PO #      | Description/Account                       | Amount                      |
|---------|-----------|---|--------------------|-----------|---|-----------------------------|
| 164072  | 8/10/2021 | 100474 AT&T LONG DISTANCE                   | 071221             |           | TELEPHONE Total:                          | 42.15<br><b>42.15</b>       |
| 164073  | 8/10/2021 | 100964 AT&T MOBILITY                        | 828667974X07162021 |           | CM CELL PHONE ACCT #828667974  Total:     | 86.46<br><b>86.46</b>       |
| 164074  | 8/10/2021 | 108383 ATKINSON, ANDELSON, LOYA, RUDD & ROM | C 625490           |           | LEGAL SERVICES  Total:                    | 1,220.10<br><b>1,220.10</b> |
| 164075  | 8/10/2021 | 109980 BACH, ROCIO                          | 1919               |           | PARENTING CLASS PRESENTATIONS  Total:     | 260.00<br><b>260.00</b>     |
| 164076  | 8/10/2021 | 111801 BASS, JASMINE ALEXIS                 | 21-28PD            |           | CLAIM FOR DAMAGES SETTLEMENT Total:       | 513.00<br><b>513.00</b>     |
| 164077  | 8/10/2021 | 102035 BD WHITE TOP SOIL CO., INC.          | 85286              |           | PARK MAINT SUPPLIES  Total:               | 108.05<br><b>108.05</b>     |
| 164078  | 8/10/2021 | 102135 BEHRENDS, KENT                       | 031                | 023-01344 | NETWORK PERFORMANCE & CONFIGI<br>Total :  | 6,045.00<br><b>6,045.00</b> |
| 164079  | 8/10/2021 | 102331 BLUE DIAMOND MATERIALS               | 2311760            |           | STREET MAINT SUPPLIES  Total:             | 92.03<br><b>92.03</b>       |
| 164080  | 8/10/2021 | 103373 BOB & MARC PLUMBING                  | S-103318           |           | SERVICE CALL - REPLACE EXISTING B  Total: | 1,914.00<br><b>1,914.00</b> |

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REPAIR GARDENA POLICE DEPARTME

**BUILDING STANDARDS ADMIN SPECIA** 

**BUILDING STANDARDS ADMIN SPECIA** 

**RANGE FEES 06/29/21** 

GTRANS AUTO PARTS

2,300.00

2,300.00

70.00 **70.00** 

86.50

86.50

384.30

2,444.40

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| Voucher      | Date      | Vendor                                     | Invoice                                  | PO #      | Description/Account  | Amount                                  |
| 164084       | 8/10/2021 | 105008 CALIFORNIA BUILDING STANDARDS, COMM | IS (Continued) JUL-SEP 2020 OCT-DEC 2020 |           | BUILDING STANDARDS ADMIN SPECIA<br>BUILDING STANDARDS ADMIN SPECIA<br><b>Total</b> : | 375.30<br>635.40<br><b>3,839.40</b>     |
| 164085       | 8/10/2021 | 110538 CANNON COMPANY                      | 77098                                    | 024-00692 | ROWLEY PARK RESTROOM IMPROVEN  Total:  | 172.50<br><b>172.50</b>                 |
| 164086       | 8/10/2021 | 111366 CASSO & SPARKS, LLP                 | 20526                                    |           | PROFESSIONAL SERVICES  Total:  | 1,011.50<br><b>1,011.50</b>             |
| 164087       | 8/10/2021 | 110605 CHANDLER ASSET MANAGEMENT           | 2107GARDENA                              | 013-00029 | INVESTMENT MGMT SERVICES - JULY Total :  | 1,375.35<br><b>1,375.35</b>             |
| 164088       | 8/10/2021 | 503960 CITY OF GARDENA                     | KASKANIAN 21/22                          |           | COMMUNITY PROMOTIONS  Total:   | 296.00<br><b>296.00</b>                 |
| 164089       | 8/10/2021 | 303113 CITY OF TORRANCE                    | 2021-00152130                            | 023-01327 | ASSESSMENTS FOR INSB JPA FY 2021<br>Total :  | 29,083.20<br><b>29,083.20</b>           |
| 164090       | 8/10/2021 | 111740 CLEANCOR LNG LLC                    | 592-000448                               |           | REPLACE DAMAGED O-RING  Total:   | 325.00<br><b>325.00</b>                 |
| 164091       | 8/10/2021 | 104338 CODE PUBLISHING, INC.               | 70339                                    |           | MUNICIPAL CODE- WEB UPDATE  Total:   | 436.00<br><b>436.00</b>                 |
| 164092       | 8/10/2021 | 110319 CWE DIRECTOR                        | 21623                                    | 024-00649 | MS4 PERMIT & COMPLIANCE SERVICE Total:   | 15,255.40<br><b>15,255.40</b>           |
| 164093       | 8/10/2021 | 102228 DAILY BREEZE                        | 0011477860<br>0011477875                 |           | NOTICE OF PUBLIC HEARING - CDBG ( NOTICE OF PUBLIC HEARING - CDBG / Total :          | 1,402.35<br>1,467.55<br><b>2,869.90</b> |
| 164094       | 8/10/2021 | 110844 DATA GEAR, INC.                     | 42831                                    | 035-01016 | VIDEO POLICING SYSTEM CAMERA M/<br>Total :   | 800.00<br><b>800.00</b>                 |
| 164095       | 8/10/2021 | 111377 DE NOVO PLANNING GROUP              | 3047                                     | 032-00088 | PROFESSIONAL SERVICES - GARDEN/  | 16,565.00                               |

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| 164095  | 8/10/2021 | 111377 DE NOVO PLANNING GROUP                | (Continued)  |           | Total :                           | 16,565.00 |
| 164096  | 8/10/2021 | 105951 DECALS BY DESIGN, INC.                | 15963        |           | GTRANS BUS DECALS                 | 1,068.42  |
|         |           |  |              |           | Total :                           | 1,068.42  |
| 164097  | 8/10/2021 | 110360 DELA CRUZ, SPENCER                    | 072221       |           | MGMT ANNUAL HEALTH BENEFIT        | 1,000.00  |
|         |           |  |              |           | Total :                           | 1,000.00  |
| 164098  | 8/10/2021 | 104310 DEPARTMENT OF CONSERVATION            | APR-JUN 2021 |           | STRONG MOTION INSTRUMENTATION     | 930.67    |
|         |           |  | JUL-SEP 2020 |           | STRONG MOTION INSTRUMENTATION     | 1,882.89  |
|         |           |  | OCT-DEC 2020 |           | STRONG MOTION INSTRUMENTATION     | 1,996.21  |
|         |           |  |              |           | Total :                           | 4,809.77  |
| 164099  | 8/10/2021 | 104527 DEPARTMENT OF INDUSTRIAL, RELATIONS   | E1814242MR   |           | CONVEYANCE INSPECTION FEE - 1670  | 225.00    |
|         |           |  | E1814244MR   |           | CONVEYANCE INSPECTION FEE - 1670  | 125.00    |
|         |           |  | E1814246MR   |           | CONVEYANCE INSPECTION FEE - 1700  | 125.00    |
|         |           |  | E1814247MR   |           | CONVEYANCE INSPECTION FEE - 1717  | 225.00    |
|         |           |  |              |           | Total :                           | 700.00    |
| 164100  | 8/10/2021 | 312117 DEPARTMENT OF WATER & POWER           | 063021       |           | LIGHT & POWER                     | 60.13     |
|         |           |  | 072321       |           | LIGHT & POWER                     | 97.66     |
|         |           |  |              |           | Total :                           | 157.79    |
| 164101  | 8/10/2021 | 110849 DMS CONSULTANTS CIVIL, ENGINEERS, INC | GA-001A-1    | 024-00619 | CONSULTANT SERVICES - 139TH ST &  | 2,430.00  |
|         |           |  | GA-003-1     | 024-00733 | CONSULTANT SERVICES - 149TH STRE  | 5,600.00  |
|         |           |  |              |           | Total :                           | 8,030.00  |
| 164102  | 8/10/2021 | 103241 DP STAR AUTOMOTIVE, INC.              | 56753        |           | SMOG INSPECTIONS - 2007 CHEVY 350 | 45.00     |
|         |           |  | 56757        |           | SMOG INSPECTIONS - 2007 CHEVY #12 | 45.00     |
|         |           |  | 56789        |           | SMOG INSPECTIONS - 2011 NISSAN FF | 45.00     |
|         |           |  | 56790        |           | SMOG INSPECTIONS - 2007 CHEVY C3  | 45.00     |
|         |           |  | 56811        |           | SMOG INSPECTIONS - 2012 FORD 350  | 45.00     |
|         |           |  | 56836        |           | SMOG INSPECTIONS - 1997 SATURN S  | 45.00     |
|         |           |  | 58612        |           | SMOG INSPECTIONS - 2012 FORD F350 | 45.00     |
|         |           |  |              |           | Total :                           | 315.00    |
| 164103  | 8/10/2021 | 107353 EMERGENCY RESPONSE CRIME SCENE, CL    | E T2021-348  |           | SANITIZE & CLEANUP STREET AND SID | 675.00    |
|         |           |  | T2021-365    |           | SANITIZE & CLEANUP STREET AND SIL | 675.00    |

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| 164103  | 8/10/2021 | 107353 107353 EMERGENCY RESPONSE CRIM     | ME SCENE (Continued)             |                                     | Т  | otal :         | 1,350.00                                 |
| 164104  | 8/10/2021 | 105418 EMPIRE CLEANING SUPPLY             | S4477065<br>S4603780<br>S4650599 | 024-00673<br>024-00673<br>024-00673 | CUSTODIAL SUPPLIES<br>CUSTODIAL SUPPLIES<br>CUSTODIAL SUPPLIES     |                | 767.25<br>1,595.60<br>1,363.00           |
|         |           |   |                                  |                                     | Т  | otal :         | 3,725.85                                 |
| 164105  | 8/10/2021 | 106459 ENTERPRISE FM TRUST                | 224LB8                           |                                     | 2016 FORD FUSION HYBRID VIN #3                                     | 3FA6<br>otal:  | 1,497.49<br><b>1,497.49</b>              |
| 164106  | 8/10/2021 | 106459 ENTERPRISE FM TRUST                | 224LBH                           |                                     | 2016 FORD FUSION VIN #3FA6P0U<br>To                                | IUGR<br>otal : | 1,126.68<br><b>1,126.68</b>              |
| 164107  | 8/10/2021 | 105650 EWING IRRIGATION PRODUCTS          | 14847141<br>14847315<br>14858260 |                                     | PARK MAINT SUPPLIES PARK MAINT SUPPLIES TREE PROGRAM SUPPLIES To   | otal :         | 69.23<br>13.90<br>51.25<br><b>134.38</b> |
| 164108  | 8/10/2021 | 105539 FACTORY MOTOR PARTS CO.            | 109-65190                        |                                     | PW AUTO PARTS  | otal :         | 566.81<br><b>566.81</b>                  |
| 164109  | 8/10/2021 | 100055 FAIR HOUSING FOUNDATION            | JUNE 2021                        |                                     | CDBG CONSULTANT  | otal :         | 3,119.29<br><b>3,119.29</b>              |
| 164110  | 8/10/2021 | 106129 FEDEX                              | 7-423-84528                      |                                     | SHIPPING SERVICES  | otal :         | 30.95<br><b>30.95</b>                    |
| 164111  | 8/10/2021 | 100447 FIVE-STAR UPHOLSTERY & AUTO, GLASS | 20210712                         |                                     | REUPHOLSTER SEAT   | otal :         | 60.00<br><b>60.00</b>                    |
| 164112  | 8/10/2021 | 106545 FLEETPRIDE, INC                    | 77071293<br>78344377             |                                     | BUS AUTO PARTS STREET SWEEPER SUPPLIES To                          | otal :         | 694.58<br>57.24<br><b>751.82</b>         |
| 164113  | 8/10/2021 | 108183 GARDENA ACE HARDWARE               | 78099<br>78402<br>78642          |                                     | STREET MAINT SUPPLIES' STREET MAINT SUPPLIES STREET MAINT SUPPLIES |                | 5.85<br>57.57<br>27.22                   |

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| 164113       | 8/10/2021 | 108183 10     | 8183 GARDENA ACE HARDWARE | (Continued) |      |                       | Total :        | 90.64    |
| 164114       | 8/10/2021 | 107030 GARDE  | NA AUTO PARTS             | 137493      |      | PD AUTO PARTS         |                | 36.78    |
|              |           |               |                           | 138309      |      | PW AUTO PARTS         |                | 52.90    |
|              |           |               |                           | 138384      |      | PW AUTO PARTS         |                | 13.78    |
|              |           |               |                           | 138562      |      | SEWER PROGRAM SUF     | PPLIES         | 64.52    |
|              |           |               |                           | 139148      |      | PW AUTO PARTS         |                | 140.65   |
|              |           |               |                           |             |      |                       | Total :        | 308.63   |
| 164115       | 8/10/2021 | 111361 GARDEI | NA COLLISION CENTER       | 77506       |      | 2006 FORD CROWN VIC   | C #378742      | 50.00    |
|              |           |               |                           |             |      |                       | Total :        | 50.00    |
| 164116       | 8/10/2021 | 107735 GARDE  | NA NISSAN                 | 546002      |      | PW AUTO PARTS         |                | 1,145.68 |
|              |           |               |                           |             |      |                       | Total :        | 1,145.68 |
| 164117       | 8/10/2021 | 107011 GARDE  | NA VALLEY NEWS, INC.      | 00100766    |      | NOTICE OF PUBLIC HEA  | ARING - RESOL  | 259.00   |
|              |           |               |                           | 00100767    |      | NOTICE OF PUBLIC HEA  | ARING - RESOL  | 266.00   |
|              |           |               |                           | 00101484    |      | NOTICE OF PUBLIC HEA  | ARING - MODIFI | 234.50   |
|              |           |               |                           | 00107010    |      | NOTICE OF PUBLIC HEA  |                | 147.00   |
|              |           |               |                           | 00107642    |      | PUBLIC NOTICE - ESTA  |                | 203.00   |
|              |           |               |                           | 00107992    |      | NOTICE OF PUBLIC HEA  |                | 189.00   |
|              |           |               |                           | 00108102    |      | PUBLIC NOTICE - VIRTU |                | 199.50   |
|              |           |               |                           | 00108300    |      | SUMMARY OF ORDINAN    |                | 98.00    |
|              |           |               |                           | 0017991     |      | NOTICE OF PUBLIC NO   |                | 164.50   |
|              |           |               |                           |             |      |                       | Total :        | 1,760.50 |
| 164118       | 8/10/2021 | 107034 GARDE  | NA WELDING SUPPLY CO INC. | 95 119123   |      | PW MAINT SUPPLIES     |                | 125.51   |
|              |           |               |                           | 95 119173   |      | BLDG MAINT SUPPLIES   |                | 116.99   |
|              |           |               |                           | 95 119176   |      | BLDG MAINT SUPPLIES   |                | 31.80    |
|              |           |               |                           |             |      |                       | Total :        | 274.30   |
| 164119       | 8/10/2021 | 619005 GAS CC | MPANY, THE                | 080221      |      | GAS                   |                | 3,116.52 |
|              |           |               |                           |             |      |                       | Total :        | 3,116.52 |
| 164120       | 8/10/2021 | 106470 GILLIG | LLC                       | 40823723    |      | GTRANS AUTO PARTS     |                | 1,607.63 |
|              |           |               |                           | 40828292    |      | GTRANS AUTO PARTS     |                | 213.01   |
|              |           |               |                           |             |      |                       | Total :        | 1,820.64 |
|              |           |               |                           |             |      |                       |                |          |

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| 164121      | 8/10/2021 | 111171 GLOBAL HEALTHCARE PRODUCT, SOLUTIONS   | GHS0210026-FRT<br>GHS0210246  |           | COVID-19 EMERGENCY SUPPLIES - FR<br>COVID-19 EMERGENCY SUPPLIES - FA<br><b>Total</b> :   | 90.00<br>1,240.31<br><b>1,330.31</b>                                    |
| 164122      | 8/10/2021 | 619004 GOLDEN STATE WATER CO.                 | 072921  |           | WATER Total :  | 29,104.59<br><b>29,104.59</b>   |
| 164123      | 8/10/2021 | 107850 GOVERNMENT FINANCE OFFICERS, ASSOCIA   | 2152003 2022  |           | MEMBERSHIP DUES - R.BEEMAN, C.OS<br>Total :  | 595.00<br><b>595.00</b>   |
| 164124      | 8/10/2021 | 107513 GRAINGER                               | 9960731397  |           | BUS FACILITY SUPPLIES  Total:  | 61.92<br><b>61.92</b>   |
| 164125      | 8/10/2021 | 111531 GREIG, MARGARET                        | 20200820124048  |           | REFUND - GARAGE SALES PROHIBITE<br>Total :   | 30.00<br><b>30.00</b>   |
| 164126      | 8/10/2021 | 108012 H&H AUTO PARTS WHOLESALE               | 1-0435158   |           | PW AUTO PARTS  Total:  | 777.84<br><b>777.84</b>   |
| 164127      | 8/10/2021 | 111484 HANNA, BROPHY, MACLEAN,, MCALEER & JEI | 2017468<br>2017483  |           | PROFESSIONAL SERVICES PROFESSIONAL SERVICES Total:   | 100.00<br>20.00<br><b>120.00</b>  |
| 164128      | 8/10/2021 | 107754 HARBOR TRUCK BODIES, INC.              | 38209<br>38427  |           | PW AUTO PARTS PW AUTO PARTS Total:   | 1,156.32<br>292.70<br><b>1,449.02</b>                                   |
| 164129      | 8/10/2021 | 106300 HARDY & HARPER, INC.                   | 47589   | 024-00734 | WESTERN AVE. STREET IMPROVEMEN Total:  | 753,678.04<br><b>753,678.04</b>   |
| 164130      | 8/10/2021 | 108434 HOME DEPOT CREDIT SERVICES             | 0513377<br>3044466<br>3051413<br>3542583<br>451300<br>4521281<br>5040810<br>7054971 |           | BLDG MAINT SUPPLIES PARK MAINT SUPPLIES BLDG MAINT SUPPLIES BLDG MAINT SUPPLIES PARK MAINT SUPPLIES SIGNS/SIGNALS SUPPLIES BLDG MAINT SUPPLIES BLDG MAINT SUPPLIES | 32.45<br>109.88<br>93.16<br>16.71<br>345.90<br>30.30<br>268.61<br>61.61 |

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| 164130  | 8/10/2021 | 108434 HOME DEPOT CREDIT SERVICES             | (Continued) |           |                                  |           |
|         |           |   | 8050660     |           | BLDG MAINT SUPPLIES              | 306.09    |
|         |           |   | 8054761     |           | BLDG MAINT SUPPLIES              | 131.52    |
|         |           |   | 9040202     |           | PARK MAINT SUPPLIES              | 90.11     |
|         |           |   | 9542994     |           | BLDG MAINT SUPPLIES              | 7.47      |
|         |           |   |             |           | Total :                          | 1,493.81  |
| 164131  | 8/10/2021 | 108430 HOME PIPE & SUPPLY                     | F32701      |           | BLDG MAINT SUPPLIES              | 9.38      |
|         |           |   | F32914      |           | BLDG MAINT SUPPLIES              | 510.89    |
|         |           |   | F33011      |           | BLDG MAINT SUPPLIES              | 1,146.65  |
|         |           |   | F33017      |           | BLDG MAINT SUPPLIES              | 73.90     |
|         |           |   |             |           | Total :                          | 1,740.82  |
| 164132  | 8/10/2021 | 111717 INTEGRATED INJURY MANAGEMENT, SERVIC   | 6329        | 037-10015 | CONSULTATION SERVICES            | 3,875.00  |
|         |           |   | 6335        | 037-10015 | CONSULTATION SERVICES            | 937.50    |
|         |           |   |             |           | Total :                          | 4,812.50  |
| 64133   | 8/10/2021 | 110222 INTERAMERICAN MOTOR, LLC               | 101-696370  |           | GTRANS AUTO PARTS                | 341.73    |
|         |           |   | 110-418587  |           | GTRANS AUTO PARTS                | 85.43     |
|         |           |   |             |           | Total :                          | 427.16    |
| 64134   | 8/10/2021 | 106714 INTERSTATE BATTERIES OF, CALIFORNIA CO | 130098846   |           | GTRANS AUTO PARTS                | 526.71    |
|         |           |   | 130099520   |           | GTRANS AUTO PARTS                | 965.56    |
|         |           |   | 130099736   |           | GTRANS AUTO PARTS                | 547.53    |
|         |           |   | 130099829   |           | GTRANS AUTO PARTS                | 547.53    |
|         |           |   | 130099852   |           | GTRANS AUTO PARTS                | 354.04    |
|         |           |   | 130099933   |           | GTRANS AUTO PARTS                | 507.53    |
|         |           |   |             |           | Total :                          | 3,448.90  |
| 164135  | 8/10/2021 | 103064 ITERIS, INC.                           | 131137      | 024-00677 | TRAFFIC SIGNAL SYSTEM - VERMONT  | 3,585.00  |
|         |           |   | 135121      | 024-00717 | TRAFFIC SIGNAL PROJECT - VERMON  | 890.56    |
|         |           |   | 135122      | 024-00677 | TRAFFIC SIGNAL SYSTEM - VERMONT  | 1,050.00  |
|         |           |   | 135686      | 024-00717 | TRAFFIC SIGNAL PROJECT - VERMON  | 921.25    |
|         |           |   | 135687      | 024-00677 | TRAFFIC SIGNAL SYSTEM - VERMONT  | 2,190.00  |
|         |           |   |             |           | Total :                          | 8,636.81  |
| 164136  | 8/10/2021 | 111752 J LEE ENGINEERING INC                  | 4329        | 032-00086 | PROFESSIONAL SERVICES - PERMIT T | 11,570.00 |

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| 164136  | 8/10/2021 | 111752 111752 J LEE ENGINEERING INC | (Continued)  |                        |   | Total : | 11,570.00  |
| 164137  | 8/10/2021 | 104323 JACKSON, EVAN                | 09/02-09/04  |                        | EVOC TRAINING - PER DIEM  | Total : | 50.00<br><b>50.00</b>  |
| 164138  | 8/10/2021 | 108555 JALISCO TIRE & AUTO REPAIR   | 072021   |                        | FLAT REPAIR   | Total : | 10.00<br><b>10.00</b>  |
| 164139  | 8/10/2021 | 111750 JL GROUP LLC                 | 21-016.1   | 035-01086              | PD INVESTIGATION SERVICES   | Total : | 14,600.00<br><b>14,600.00</b>  |
| 164140  | 8/10/2021 | 110853 JONES & MAYER                | 103994<br>104382<br>104383<br>104384<br>104385<br>104386<br>104387<br>104388<br>104390<br>104391<br>104392<br>104393<br>104394<br>104395<br>104396<br>104397<br>104398<br>104399<br>104400 | 023-01295<br>023-01302 | ATTORNEY SERVICES | Total : | 9,800.00 15.00 599.70 2,407.83 410.00 3,075.00 1,050.00 225.50 450.00 700.00 1,066.00 850.00 4,700.00 125.00 575.00 61.50 3,095.50 20.50 50.00 29,276.53 |
| 164141  | 8/10/2021 | 109701 JONES, KEISHAUN              | 02/01-02/15/20   |                        | SPORTS SCOREKEEPER  |         | 78.00  |
|         |           |                                     |  |                        |   | Total : | 78.00  |
| 164142  | 8/10/2021 | 111517 KIRK'S AUTOMOTIVE INC.       | 1051181<br>1051591   |                        | GTRANS SHOP SUPPLIES<br>GTRANS SHOP SUPPLIES  |         | 56.25<br>426.93  |

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| Voucher      | Date      | Vendor                               | Invoice                             | PO #                   | Description/Account   | Amount  |
| 164142       | 8/10/2021 | 111517 111517 KIRK'S AUTOMOTIVE INC. | (Continued)                         |                        | Total :   | 483.18  |
| 164143       | 8/10/2021 | 111260 KJOS, BARBARA JEAN            | JULY 2021                           |                        | GARDENA FAMILY CHILD CARE PROGF Total:  | 1,131.00<br><b>1,131.00</b>                     |
| 164144       | 8/10/2021 | 110848 KREUZER CONSULTING GROUP      | 21-075                              | 024-00644              | CONSULTING SERVICES - LOCAL STRE  Total:  | 1,112.50<br><b>1,112.50</b>                     |
| 164145       | 8/10/2021 | 112145 L.A. COUNTY FIRE DEPARTMENT   | IN0342914<br>IN0348561<br>IN0348562 |                        | UNDERGROUND STORAGE TANK PROHAZARDOUS MATERIALS DISCLOSURE HAZARDOUS MATERIALS DISCLOSURE Total:              | 3,797.00<br>691.00<br>411.00<br><b>4,899.00</b> |
| 164146       | 8/10/2021 | 312039 L.A. COUNTY FIRE DEPARTMENT   | C0009907<br>C0009958                | 023-01337<br>023-01337 | FIRE PROTECTION SERVICES - AUGUS<br>FIRE PROTECTION SERVICES - SEPTE<br>Total :                               | 740,774.47<br>837,728.21<br><b>1,578,502.68</b> |
| 164147       | 8/10/2021 | 312113 L.A. COUNTY SHERIFF'S DEPT    | 212888BL                            |                        | INMATE MEAL DELIVERY PROGRAM - J<br>Total :   | 534.48<br><b>534.48</b>                         |
| 164148       | 8/10/2021 | 109939 LA UNIFORMS & TAILORING       | 7563                                |                        | PD UNIFORM SUPPLIES  Total:   | 3,526.90<br><b>3,526.90</b>                     |
| 164149       | 8/10/2021 | 105874 LAWSON PRODUCTS, INC.         | 9308629740                          |                        | BUS SHOP SUPPLIES  Total:   | 566.74<br><b>566.74</b>                         |
| 164150       | 8/10/2021 | 106974 LEWIS, STEVE                  | 06212021<br>062121<br>62121         |                        | REIMBURSEMENT - PURCHASE REPLA<br>REIMBURSEMENT - PURCHASE OF RE<br>REIMBURSEMENT - REPLACEMENT TC<br>Total : | 236.27<br>48.11<br>218.50<br><b>502.88</b>      |
| 164151       | 8/10/2021 | 110926 LIVING WORD, THE              | BL #27648                           |                        | REFUND - BUSINESS LICENSE OVERPA<br>Total :   | 11.50<br><b>11.50</b>                           |
| 164152       | 8/10/2021 | 109517 LOAD N' GO BUILDING MATERIALS | 17738                               |                        | STREET MAINT SUPPLIES  Total:   | 10.25<br><b>10.25</b>                           |
| 164153       | 8/10/2021 | 108807 LOCKE LORD LLP                | 12967                               |                        | LEGAL SERVICES  | 22,369.51                                       |

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| Voucher     | Date      | Vendor                               | Invoice     | PO #      | Description/Account                 | Amount    |
| 164153      | 8/10/2021 | 108807 LOCKE LORD LLP                | (Continued) |           | Total:                              | 22,369.51 |
| 164154      | 8/10/2021 | 105279 LOS ANGELES TRUCK CENTERS LLC | XA220320641 |           | STREET SWEEPING SUPPLIES            | 174.81    |
|             |           |                                      |             |           | Total :                             | 174.81    |
| 164155      | 8/10/2021 | 111803 LOWE, KENDALL                 | 037         |           | PD PROGRAM SUPPLIES                 | 400.00    |
|             |           |                                      | 038         |           | PD PROGRAM SUPPLIES                 | 100.00    |
|             |           |                                      |             |           | Total :                             | 500.00    |
| 164156      | 8/10/2021 | 112615 LU'S LIGHTHOUSE, INC.         | 01199264    |           | GTRANS SHOP SUPPLIES                | 1,335.75  |
|             |           |                                      | 01199460    |           | GTRANS SHOP SUPPLIES                | 176.26    |
|             |           |                                      | 01199867    |           | GTRANS SHOP SUPPLIES                | 492.84    |
|             |           |                                      | 01200231    |           | GTRANS SHOP SUPPLIES                | 1,165.57  |
|             |           |                                      |             |           | Total :                             | 3,170.42  |
| 164157      | 8/10/2021 | 111806 MAKAI BUILDING INSPECTION     | 281382452   |           | PW BUILDING INSPECTION - CHASE BI   | 795.00    |
|             |           |                                      |             |           | Total :                             | 795.00    |
| 164158      | 8/10/2021 | 113036 MANERI SIGN CO., INC.         | 40010051    |           | SIGNS ' 42"X9" ' GARDENA BLVD 1300' | 104.74    |
|             |           |                                      | 40010052    |           | SIGN - 30"X42" "SCHOOL CROSSING"    | 1,168.44  |
|             |           |                                      | 40010350    |           | SIGN - NO PARKING STREET SWEEPIN    | 458.53    |
|             |           |                                      | 40010351    |           | SIGN - LEFT TURN YIELD ON GREEN     | 264.06    |
|             |           |                                      | 40010352    |           | SIGN - NO OVER SIZED VEHICLES SYN   | 528.10    |
|             |           |                                      |             |           | Total :                             | 2,523.87  |
| 164159      | 8/10/2021 | 813030 MANNING & KASS                | 711416      |           | LEGAL SERVICES                      | 26,330.80 |
|             |           |                                      | 711417      |           | LEGAL SERVICES                      | 686.00    |
|             |           |                                      | 711489      |           | LEGAL SERVICES                      | 318.50    |
|             |           |                                      |             |           | Total :                             | 27,335.30 |
| 164160      | 8/10/2021 | 104841 MAR-CO EQUIPMENT COMPANY      | 179242      | 024-00753 | SEWER MAINT SUPPLIES                | 2,172.18  |
|             |           |                                      | 179511      |           | SEWER MAINT SUPPLIES                | 149.55    |
|             |           |                                      |             |           | Total :                             | 2,321.73  |
| 164161      | 8/10/2021 | 113064 MCMASTER-CARR SUPPLY COMPANY  | 61489529    |           | GTRANS SHOP SUPPLIES                | 369.65    |
|             |           |                                      | 61658663    |           | GTRANS SHOP SUPPLIES                | 53.99     |
|             |           |                                      | 62040816    |           | GTRANS SHOP SUPPLIES                | 109.37    |

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| Voucher | Date      | Vendor                                | Invoice                         | PO #   | Description/Account   | Amount  |
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| 164161  | 8/10/2021 | 113064 113064 MCMASTER-CARR SUP       | PLY COMPANY (Continued)         |  | Total :   | 533.01  |
| 164162  | 8/10/2021 | 110784 MD AUTOBODY                    | 1246<br>1247<br>1255<br>1256    |  | GTRANS BUS REPAIRS GTRANS BUS REPAIRS GTRANS BUS REPAIRS GTRANS BUS REPAIRS Total:  | 980.00<br>400.00<br>204.00<br>646.00<br><b>2,230.00</b>                       |
| 164163  | 8/10/2021 | 110206 MICHELIN NORTH AMERICA, INC.   | DA0047443529                    | 037-09969  | GTRANS' BUS TIRE LEASE SERVICES - Total :   | 5,469.77<br><b>5,469.77</b>   |
| 164164  | 8/10/2021 | 110945 MINAGAR & ASSOCIATES, INC      | 873<br>875<br>876<br>877<br>878 | 024-00662<br>024-00694<br>024-00704<br>024-00714 | CONSULTANT SERVICES - TRAFFIC SIG<br>CONSULTANT SERVICES - TRAFFIC WA<br>TRAFFIC STUDY - 147TH ST B/T CRENS<br>TRAFFIC STUDY - W.147TH ST, CRENS<br>STOP SIGN ASSESSMENT - GARDENA<br>Total : | 38,830.15<br>5,300.00<br>2,800.00<br>4,050.00<br>1,700.00<br><b>52,680.15</b> |
| 164165  | 8/10/2021 | 110936 MONTIJO, SYLVIA                | RECEIPT #74192                  |  | REFUND - YOUTH BASKETBALL  Total:   | 60.00<br><b>60.00</b>   |
| 164166  | 8/10/2021 | 113462 MOTION INDUSTRIES, INC.        | CA20-734852                     |  | PW MAINT SUPPLIES  Total:   | 147.18<br><b>147.18</b>   |
| 164167  | 8/10/2021 | 107505 MOUSER ELECTRONICS, INC.       | 62561229                        |  | GTRANS AUTO SUPPLIES  Total:  | 97.57<br><b>97.57</b>   |
| 164168  | 8/10/2021 | 113605 MUTUAL LIQUID GAS & EQUIPMENT, | CO., INC 542291                 |  | PROPANE GAS  Total:   | 562.19<br><b>562.19</b>   |
| 164169  | 8/10/2021 | 110909 NEXTECH SYSTEMS, INC           | NEX21-279                       |  | SIGNS/SIGNALS TECH SUPPORT  Total:  | 600.00<br><b>600.00</b>   |
| 164170  | 8/10/2021 | 111800 NGUYEN, JENNY XUAN             | PERMIT #50020-0622              |  | REFUND - PLAN CHECK FEE DOUBLE ( Total:   | 352.00<br><b>352.00</b>   |
| 164171  | 8/10/2021 | 110960 NINJARMM, LLC                  | DA00EA9C-0003                   | 023-01330  | REMOTE MGMT SOFTWARE RENEWAL  | 10,500.00   |

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| Voucher | Date      | Vendor |                                       | Invoice   | PO #                   | Description/Account   | Amount  |
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| 164171  | 8/10/2021 | 110960 | 110960 NINJARMM, LLC                  | (Continued)   |                        | Total :   | 10,500.00   |
| 164172  | 8/10/2021 | 108735 | NORMANTIC ENTERTAINMENT               | 063021  | 034-00481              | JAZZ FESTIVAL ARTIST PERFORMANCI  Total:  | 8,250.00<br><b>8,250.00</b>                                   |
| 164173  | 8/10/2021 | 110575 | OCCUPATIONAL HEALTH CENTERS, OF CALIF | 71985828<br>72068052  |                        | RANDOM BAT & EMPLOYMENT PHYSIC RANDOM BAT & EMPLOYMENT PHYSIC Total :                                   | 2,871.00<br>1,508.50<br><b>4,379.50</b>                       |
| 164174  | 8/10/2021 | 115168 | OFFICE DEPOT                          | 179876160-001<br>181457090-001<br>182068060-001<br>182547228-001<br>183943392-001 |                        | BUS OFFICE SUPPLIES HR OFFICE SUPPLIES BUS OFFICE SUPPLIES CD OFFICE SUPPLIES HR OFFICE SUPPLIES Total: | 80.07<br>44.30<br>70.54<br>128.35<br>183.03<br><b>506.29</b>  |
| 164175  | 8/10/2021 | 111358 | O'REILLY AUTO PARTS                   | 132346<br>138548<br>138861<br>140764<br>143021                                    |                        | GTRANS AUTO PARTS COVID-19 EMERGENCY SUPPLIES GTRANS AUTO PARTS PW AUTO PARTS PW AUTO PARTS Total:      | 131.81<br>197.79<br>168.44<br>65.91<br>29.70<br><b>593.65</b> |
| 164176  | 8/10/2021 | 115810 | ORKIN PEST CONTROL                    | 212647708   |                        | PEST CONTROL - ACCT #27336703<br>Total :  | 237.00<br><b>237.00</b>                                       |
| 164177  | 8/10/2021 | 108382 | OSORIO, CLINT                         | 11/18-11/19   |                        | CALIFORNIA GAMING REGULATION ME Total:  | 75.00<br><b>75.00</b>   |
| 164178  | 8/10/2021 | 100663 | OVERLAND PACIFIC & CUTLER, INC        | 2106091   |                        | PROFESSIONAL SERVICES  Total:   | 836.25<br><b>836.25</b>                                       |
| 164179  | 8/10/2021 | 307101 | PETTY CASH FUND                       | 07/14-07/30/21  |                        | REPLENISH PETTY CASH  Total:  | 611.28<br><b>611.28</b>                                       |
| 164180  | 8/10/2021 | 108600 | PHOENIX GROUP INFORMATION, SYSTEMS    | 06021211<br>0620211211  | 035-01020<br>035-01020 | PARKING CONTRACT SERVICES - JUNI<br>PARKING CONTRACT SERVICES - JUNI                                    | 6,644.85<br>18.00   |

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| Voucher      | Date      | Vendor                                     | Invoice  | PO #                   | Description/Account   | Amount  |
| 164180       | 8/10/2021 | 108600 108600 PHOENIX GROUP INFORMATION    | N, SYSTE (Continued)   |                        | Total :   | 6,662.85  |
| 164181       | 8/10/2021 | 105574 PINNACLE PETROLEUM, INC.            | 0253001  | 037-10038              | 87 OCTANE REGULAR UNLEADED CAR<br>Total :   | 29,264.28<br><b>29,264.28</b>   |
| 164182       | 8/10/2021 | 102677 PROVIDENCE HEALTH & SERVICES        | 600000283 07/05/21   |                        | PRE-EMPLOYMENT PHYSICAL EXAMS Total:  | 1,500.00<br><b>1,500.00</b>   |
| 164183       | 8/10/2021 | 106092 PRUDENTIAL OVERALL SUPPLY           | 42637263<br>42643664<br>42643665<br>42643666<br>42643667<br>42643668<br>42643669<br>42643670<br>42643996 | 024-00682              | CUSTODIAL SUPPLIES UNIFORM & SUPPLY RENTAL UNIFORM & SUPPLY RENTAL SUPPLY RENTAL - MATS - GTRANS SUPPLY RENTAL - MATS - NCC SUPPLY RENTAL - MATS - CH SUPPLY RENTAL - MATS - PD SUPPLY RENTAL - MATS - HS UNIFORM & SUPPLY RENTAL  Total: | 793.39<br>152.32<br>47.16<br>50.10<br>13.65<br>19.00<br>91.60<br>11.60<br>285.80<br><b>1,464.62</b> |
| 164184       | 8/10/2021 | 116820 PSOMAS                              | 174911   | 037-09987              | GTRANS DESIGN BUILD CONSTRUCTIC  Total:   | 2,180.75<br><b>2,180.75</b>   |
| 164185       | 8/10/2021 | 116575 PSYCHOLOGICAL CONSULTING, ASSOCIATE | ES 525286  |                        | CID DEBRIEFING - PD  Total :  | 275.00<br><b>275.00</b>   |
| 164186       | 8/10/2021 | 104868 PYRO-COMM SYSTEMS, INC.             | 167245<br>167246   | 037-09956<br>037-09956 | FIRE ALARM MONITORINING - BLDG B<br>FIRE ALARM MONITORINING - BLDG C<br><b>Total</b> :  | 200.00<br>200.00<br><b>400.00</b>   |
| 164187       | 8/10/2021 | 114143 QUADIENT LEASING USA, INC           | N8964759   |                        | POSTAGE MAILING MACHINE LEASE  Total:   | 790.67<br><b>790.67</b>   |
| 164188       | 8/10/2021 | 110376 QUIROZ, ABIGAIL                     | 080421   |                        | EDUCATIONAL REIMBURSEMENT  Total:   | 2,500.00<br><b>2,500.00</b>   |
| 164189       | 8/10/2021 | 111574 RACE COMMUNICATIONS                 | RC537578   |                        | FIBER INTERNET SERVICES - JULY 202  Total:  | 5,589.00<br><b>5,589.00</b>   |
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| Voucher      | Date      | Vendor                                       | Invoice    | PO # | Description/Account                | Amount   |
| 164190       | 8/10/2021 | 100836 RESOURCE BUILDING MATERIALS           | 3168085    |      | STREET MAINT SUPPLIES              | 91.89    |
|              |           |  |            |      | Total :                            | 91.89    |
| 164191       | 8/10/2021 | 118476 RICOH USA, INC.                       | 5062363813 |      | RICOH MPC3300SPF COPIER USAGE (    | 1,275.15 |
|              |           |  | 9028955833 |      | RICOH MPC6502SP COPIER LEASE - PI  | 738.33   |
|              |           |  | 9028955842 |      | RICOH MPC3503 COPIER LEASE - CLEI  | 175.70   |
|              |           |  | 9028955846 |      | RICOH PRO8100SE COPIER LEASE - PI  | 459.79   |
|              |           |  | 9028955849 |      | RICOH MPC3503 COPIER LEASE - CD    | 236.10   |
|              |           |  | 9028955860 |      | RICOH MPC3503 COPIER LEASE - CM    | 246.46   |
|              |           |  | 9028976578 |      | RICOH MPC3503 COPIER LEASE - ADM   | 175.71   |
|              |           |  | 9028976747 |      | RICOH MPC3503 COPIER LEASE - HS    | 137.72   |
|              |           |  | 9028976781 |      | RICOH MPC3503 COPIER LEASE - CHIE  | 147.04   |
|              |           |  | 9028976782 |      | RICOH MPC3503 COPIER LEASE - SR. I | 171.08   |
|              |           |  | 9028976889 |      | RICOH MPC3503 COPIER LEASE - PW    | 165.00   |
|              |           |  | 9028976931 |      | RICOH MPC3503 COPIER LEASE - HS    | 187.53   |
|              |           |  | 9028977142 |      | RICOH MPC6003 COPIER LEASE - PD S  | 228.83   |
|              |           |  |            |      | Total :                            | 4,344.44 |
| 164192       | 8/10/2021 | 109323 RIVERAS LAWNMOWER SHOP, INC.          | 1390       |      | TREE PROGRAM SUPPLIES              | 330.75   |
|              |           |  |            |      | Total :                            | 330.75   |
| 164193       | 8/10/2021 | 100585 RKA CONSULTING GROUP                  | 31371      |      | ENGINEERING PLAN CHECK SERVICES    | 700.00   |
|              |           |  | 31372      |      | ENGINEERING PLAN CHECK SERVICES    | 700.00   |
|              |           |  |            |      | Total :                            | 1,400.00 |
| 164194       | 8/10/2021 | 119022 SAFE MART OF SOUTHERN, CALIFORNIA, IN | C 92775    |      | CUSTODIAL PROGRAM SUPPLIES         | 46.31    |
|              |           |  | 92777      |      | PD PROGRAM SUPPLIES                | 391.53   |
|              |           |  | 92782      |      | STREET MAINT SUPPLIES              | 11.03    |
|              |           |  | 92783      |      | PD PROGRAM SUPPLIES                | 27.56    |
|              |           |  | 92796      |      | STREET MAINT SUPPLIES              | 8.82     |
|              |           |  |            |      | Total :                            | 485.25   |
| 164195       | 8/10/2021 | 111804 SALAS, ANGELIQUE                      | 80021-0146 |      | PARTIAL PERMIT CANCELLATION REFU   | 66.00    |
|              |           |  |            |      | Total :                            | 66.00    |
| 164196       | 8/10/2021 | 108654 SECTRAN SECURITY INC.                 | 21070690   |      | ARMORED TRANSPORTATION SERVICE     | 188.43   |
|              |           |  |            |      | Total :                            | 188.43   |
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| 164197  | 8/10/2021 | 110676 SF MOBILE-VISION, INC               | 37685        |      | PD PROGRAM SUPPLIES                  | 482.56   |
|         |           |  | 37686        |      | PD PROGRAM SUPPLIES                  | 468.56   |
|         |           |  | 38989 BAL    |      | SOFTWARE FOR PATROL IN-CAR CAMI      | 236.79   |
|         |           |  |              |      | Total :                              | 1,187.91 |
| 164198  | 8/10/2021 | 107006 SHAMROCK COMPANIES                  | 2515997      |      | STREET MAINT SUPPLIES                | 170.49   |
|         |           |  |              |      | Total :                              | 170.49   |
| 164199  | 8/10/2021 | 119233 SHERWIN-WILLIAMS CO.                | 1047-9       |      | STREET MAINT SUPPLIES                | 45.90    |
|         |           |  | 1151-9       |      | STREET MAINT SUPPLIES                | 43.64    |
|         |           |  |              |      | Total :                              | 89.54    |
| 164200  | 8/10/2021 | 109918 SHIGE'S FOREIGN CAR SERVICE         | 8088623      |      | 2012 FORD E-350 #1391819 OIL & FILTE | 340.31   |
|         |           |  | 8088678      |      | 2016 FORD INTRCTPR #1488058 SERVI    | 261.09   |
|         |           |  |              |      | Total :                              | 601.40   |
| 164201  | 8/10/2021 | 119378 SMARDAN SUPPLY CO.                  | S3704510.001 |      | BLDG MAINT SUPPLIES                  | 1,521.08 |
|         |           |  | S3704510.002 |      | BLDG MAINT SUPPLIES                  | 1,765.29 |
|         |           |  | S3704510.003 |      | BLDG MAINT SUPPLIES                  | 1,045.29 |
|         |           |  |              |      | Total :                              | 4,331.66 |
| 164202  | 8/10/2021 | 119361 SMART & FINAL IRIS CO.              | 13402        |      | REC PROGRAM SUPPLIES                 | 19.17    |
|         |           |  | 16901        |      | REC PROGRAM SUPPLIES                 | 15.92    |
|         |           |  | 2101         |      | CM PROGRAM SUPPLIES                  | 57.36    |
|         |           |  | 31301        |      | REC PROGRAM SUPPLIES                 | 7.96     |
|         |           |  |              |      | Total :                              | 100.41   |
| 164203  | 8/10/2021 | 119129 SNAP-ON INDUSTRIAL                  | ARV-48724991 |      | BUS MAINT SUPPLIES                   | 636.44   |
|         |           |  |              |      | Total :                              | 636.44   |
| 164204  | 8/10/2021 | 119447 SOUTH BAY FORD                      | 503362       |      | 2012 FORD FUSION #1247135 BRAKE S    | 175.00   |
|         |           |  |              |      | Total :                              | 175.00   |
| 164205  | 8/10/2021 | 119375 SOUTH COAST AIR QUALITY, MANAGEMENT | I 3847609    |      | FEES - SPRAY EQUIPMENT - OPEN~       | 440.15   |
|         |           |  | 3847666      |      | ANNUAL OPERATING FEES - I C E (50-5  | 440.15   |
|         |           |  | 3849111      |      | EMISSIONS FEES - FLAT FEE FOR LAS    | 142.59   |
|         |           |  | 3849277      |      | EMISSIONS FEE - FLAT FEE FOR LAST    | 142.59   |
|         |           |  | 3850198      |      | EMISSIONS FEE - FLAT FEE FOR LAST    | 142.59   |
|         |           |  |              |      |                                      |          |

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| Voucher | Date      | Vendor |                                      | Invoice                        | PO#                    | Description/Account  | Amount                                  |
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| 164205  | 8/10/2021 | 119375 | 119375 SOUTH COAST AIR QUALITY, M    | ANAGEMI (Continued)            |                        | Total :  | 1,308.07                                |
| 164206  | 8/10/2021 | 619003 | SOUTHERN CALIFORNIA EDISON           | 072321                         |                        | LIGHT & POWER  Total:  | 26,798.75<br><b>26,798.75</b>           |
| 164207  | 8/10/2021 | 119906 | SOUTHERN CALIFORNIA GOLF, ASSOCIATIO | N 25852-052                    |                        | REGULAR MEMBER FEES  Total:  | 1,116.00<br><b>1,116.00</b>             |
| 164208  | 8/10/2021 | 108238 | SPARKLETTS                           | 14211220-071421                |                        | DRINKING WATER FILTRATION SYSTEM  Total:   | 36.99<br><b>36.99</b>                   |
| 164209  | 8/10/2021 | 104126 | SPECTRUM SOLUTIONS                   | 0027122071121<br>0851122071221 |                        | CABLE & BACKUP INTERNET SERVICE<br>CABLE SERVICES - PD<br>Total :                      | 4,031.80<br>190.26<br><b>4,222.06</b>   |
| 164210  | 8/10/2021 | 104453 | SPICERS PAPER, INC.                  | 2702850                        |                        | PD OFFICE SUPPLIES  Total:   | 1,387.48<br><b>1,387.48</b>             |
| 164211  | 8/10/2021 | 119010 | STAPLES ADVANTAGE                    | 3480684545<br>3481898776       |                        | PW OFFICE SUPPLIES SR. BUREAU OFFICE SUPPLIES Total:                                   | 203.23<br>54.01<br><b>257.24</b>        |
| 164212  | 8/10/2021 | 107928 | TELECOM LAW FIRM, P.C.               | 10378<br>10379                 | 024-00612<br>024-00612 | PROFESSIONAL SERVICES - 1571 NOR<br>PROFESSIONAL SERVICES - 2215 MAR<br><b>Total</b> : | 1,859.00<br>1,091.50<br><b>2,950.50</b> |
| 164213  | 8/10/2021 | 111799 | TITAN ENVIRONMENTAL SOLUTIONS, INC   | 11093617                       |                        | ROWLEY PARK SURVEY & REPORTING  Total:   | 425.00<br><b>425.00</b>                 |
| 164214  | 8/10/2021 | 109411 | TITAN LEGAL SERVICES, INC.           | SU353325-02-01                 |                        | LEGAL SERVICES  Total:   | 32.77<br><b>32.77</b>                   |
| 164215  | 8/10/2021 | 102893 | TNT FIREWORKS                        | 2021                           |                        | FIREWORKS CLEAN-UP DEPOSIT REFU  | 1,505.00<br><b>1,505.00</b>             |
| 164216  | 8/10/2021 | 109775 | TOMS TRUCK CENTER NORTH COUNTY       | 1231468<br>1233878<br>1233937  |                        | GTRANS AUTO PARTS<br>GTRANS AUTO PARTS<br>GTRANS AUTO PARTS                            | 1,360.66<br>118.81<br>93.46             |

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|         | 405       |   |                     |           |                                   |           |
|---------|-----------|---|---------------------|-----------|-----------------------------------|-----------|
| Voucher | Date      | Vendor                                      | Invoice             | PO #      | Description/Account               | Amount    |
| 164216  | 8/10/2021 | 109775 TOMS TRUCK CENTER NORTH COUNTY       | (Continued)         |           |                                   |           |
|         |           |   | 1234783             |           | GTRANS AUTO PARTS                 | 42.53     |
|         |           |   |                     |           | Total :                           | 1,615.46  |
| 164217  | 8/10/2021 | 110851 TRAPEZE SOFTWARE GROUP, INC.         | TSPAU210052         | 037-09887 | GTRANS SCHEDULING & OPERATIONS    | 54,342.38 |
|         |           |   |                     |           | Total :                           | 54,342.38 |
| 164218  | 8/10/2021 | 109900 U.S. BANK CORPORATE PAYMENT, SYSTEMS | FCC 07/22/21        |           | CAL CARD STATEMENT 06/23-07/22/21 | 594.50    |
|         |           |   | FCC 7/22/21         |           | CAL CARD STATEMENT 06/23-07/22/21 | 1,275.90  |
|         |           |   | FINANCE 04/22/21    |           | CAL CARD STATEMENT 03/23-04/22/21 | 1,492.01  |
|         |           |   | FINANCE 05/24/21    |           | CAL CARD STATMENT 04/23-05/24/21  | 7,088.18  |
|         |           |   | FINANCE 06/22/21    |           | CAL CARD STATEMENT 05/25-06/22/21 | 3,682.84  |
|         |           |   | FOX 06/22/21        |           | CAL CARD STATEMENT 05/25-06/22/21 | 148.94    |
|         |           |   | HR 07/22/21         |           | CAL CARD STATEMENT 06/23-07/22/21 | 149.00    |
|         |           |   | HR 7/22/21          |           | CAL CARD STATEMENT 06/23-07/22/21 | 125.00    |
|         |           |   | MACIEL 06/22/21     |           | CAL CARD STATEMENT 05/25-06/22/21 | 135.75    |
|         |           |   | MACIEL 07/22/21     |           | CAL CARD STATEMENT 06/23-07/22/21 | 155.42    |
|         |           |   | MCCLAIN 070/22/21   |           | CAL CARD STATEMENT 06/23-07/22/21 | 255.61    |
|         |           |   | NOLAN 07/22/21      |           | CAL CARD STATEMENT 06/23-07/22/21 | 1,151.29  |
|         |           |   | NOLAN 7/22/21       | 024-00754 | CAL CARD STATEMENT 06/23-07/22/21 | 5,396.72  |
|         |           |   | PALMA 07/22/21      |           | CAL CARD STATEMENT 06/23-07/22/21 | 522.46    |
|         |           |   | RECREATION 05/24/21 |           | CAL CARD STATEMENT 04/23-05/24/21 | 3,591.10  |
|         |           |   | SAFFELL 06/22/21    |           | CAL CARD STATEMENT 05/25-06/22/21 | 6.00      |
|         |           |   | SAFFELL 07/22/21    |           | CAL CARD STATEMENT 06/23-07/22/21 | 99.22     |
|         |           |   | V.OSORIO 06/22/21   |           | CAL CARD STATEMENT 05/25-06/22/21 | 1,044.40  |
|         |           |   | WARD 07/22/21       |           | CAL CARD STATEMENT 06/23-06/30/21 | 104.96    |
|         |           |   | WARD 7/22/21        |           | CAL CARD STATEMENT 06/23-07/22/21 | 2,231.66  |
|         |           |   |                     |           | Total :                           | 29,250.96 |
| 164219  | 8/10/2021 | 104692 ULINE                                | 136442976           |           | BUS SHOP SUPPLIES                 | 463.53    |
|         |           |   |                     |           | Total :                           | 463.53    |
| 164220  | 8/10/2021 | 103227 UNIPLAN ENGINEERING, INC.            | 800151-02           | 024-00702 | DESIGN & CMI SERVICES - LOCAL STR | 5,962.50  |
|         |           |   |                     |           | Total :                           | 5,962.50  |
| 164221  | 8/10/2021 | 121010 UNITED RENTALS                       | 195822241           |           | RENTAL - PRESSURE REGULATOR       | 254.87    |
|         |           |   |                     |           | Total :                           | 254.87    |
|         |           |   |                     |           |                                   |           |

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|-------------|-----------|--------------------------------------|--|-----------|--|---|
| Voucher     | Date      | Vendor                               | Invoice                                | PO #      | Description/Account  | Amount  |
| 164222      | 8/10/2021 | 119825 UNITED ROTARY BRUSH CORP.     | CI269529                               |           | STREET SWEEPER SUPPLIES  Total:  | 1,717.26<br><b>1,717.26</b>                   |
| 164223      | 8/10/2021 | 105316 VECTOR RESOURCES, INC.        | 89345                                  | 024-00745 | IT CLOSET EQUIPMENT PROJECT  Total:  | 4,631.19<br><b>4,631.19</b>                   |
| 164224      | 8/10/2021 | 122050 VERIZON WIRELESS              | 9878033879<br>9883807125               |           | REC CELL PHONE SERVICE~ PW CELL PHONE SERVICE~ Total:  | 914.78<br>934.28<br><b>1,849.06</b>           |
| 164225      | 8/10/2021 | 107048 VIGILANT SOLUTIONS, LLC       | 39438                                  | 035-01088 | ANNUAL SUBSCRIPTION RENEWAL  Total:  | 2,250.00<br><b>2,250.00</b>                   |
| 164226      | 8/10/2021 | 108353 WALTERS WHOLESALE ELECTRIC CO | S118385300<br>S118536792<br>S118540297 |           | SIGNS/SIGNALS MAINT SUPPLIES<br>SIGNS/SIGNALS MAINT SUPPLIES<br>SIGNS/SIGNALS MAINT SUPPLIES<br>Total: | 601.98<br>727.65<br>206.41<br><b>1,536.04</b> |
| 164227      | 8/10/2021 | 101903 WATER TECHNIQUES              | 78283                                  |           | DRINKING WATER SYSTEM RENTAL  Total:   | 45.00<br><b>45.00</b>                         |
| 164228      | 8/10/2021 | 123154 WEST COAST ARBORISTS, INC.    | 174953                                 | 024-00676 | TREE TRIMMING SERVICES FY 2021<br>Total :  | 6,776.00<br><b>6,776.00</b>                   |
| 164229      | 8/10/2021 | 119387 WEX BANK                      | 72748431                               |           | FUEL PURCHASES  Total:   | 413.06<br><b>413.06</b>                       |
| 164230      | 8/10/2021 | 111774 WISHING WELL LLC              | RA-BOGNEAR                             |           | COVID-19 RENTAL ASSISTANCE PROG<br>Total :   | 4,050.00<br><b>4,050.00</b>                   |
| 164231      | 8/10/2021 | 111548 WOOLLS PEER DOLLINGER & SCHER | 28196                                  |           | LEGAL SERVICES  Total:   | 4,752.00<br><b>4,752.00</b>                   |
| 164232      | 8/10/2021 | 125001 YAMADA COMPANY, INC.          | 81039<br>81042                         |           | PARK MAINT SUPPLIES PW MAINT SUPPLIES Total:   | 25.30<br>254.53<br><b>279.83</b>              |
| 164233      | 8/10/2021 | 107173 ZAMUDIO, JOSE                 | 05/28-07/31                            |           | EDUCATIONAL REIMBURSEMENT  | 655.00  |

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| Voucher | Date            | Vendor        |                      | Invoice   | PO#        | Description/Account | <u> </u>             | Amount                      |
|---------|-----------------|---------------|----------------------|-----------|------------|---------------------|----------------------|-----------------------------|
| 164233  | 8/10/2021       | 107173        | 107173 ZAMUDIO, JOSE | (         | Continued) |                     | Total :              | 655.00                      |
| 164234  | 8/10/2021       | 126122 ZEF    | P SALES & SERVICE    | 900645675 | 1          | BUS SHOP SUPPLIE    | ES<br><b>Total</b> : | 1,694.85<br><b>1,694.85</b> |
| 1       | 185 Vouchers fo | r bank code : | : usb                |           |            |                     | Bank total :         | 4,744,392.33                |
| 1       | 85 Vouchers in  | this report   |                      |           |            |                     | Total vouchers :     | 4,744,392.33                |

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Amount

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Councilmember

Date

| Voucher | Date Vendor            |  |         |      |                   |
|---------|------------------------|--|---------|------|-------------------|
|         |                        |  | Invoice | PO # | Description/Accou |
|         | CLAIMS VOUCHE          | ER APPROVAL  |         |      |                   |
|         | checks listed on pages | mands or claims covered by the   |         |      |                   |
|         | checks listed on pages | aims or demands covered by  1 to21 inclusive of the check  If by the City Council of the City the said checks are approved for inbers: |         |      |                   |
|         |                        | 08/10/2021   |         |      |                   |
|         | Mayor                  | Date   |         |      |                   |
|         | Councilmember          | Date   |         |      |                   |
|         | Councilmember          | Date   |         |      |                   |
|         | Acknowledged:          |  |         |      |                   |
|         |                        |  |         |      |                   |

Agenda Item No. 11.A Section: DEPARTMENTAL ITEMS - ADMINISTRATIVE

**SERVICES** 

Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: APPROVAL OF BLANKET PURCHASE ORDERS FOR FISCAL YEAR 2021-2022

#### **COUNCIL ACTION REQUIRED:**

Staff Recommendation: Approve Blanket Purchase Orders

#### **RECOMMENDATION AND STAFF SUMMARY:**

A blanket purchase order authorizes the City to buy goods or services with predetermined terms or conditions. Since these vendors either have individual contracts, are piggybacking on State contracts or provide vital services which the City is mandated to use, it is only necessary for the requisitioner to request one purchase order for the estimated amount of the expenditure for the fiscal year. The blanket purchase order is limited by a dollar amount, as approved by Council, and authorizes the Purchasing Officer to issue releases for goods or services until the pre-established dollar amount of the blanket purchase order is reached.

Per the City's Purchasing Policy, Section 3.B. "the purchase of goods or services in excess of \$30,000 must be authorized by the City Council". Therefore, as the estimated budgeted expenditure amount exceeds \$30,000, it is requested that Council approve the following Blanket Purchase Orders for FY 21-22 as specified in Exhibit A.

#### FINANCIAL IMPACT/COST:

| General Fund           | \$2,185,013 |
|------------------------|-------------|
| GTrans                 | \$2,032,383 |
| Other Funds            | \$ 619,293  |
| Total Budgeted Expense | \$4,836,689 |

#### **ATTACHMENTS:**

Exhibit A.docx

APPROVED:

Clint Osorio, City Manager

Cleurom .

# **EXHIBIT A**

| VENDOR                            | AMOUNT      | DESCRIPTION OF SERVICE                          | FUNDING SOURCE        |
|-----------------------------------|-------------|---|-----------------------|
| Adminsure Inc.                    | \$142,960   | Third Party Administrator, Workers Compensation | Internal Service Fund |
| City of Hawthorne                 | \$95,000    | Mark 43 (CAD/RMS)                               | General Fund          |
| Crayon Software Experts           | \$96,156    | Microsoft Enterprise Licensing Renewal          | General Fund          |
| Data Gear                         | \$100,000   | Video Policing Camera Maintenance               | General Fund          |
| Enterprise FM Trust               | \$140,405   | Patrol & City lease fleet                       | General Fund          |
| JL Group                          | \$77,000    | Investigative Services                          | General Fund          |
| Jones & Mayer                     | \$122,186   | City Attorney services                          | General Fund          |
| Kent Behrends                     | \$40,800    | IT consulting services                          | General Fund          |
| LA Superior Court                 | \$430,000   | Parking Citation Fees                           | General Fund          |
| Honeywell                         | \$106,234   | HVAC Annual Maintenance                         | General Fund          |
| Mark Handler & Associates         | \$200,000   | Building Official – Plan Check                  | General Fund          |
| Phoenix Group Information Systems | \$140,000   | Citation Billing Services                       | General Fund          |
| Pinnacle Petroleum                | \$130,000   | Fuel (Public Works)                             | General Fund          |
| Prudential Overall Supply         | \$ 44,000   | Uniforms  | General Fund          |
| Pun Group LLC                     | \$53,127    | Annual Audit Services                           | General Fund          |
| Race Communication                | \$54,724    | Annual Fiber Internet Services                  | General Fund          |
| Shige's Foreign Car Service       | \$50,000    | Vehicle Repairs                                 | General Fund          |
| Spicers Paper                     | \$30,000    | Paper   | General Fund          |
| Tyler Technologies                | \$52,421    | Annual ERP Software Maintenance                 | General Fund          |
| Western Collision Center          | \$50,000    | Vehicle Repairs                                 | General Fund          |
| Williams-Scotsman                 | \$30,000    | Rental for Mobile Building                      | General Fund          |
| Sub Total General Fund            | \$2,185,013 |   |                       |
| Aftermarket Parts                 | \$150,000   | Budgeted bus replacement parts                  | GTrans                |
| Clean Energy                      | \$245,771   | Fuel – Compressed Natural Gas                   | GTrans                |
| Copyland, Inc.                    | \$40,000    | GTrans Bus Books and Materials                  | GTrans                |
| Crayon Software Experts           | \$33,452    | Microsoft Enterprise Licensing Renewal          | GTrans                |
| Gillig LLC                        | \$45,000    | Budgeted bus replacement parts                  | GTrans                |
| Inter-Con Security Services       | \$112,861   | Security Guard Service                          | GTrans                |
| Jobel Rentino                     | \$75,000    | Procurement Consultant                          | GTrans                |
| Michelin North America, Inc.      | \$70,000    | Tire lease and service for GTrans               | GTrans                |
| Mobile Relay                      | \$135,891   | Digital Bus Radio System Lease                  | GTrans                |
| Pinnacle Petroleum                | \$951,507   | Fuel  | GTrans                |
| PSI Repair Services               | \$118,000   | Reconditioning of Mono and Dual Inverters       | GTrans                |
| Pun Group LLC                     | \$12,557    | Annual Audit Services                           | GTrans                |
| Race Communication                | \$12,344    | Annual Fiber Internet Services                  | GTrans                |
| Toms Truck Center                 | \$30,000    | Ford Vehicle Parts                              | GTrans                |
| Sub Total GTrans                  | \$2,032,383 |   |                       |

# **EXHIBIT A**

| Crayon Software Experts          | \$30,503    | Microsoft Enterprise Licensing Renewal      | GFCC, Other Funds         |
|----------------------------------|-------------|---|---------------------------|
| Enterprise FM Trust              | \$44,268    | Patrol & City lease fleet                   | AQMD                      |
| LA County, Dept. of Public Works | \$173,000   | Traffic Signal Maintenance, NPDES           | Gas Tax                   |
| Mariposa Landscape, Inc.         | \$88,080    | Citywide Median Landscape Maintenance       | Gas Tax                   |
| McCain, Inc.                     | \$65,000    | Traffic Controllers and Ancillary Equipment | Gas Tax                   |
| Micro Electronics                | \$30,000    | Computer Replacement Parts                  | Computer Replacement Fund |
| Pun Group LLC                    | \$13,442    | Annual Audit Services                       | GFCC                      |
| West Coast Arborists             | \$175,000   | Citywide Tree Trimming Services             | Gas Tax                   |
| Sub Total Other Funds            | \$619,293   |   |                           |
| Grand Total All Funds            | \$4,836,689 |   | _                         |



Agenda Item No. 11.B Section: DEPARTMENTAL ITEMS - ADMINISTRATIVE

**SERVICES** 

Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: ISSUANCE AND SALE OF LEASE REVENUE BONDS TO FINANCE A PORTION OF THE COSTS OF THE NEW GARDENA COMMUNITY AQUATIC & SENIOR CENTER, TO FINANCE THE COSTS OF ACQUIRING AND RENOVATING AN EXISTING BUILDING TO BE CONVERTED INTO A NEW COMMUNITY CENTER AND TO FINANCE VARIOUS PARK IMPROVEMENTS, APPROVING THE FORM AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS AND APPROVING RELATED OFFICIAL ACTIONS

- a. PUBLIC HEARING: RESOLUTION 6529, APPROVING PROCEEDINGS BY THE CITY OF GARDENA FINANCING AGENCY FOR THE ISSUANCE AND SALE OF LEASE REVENUE BONDS TO FINANCE A PORTION OF THE COSTS OF THE NEW GARDENA COMMUNITY AQUATIC & SENIOR CENTER, TO FINANCE THE COSTS OF ACQUIRING AND RENOVATING AN EXISTING BUILDING TO BE CONVERTED INTO A NEW COMMUNITY CENTER AND TO FINANCE VARIOUS PARK IMPROVEMENTS, APPROVING THE FORM AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS AND APPROVING RELATED OFFICIAL ACTIONS
- b. <u>RESOLUTION</u> 6528, RESOLUTION AMENDING CERTAIN 2017 LEASE FINANCING DOCUMENTS TO PROVIDE FOR THE SUBSTITUTION OF THE PROPERTY AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS RELATING THERETO

# **COUNCIL ACTION REQUIRED:**

# **Staff Recommendation:**

- a. Conduct Public Hearing and Adopt Resolutions 6529.
- b. Adopt Resolutions 6528.

### **RECOMMENDATION AND STAFF SUMMARY:**

A.) Staff recommends that the City Council conduct a Public Hearing and upon the conclusion of the Hearing, adopt Resolution No. 6529

Resolution 6529 Approves the following documents, which authorize and direct the Mayor, City Manager, City Clerk, and all other Officers of the City of Gardena to execute them:

- 1. Approval of Site and Facility Lease the City will lease Property to the Financing Agency, which will be leased back to the City, pursuant to the Lease Agreement.
- 2. Lease Agreement the City will agree to make lease payments to the Agency from moneys in the City's General Fund and the City will budget and appropriate sufficient

- amounts in each year to pay the lease payments which will be equal to the scheduled principal of and interest on the Bonds
- 3. Preliminary Official Statement (POS) statement providing a description of the Bonds, to be used in connection with the marketing of the Bonds
- 4. Sale of the Bonds by the Agency by negotiation with underwriters BofA Securities pursuant to the Bond Purchase Agreement
- 5. Exhibit A Government Code Section 5852.1 Disclosure
- 6. Exhibit B Form of Bond Municipal Advisory Fee Agreement with KNN Public Finance
- 7. Exhibit C Form of Bond Counsel/Disclosure Counsel Fee Agreement with Quint & Thimmig LLP
- B.) Following the adoption of Resolution 6529 staff recommends that the City Council adopt Resolution 6528 approving the following:
  - 1. First Amendment to the Site and Facility Lease
  - 2. First Amendment to the Lease Agreement
  - 3. First amendment to the Assignment Agreement

# **FINANCIAL IMPACT/COST:**

Fees contingent upon successful sale of bonds Annual budgeted cost to General Fund is approximately \$611,000 in Fiscal Year 2022 and approximately \$945,000 in Fiscal Years 2023-2041

## **ATTACHMENTS:**

CityRes 6529.pdf
SFLease.pdf
LeaseAgt.pdf
GardenaPOS.pdf
BondPurchaseAgreement.pdf
Reso 6528.pdf
1stAmendSFLease.pdf
1stAmendLeaseAgt.pdf
1stAmendAssignAgt.pdf

### APPROVED:



#### **RESOLUTION NO. 6529**

RESOLUTION APPROVING PROCEEDINGS BY THE CITY OF GARDENA FINANCING AGENCY FOR THE ISSUANCE AND SALE OF LEASE REVENUE BONDS TO FINANCE A PORTION OF THE COSTS OF THE NEW GARDENA COMMUNITY AQUATIC & SENIOR CENTER, TO FINANCE THE COSTS OF ACQUIRING AND RENOVATING AN EXISTING BUILDING TO BE CONVERTED INTO A NEW COMMUNITY CENTER AND TO FINANCE VARIOUS PARK IMPROVEMENTS, APPROVING THE FORM AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS AND APPROVING RELATED OFFICIAL ACTIONS

RESOLVED, by the City Council (the "Council") of the City of Gardena (the "City"), as follows:

WHEREAS, the City proposes to (a) finance a portion of the costs of construction of the new Gardena Community Aquatic & Senior Center, (b) finance the costs of acquiring and renovating an existing building to be converted into a new Community Center, and (c) finance various park improvements (collectively, the "Project");

WHEREAS, it is proposed that the Project will be funded from the proceeds of the City of Gardena Financing Agency Lease Revenue Bonds, Series 2021 (the "Bonds"), to be issued by the City of Gardena Financing Agency (the "Agency") under the provisions of Article 4 (commencing with section 6584) of the JPA Act (the "Bond Law") in an aggregate principal amount not to exceed \$15,000,000, the Bonds to be issued pursuant to the terms of an indenture of trust, by and between the Agency and U.S. Bank National Association, as trustee (the "Indenture"):

WHEREAS, in order to provide for the repayment of the Bonds, the City will lease certain existing facilities and the sites thereof (the "Property") to the Agency pursuant to a site and facility lease (the "Site and Facility Lease") and the Agency will lease the Property back to the City pursuant to a lease agreement (the "Lease Agreement") under which the City will agree to make lease payments to the Agency from moneys in the City's General Fund and the City will budget and appropriate sufficient amounts in each year to pay the lease payments which will be equal to the scheduled principal of and interest on the Bonds:

WHEREAS, the proposed form of a preliminary official statement (the "Preliminary Official Statement") describing the Bonds, to be used in connection with the marketing of the Bonds, has been prepared and has been presented to the Agency;

WHEREAS, BofA Securities, Inc. (the "Underwriter") has proposed to purchase and underwrite the Bonds and has presented to the Agency a form of bond purchase agreement for the Bonds, to be entered into among the Agency, the City and the Underwriter (the "Bond Purchase Agreement"):

WHEREAS, the Council desires to make a finding of significant public benefit pursuant to section 6586.5(a)(2) of the California Government Code and to approve of the financing and the transactions contemplated by the Bonds;

WHEREAS, pursuant to section 5852.1 of the Government Code, which became effective on January 1, 2018 by the enactment of Senate Bill 450, certain information relating to the Bonds is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public; and

WHEREAS, the Council has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the City.

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

<u>Section 1</u>. <u>Recitals True and Correct</u>. The Council hereby finds and determines that the foregoing recitals are true and correct.

<u>Section 2</u>. Findings. The Council hereby finds that significant public benefits will arise from the financing contemplated by the Bonds and the documents related thereto, in accordance with section 6586 of the California Government Code.

<u>Section 3</u>. <u>Approval of Bonds</u>. The Council hereby approves the issuance of the Bonds by the Agency for the purpose of providing funds to finance the Project and to pay the costs of issuance of the Bonds.

Section 4. Approval of Site and Facility Lease. The Council hereby approves the Site and Facility Lease, in the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director (each, a "Designated Officer"), and the execution of the Site and Facility Lease by a Designated Officer shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the City to execute the final form of the Site and Facility Lease for and in the name of the City. The Council hereby authorizes the delivery and performance of the Site and Facility Lease.

Section 5. Approval of Lease Agreement. The Council hereby approves the Lease Agreement, in the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by any of the Designated Officers, and the execution of the Lease Agreement by a Designated Officer shall be conclusive evidence of the approval of any such changes or additions, so long as the principal amount of the Lease Agreement does not exceed \$15,000,000, the maximum annual lease payments to be made by the City under the Lease Agreement are not greater than \$1,140,000, the maximum True Interest Cost does not exceed 4%, and the term of the Lease Agreement (not including extensions, as permitted therein) does not extend beyond May 1, 2042, and The Designated Officers, each acting alone, are hereby authorized and directed for

and in the name and on behalf of the City to execute the final form of the Lease Agreement for and in the name of the City. The Council hereby authorizes the delivery and performance of the Lease Agreement.

Section 6. Sale of Bonds. The Council hereby approves the sale of the Bonds by the Agency by negotiation with the Underwriters pursuant to the Bond Purchase Agreement, in the form on file with the City Clerk, together with such additions thereto and changes therein as any of the Designated Officers shall deem necessary, desirable or appropriate, and the execution of which by a Designated Officer shall be conclusive evidence of the approval of such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the City to execute the final form of the Bond Purchase Agreement for and in the name of the City; provided that the amount of Underwriter's discount for the Bonds (excluding any original issue discount which does not represent compensation to the Underwriter) shall be not more than 0.75% of the par amount thereof.

Section 7. Official Statement. The Council hereby approves, and hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 (the "Rule"), the Preliminary Official Statement, in the form on file with the City Clerk. The Designated Officers, each acting alone, are hereby authorized and directed to execute an appropriate certificate stating the City's determination that the Preliminary Official Statement is nearly final within the meaning of the Rule. Distribution of the Preliminary Official Statement in connection with the sale of the Bonds is hereby approved. The Designated Officers, each acting alone, are hereby authorized and directed, upon consultation with Disclosure Counsel to the Agency for the Bonds and the City Attorney, to approve any changes in or additions to the Preliminary Official Statement deemed necessary or desirable to bring it into the form of a final official statement (the "Final Official Statement"), and the execution of the Final Official Statement by any Designated Officer shall be conclusive evidence of approval of any such changes and additions. The Council hereby authorizes the distribution of the Final Official Statement by the Underwriter. The Final Official Statement shall be executed in the name and on behalf of the City by any of the Designated Officers.

# Section 8. Retention of Consultants.

- (a) KNN Public Finance, LLC is hereby retained as municipal advisor to the Agency and the City in connection with the issuance, sale and delivery of the Bonds, the compensation for such services, which shall be fully contingent upon the successful conclusion of the financing, shall be as set forth in the addendum to such firm's existing agreement with the City attached hereto as Exhibit B.
- (b) Quint & Thimmig LLP is hereby retained as bond counsel and disclosure counsel to the Agency and City in connection with the issuance, sale and delivery of the Bonds, the compensation for such services, which shall be fully contingent upon the successful conclusion of the financing, shall be as set forth in such firm's agreement for legal services attached hereto as Exhibit C.

Section 9. Official Actions. The Mayor, the City Manager, the Finance Director, the City Clerk and all other officers of the City are each authorized and directed in the name and on behalf of the City to make any and all assignments, Bonds, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the documents approved pursuant to this Resolution. Whenever in this Resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

| APPROVED AS TO FORM:                            |   |
|---|---|
| City Clerk                                      |   |
| ATTEST:   | Mayor   |
| regularly adopted and passed by the C           | y that the foregoing Resolution was duly and<br>city Council of the City of Gardena in a regular<br>august, 2021, by the following vote to wit: |
| * * * :   | * * * * * * *   |
| Section 10. Effective Date. This F the Council. | Resolution shall take effect upon its adoption by   |
| or action may be taken on behalf of such        | take any action, such execution, countersigning officer by any person designated by such officer ch officer shall be absent or unavailable.     |

CARMEN VASQUEZ, City Attorney

#### **EXHIBIT A**

# **GOVERNMENT CODE SECTION 5852.1 DISCLOSURE**

The following information consists of estimates that have been provided by the City's municipal advisor and the Underwriter which has been represented to have been provided in good faith:

- (A) True Interest Cost of the Bonds: 2.05%
- (B) Finance Charges (costs of issuance including underwriter's discount): \$240,000
- (C) Net Proceeds to be Received (net of finance charges): \$15,000,000
- (D) Total Payment Amount through Maturity: \$18,569,821

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

#### **EXHIBIT B**

### FORM OF BOND MUNICIPAL ADVISORY FEE AGREEMENT

**Date:** June 4, 2021

To: Clint Osorio, City Manager

Ray Beeman, Chief Fiscal Officer

City of Gardena

From: Mark Young, Managing Director

KNN Public Finance, LLC

Re: Addendum to Agreement for Municipal Advisory Services: Assignment, Scope of Services, Fee Proposal and Disclosures Pursuant to MSRB Rules G-42 and G-10

This memo sets forth KNN's proposed scope of services and fees for the City of Gardena's proposed 2021 Lease Revenue Bonds ("2021 LRBs"). This letter supplements the approved original Municipal Advisory Agreement dated June 30, 2020 between KNN Public Finance, LLC ("KNN") and City of Gardena.

Scope of Services

KNN shall perform the following services, as appropriate, in connection with the 2021 LRBs transaction:

- i) Prepare transaction schedule, distribution list, and other documents ancillary to the transaction.
- ii) Issue, review, and evaluate RFPs for underwriters, if needed.
- iii) Provide estimated debt service schedules and review such schedules developed by the underwriter.
- iv) Coordinate financing team efforts, including City staff, bond and disclosure counsel, underwriter, and any other party, with respect to the preparation, review and approval of the financing.
- v) In conjunction with the underwriter and bond counsel, recommend specific financial covenants, terms and provisions, including, maturity schedules, timing of sale, call provisions and related matters.
- vi) Review and provide appropriate revisions and recommendations to legal documents, including the official statement, the indenture and other documents.
- vii) Assist the City in the rating process, including developing the rating strategy and presentation, coordinating with rating analysts and related matters.
- viii) Assist the City in the preparation of documents related to the bond issue, including staff reports.
- ix) Review debt policy for updates and disclosure reporting as needed.
- x) Attend meetings with City staff, consultants and council, as requested.
- xi) Review the underwriter's proposed discount and expenses, proposed interest rates, sales effort and generally assist City in pricing negotiations.
- xii) Assist with the review and execution of closing documents.

#### Fees

KNN proposes a fee of \$45,000 for municipal advisor services associated with the City's 2021 LRBs. Expenses will be capped at \$2,500. Fees are contingent on the successful sale of the financing.

Disclosures Pursuant to MSRB Rules G-42 and G-10

Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-42, on Duties on Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary Events of KNN Public Finance, LLC ("KNN Public Finance") and its associated persons.

Below please find disclosures from KNN Public Finance to the City in each area.

### Conflicts of Interest

Other Municipal Advisor Relationships. KNN serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the City of Gardena. For example, KNN serves as municipal advisor to other municipal advisory clients and, in such cases, depending on the client, owes either a fiduciary duty or a duty of care to such other clients just as it does to City of Gardena under this engagement. Overlapping clients may include overlapping jurisdictions within the County. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, KNN could potentially face a conflict of interest arising from these competing client interests. KNN fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with City of Gardena.

Compensation. KNN Public Finance represents that in connection with the issuance of municipal securities, KNN Public Finance may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, KNN Public Finance hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding KNN Public Finance's ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair KNN Public Finance's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

If KNN Public Finance becomes aware of any additional potential or actual conflict of interest after this disclosure, KNN Public Finance will disclose the detailed information in writing to the Issuer in a timely manner.

Legal or Disciplinary Events

KNN Public Finance, LLC, has never been subject to any legal, disciplinary or regulatory actions nor was it ever subject to any legal, disciplinary or regulatory actions previously, when it was a division of Zions First National Bank or Zions Public Finance, Inc.

A regulatory action disclosure has been made on Form MA-I for one of KNN's municipal advisory personnel relating to a 1998 U.S. Securities and Exchange Commission ("SEC") order that was filed while the municipal advisor was employed with a prior firm, (not KNN Public Finance). The details of which are available in Item 9; C(1), C(2), C(4), C(5) and the corresponding regulatory action DRP section on Form MA and Item 6C; (1), (2), (4), (5) and the corresponding regulatory action DRP section on Form MA-I. Issuers may

electronically access KNN Public Finance's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: <a href="https://www.sec.gov/edgar/searchedgar/companysearch.html">www.sec.gov/edgar/searchedgar/companysearch.html</a>.

The SEC permits certain items of information required on Form MA and Form MA-I to be provided by reference to such required information already filed on a regulatory system (e.g., FINRA CRD). The above noted regulatory action has been referenced on both Form MA and MA-I due to the information already filed on FINRA's CRD system and is publicly accessible through BrokerCheck at <a href="http://brokercheck.finra.org">http://brokercheck.finra.org</a>. For purposes of accessing such BrokerCheck information, the Municipal Advisor's CRD number is 4457537.

There has been no change to any legal or disciplinary event that has been disclosed on KNN Public Finance's original SEC registration Form MA filed on February 8, 2016 or Form MA-I's filed on January 22, 2016.

Additional Disclosures – MSRB Rule G-10

Pursuant to Municipal Securities Rulemaking Board Rule G-10, on Investor and Municipal Advisory Client Education and Protection, Municipal Advisors are required to provide certain written information to their municipal entity and obligated person clients which include the following:

- a) KNN Public Finance, LLC is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.
- b) Within the Municipal Securities Rulemaking Board ("MSRB") website at <a href="www.msrb.org">www.msrb.org</a>, City of Gardena may obtain the Municipal Advisory client brochure that is posted on the MSRB website. The brochure describes the protections that may be provided by the MSRB Rules along with how to file a complaint with financial regulatory authorities.

| City of Gardena                    | KNN Public Finance, LLC           |
|------------------------------------|-----------------------------------|
| 1700 West 162 <sup>nd</sup> Street | 2054 University Avenue, Suite 300 |
| Gardena, CA 90247                  | Berkeley, CA 94704                |
| Signed:                            | Signed:                           |
| Name:                              | Name: Mark Young                  |
| Title:                             | Title: Managing Director          |
| Date:                              | Date: <u>June 4, 2021</u>         |

### **EXHIBIT C**

# FORM OF BOND COUNSEL/DISCLOSURE COUNSEL FEE AGREEMENT

#### AGREEMENT FOR LEGAL SERVICES

City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021

THIS AGREEMENT FOR LEGAL SERVICES is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the CITY OF GARDENA (the "City"), and QUINT & THIMMIG LLP, Larkspur, California ("Attorneys").

### WITNESSETH:

WHEREAS, the City has determined that is necessary and desirable to finance certain capital projects from the proceeds of bonds to be issued by the City of Gardena Financing Agency (the "Bonds");

WHEREAS, the City requires the services of bond counsel and disclosure counsel in connection with the authorization, issuance and sale of the Bonds;

WHEREAS, the City has determined that Attorneys are qualified by training and experience to perform the services of bond counsel and disclosure counsel, and Attorneys are willing to provide such services; and

WHEREAS, the public interest, economy and general welfare will be served by this Agreement for Legal Services;

NOW, THEREFORE, IT IS HEREBY AGREED, as follows:

Section 1. Duties of Attorneys.

A. Attorneys shall provide legal services, as *bond counsel*, in connection with the authorization, issuance and consummation of the financing proceedings relating to the Bonds. Such services shall include the following:

- (a) Consult and cooperate with officials of the City, City legal counsel, financing consultants, underwriters and other consultants, staff and employees of the City, and assisting such consultants, staff and employees in the formulation of coordinated financial and legal proceedings;
- (b) Attend all meetings of the City at which the financing is to be discussed, as deemed necessary by for the proper planning of the financing proceedings or when specifically requested to attend;
- (c) Prepare any required indentures, ordinances and all resolutions, notices and legal documents necessary for the proper conduct of the financing proceedings;
  - (d) Review all financial documents for legal sufficiency;

- (e) Review, without undertaking an independent investigation, any official statement or other disclosure document prepared in connection with the financing proceedings to assure correctness of disclosure relating to the legal documents;
- (f) Prepare and provide a signature and no-litigation certificate, an arbitrage certificate and any and all other closing documents required to accompany delivery of the securities;
- (g) Prepare and provide a complete transcript of the proceedings necessary to accompany delivery of the securities;
- (h) Subject to the completion of proceedings provide a legal opinion that (if tax-exempt) the interest due with respect to the securities is excluded from gross income for purposes of federal income taxation and that such interest is exempt from California personal income taxation;
- (i) Subject to the completion of proceedings, provide a legal opinion approving in all regards the legality of all proceedings relating to the securities;
- (j) Confer and consult with the City officials and agents with regard to problems which may arise during the servicing and payment of principal of and interest on the securities; and
- (k) Such other and further services as are normally performed by bond counsel in connection with the issuance of securities.
- B. Attorneys shall provide legal services, as *disclosure counsel*, in connection with the preparation of the official statement to be used in connection with the offering and sale of the Bonds (the "Official Statement"), the continuing disclosure certificate and the bond purchase agreement between the City and the underwriter of the Bonds. Such services shall include the following:
  - (a) Review the Official Statement (both preliminary and final) prepared by the City's municipal advisor in connection with the offering of the Bonds;
  - (b) Confer and consult with the officers and administrative staff of the City as to matters relating to the Official Statement;
  - (c) Attend all meetings of the City and any administrative meetings at which the Official Statement is to be discussed, deemed necessary by Attorneys for the proper exercise of their due diligence with respect to the Official Statement, or when specifically requested by the City to attend;
  - (d) On behalf of the City, prepare the continuing disclosure certificate in a form which is acceptable to the City and the underwriter of the Bonds;
  - (e) On behalf of the City, prepare the bond purchase agreement, if required, between the City and the underwriter of the Bonds in a form which are acceptable to the City and the underwriter of the Bonds;
  - (f) Subject to the completion of proceedings to the satisfaction of Attorneys, provide letters of Attorneys addressed to the City and the underwriter of the Bonds to the effect that, although Attorneys have not undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, in the course of Attorneys participation in the preparation of the Official Statement Attorneys have been

in contact with representatives of the City and others concerning the contents of the Official Statement and related matters, and, based upon the foregoing, nothing has come to Attorneys attention to lead Attorneys to believe that the Official Statement (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion included therein, and information relating to The Depository Trust Company and its bookentry system, as to which Attorneys need express no view) as of the date of the Official Statement or the date of the closing for the Bonds contain any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

C. Services Not Provided. Attorneys shall not be responsible for:

- (i) any continuing disclosure requirements under federal securities laws that may apply to the Bonds during the period following the closing of the Bonds, or
- (ii) the representation of the City in connection with any litigation involving the Bonds, except for the validation proceedings specified above.

Without limiting the generality of the foregoing, Attorneys shall not be responsible for preparing any documentation related to, or for providing any, ongoing continuing disclosure or litigation services in respect of the Bonds without a separate agreement between the City and Attorneys. In addition, unless specifically retained to do so by a separate agreement between Attorneys and the City, Attorneys shall not be responsible for auditing or otherwise reviewing or assuring compliance by the City with any past or existing continuing disclosure obligations of the City related to any debt obligations.

# Section 2. Compensation.

- (a) For the services set forth under Section 1A. above, Attorneys shall be paid a legal fee of \$55,000, inclusive of all out-of-pocket expenses.
- (b) For the services set forth under Section 1B, Attorneys shall be paid a fee for each issue of \$25,000, inclusive of all out-of-pocket expenses.

Payment of said fees shall be entirely contingent, shall be due and payable upon the delivery of the Bonds and shall be payable solely from the proceeds of the Bonds and from no other funds of the City.

Section 3. <u>Responsibilities of the City</u>. The City shall cooperate with Attorneys and shall furnish Attorneys with certified copies of all proceedings taken by the City, or other deemed necessary by Attorneys to render an opinion upon the validity of such proceedings. All costs and expenses incurred incidental to the actual issuance and delivery of Bonds, including the cost and expense of preparing certified copies of proceedings required by Attorneys in connection with the issuance of the Bonds, the cost of preparing the Bonds for execution and delivery, all printing costs and publication costs, and any other expenses incurred in connection with the issuance of Bonds, shall be paid from Bond proceeds.

Section 4. <u>Non-Legal Services</u>. In performing their services as bond counsel pursuant to this Agreement for Legal Services, it is understood and acknowledged by the City that Attorneys will not be providing financial advisory, placement agent, investment banking or other similar services. It is expected that the City will engage other consultants to provide any such services with respect to the financing.

Section 5. <u>Termination of Agreement</u>. This Agreement for Legal Services shall terminate at the time of issuance of the Bonds but may be terminated at any earlier time by the City, with or without cause, following thirty (30) days written notice by the City to Attorneys. In the event of such termination, all

finished and unfinished documents shall, at the option of the City, become its property and shall be delivered by Attorneys.

Section 6. <u>Amendment or Modification</u>. No amendment, modification, or other alteration of this Agreement for Legal Services shall be valid unless in writing and signed by both of the parties hereto.

Section 7. Entire Agreement. This Agreement for Legal Services contains the entire agreement of the parties hereto. No other agreement, statement, or promise made on or before the effective date of this Agreement for Legal Services will be binding on the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

### CITY OF GARDENA

| By      |                         |  |
|---------|-------------------------|--|
| Name    |                         |  |
| Title   |                         |  |
| QUINT & | THIMMIG LLP             |  |
| By      |                         |  |
| <i></i> | Brian D. Quint, Partner |  |

#### AFTER RECORDATION RETURN TO:

Quint & Thimmig LLP 900 Larkspur Landing Circle, Suite 270 Larkspur, California 94939-1726 Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATIO N CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

# SITE AND FACILITY LEASE

Dated as of September 1, 2021

by and between the

CITY OF GARDENA, as Lessor

and

CITY OF GARDENA FINANCING AGENCY, as Lessee

Relating to

City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021

### SITE AND FACILITY LEASE

This SITE AND FACILITY LEASE, dated as of September 1, 2021, is by and between the CITY OF GARDENA, a municipal corporation and general law city organized and existing under and by virtue of the laws of the State of California (the "City"), as lessor, and the CITY OF GARDENA FINANCING AGENCY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California, as lessee (the "Agency");

### WITNESSETH:

WHEREAS, the Agency intends to assist the City by leasing certain real property and improvements to the City pursuant to a Lease Agreement, dated as of September 1, 2021, and recorded concurrently herewith by memorandum thereof (the "Lease Agreement"), and the City proposes to enter into this Site and Facility Lease with the Agency as a material consideration for the Agency's agreement to lease such real property and improvements to the City;

# NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED, as follows:

Section 1. <u>Definitions</u>. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Site and Facility Lease shall have the respective meanings specified in that certain Indenture of Trust, dated as of September 1, 2021, by and between the Agency and U.S. Bank National Association, as trustee thereunder.

Section 2. <u>Site and Facility Lease</u>. The City hereby leases to the Agency and the Agency hereby leases from the City, on the terms and conditions hereinafter set forth, those certain parcels of real property situated in Los Angeles County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the "Site"), and certain existing facilities on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (collectively, the "Facility").

Section 3. <u>Term.</u> The term of this Site and Facility Lease shall commence on the date of recordation of this Site and Facility Lease in the Office of the County Recorder of Los Angeles County, State of California, and shall end on May 1, \_\_\_\_, unless such term is extended or sooner terminated as hereinafter provided. If, on May 1, \_\_\_\_, the aggregate amount of Lease Payments (as defined in and as payable under the Lease Agreement) shall not have been paid, or provision shall not have been made for their payment, then the term of this Site and Facility Lease shall be extended until such Lease Payments shall be fully paid or provision made for such payment. If, prior to May 1, \_\_\_\_, all Lease Payments shall be fully paid or provision made for such payment in accordance with Section 4.3 or 4.4 of the Lease Agreement, the term of this Site and Facility Lease shall end. This Site and Facility Lease will not terminate until all Lease Payments under the Lease Agreement have been made.

Section 4. <u>Rental</u>. The City acknowledges receipt from the Agency as and for rental hereunder the sum of one dollar (\$1.00), on or before the date of delivery of this Site and Facility Lease.

Section 5. <u>Purpose</u>. The Agency shall use the Site and the Facility solely for the purpose of leasing the Site and the Facility to the City pursuant to the Lease Agreement and for such purposes as may be incidental thereto; *provided*, *however*, that in the event of default by the City under the Lease Agreement, the Agency and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. <u>City's Interest in the Site and the Facility</u>. The City covenants that it is the owner of fee title to the Site and the Facility.

Section 7. <u>Assignments; Subleases; Amendments</u>. Unless the City shall be in default under the Lease Agreement, the Agency may not assign its rights under this Site and Facility Lease or sublet the Site or the Facility, except as provided in the Lease Agreement and the Indenture, without the written consent of the City. This Site and Facility Lease may be amended, if required, pursuant to the provisions of Section 8.3 of the Lease Agreement.

Section 8. <u>Right of Entry</u>. The City reserves the right, for any of its duly authorized representatives, to enter upon the Site and the Facility at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. <u>Termination</u>. The Agency agrees, upon the termination of this Site and Facility Lease, to quit and surrender the Site and the Facility in the same good order and condition as the same was in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site and the Facility at the time of the termination of this Site and Facility Lease shall remain thereon and title thereto shall vest in the City.

Section 10. <u>Default</u>. In the event the Agency shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facility Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Agency, the City may exercise any and all remedies granted by law, except that no merger of this Site and Facility Lease and of the Lease Agreement shall be deemed to occur as a result thereof; *provided, however*, that so long as any Bonds are outstanding and unpaid in accordance with the terms thereof, the Lease Payments assigned by the Agency to the Trustee under the Indenture shall continue to be paid to the Trustee.

Section 11. <u>Quiet Enjoyment</u>. The Agency, at all times during the term of this Site and Facility Lease, shall peaceably and quietly have, hold and enjoy the Site and the Facility subject to the provisions of the Lease Agreement and the Indenture.

Section 12. <u>Waiver of Personal Liability</u>. All liabilities under this Site and Facility Lease on the part of the Agency are solely liabilities of the Agency and the City hereby releases each and every member, director, officer, employee and agent of the Agency of and from any personal or individual liability under this Site and Facility Lease. No member, director, officer, employee or agent of the Agency shall at any time or under any circumstances be individually or personally liable under this Site and Facility Lease for anything done or omitted to be done by the Agency hereunder.

Section 13. <u>Taxes</u>. The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site and the Facility (including both land and improvements).

Section 14. <u>Eminent Domain</u>. In the event the whole or any part of the Site or the Facility is taken by eminent domain proceedings, the interest of the Agency shall be recognized and is hereby determined to be the amount of the then unpaid Bonds including the unpaid principal and interest with respect to any such Bonds then outstanding and, subject to the provisions of the Lease Agreement, the balance of the award, if any, shall be paid to the City.

Section 15. <u>Use of the Proceeds</u>. The City and the Agency hereby agree that the lease to the Agency of the City's right, title and interest in the Site and the Facility pursuant to Section 2

serves the public purposes of the City. The City hereby agrees that the proceeds of the Bonds shall be used solely for the purpose of financing the costs of certain public improvements owned, to be held or controlled by the City for its public purposes, on or before the date three years following the date of execution and delivery of the Bonds, or to refinance prior obligations of the City incurred for such purposes.

Section 16. <u>Partial Invalidity</u>. If any one or more of the terms, provisions, covenants or conditions of this Site and Facility Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facility Lease shall be affected thereby, and each provision of this Site and Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. <u>Notices</u>. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid, and, if to the City, to the City Clerk, the City of Gardena, 1700 West 162nd Street, Gardena, CA 90247, and if to the Agency, to the Secretary, City of Gardena Financing Agency, 1700 West 162nd Street, Gardena, CA 90247, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 18. <u>Section Headings</u>. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site and Facility Lease.

Section 19. <u>Applicable Law</u>. This Site and Facility Lease shall be governed by and construed in accordance with the laws of the State.

Section 20. <u>Execution in Counterparts</u>. This Site and Facility Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Agency have caused this Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

| ByTasha Cerda                       |
|-------------------------------------|
| Mayor                               |
| CITY OF GARDENA FINANCING<br>AGENCY |
| By                                  |
| Tasha Cerda                         |
| Chair                               |

CITY OF GARDENA

# [NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

### **EXHIBIT A**

### **DESCRIPTION OF THE SITE**

Real property in the City of Gardena, County of Los Angeles, State of California, described as follows:

### Rowley Park Gymnasium Site (13220 South Van Ness Avenue, Gardena, CA)

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF GARDENA, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHWEST CORNER OF THE ROWLEY PARK PROPERTY IN THE CITY OF GARDENA, CALIFORNIA, SAID PROPERTY HAVING ASSESSOR NUMBER 4061-022-901, AND BEING THE POINT OF BEGINNING, THEN GOING NORTH 577.0 FEET, THEN EAST 98.9 FEET TO THE SOUTHWEST CORNER OF BUILDING NUMBER TWO. FROM SAID POINT THE OUTLINE OF THE BUILDING IS DEFINED BY TRAVERSING NORTH 67.9 FEET, THEN EAST 46.7 FEET, THEN NORTH 32.4 FEET, THEN EAST 112.8 FEET, THEN SOUTH 82.8 FEET, THEN WEST 89.7 FEET, THEN SOUTH 17.2 FEET, THEN WEST 68.0 FEET TO THE SOUTHWEST CORNER OF BUILDING TWO. THE BUILDING FOOTPRINT IS APPROXIMATELY 13,000 SQUARE FEET.

EXCEPT ALL OIL, GAS, AND/OR OTHER HYDROCARBON SUBSTANCES LYING UNDER AND WITHIN SAID LAND, WHICH RESERVATION IS SUBJECT TO THE FOLLOWING CONDITIONS, TOWIT: THAT THE DEFENDANTS SHALL NEVER HAVE ANY RIGHT OF ENTRY UPON THE PARCEL OF LAND BEING CONDEMNED FOR THE PURPOSE OF DEVELOPING OIL, GAS, OR OTHER HYDROCARBON SUBSTANCES, BUT THAT DEVELOPMENT THEREOF MAY BE MADE BY MEANS OF WELLS UNTO ADJACENT LANDS OWNED BY THE DEFENDANTS; NO SUCH WELL, HOWEVER, TO BE DRILLED NEARER THAN 150 FEET TO THE BOUNDARIES OF SAID PARCEL OF LAND, BEING CONDEMNED, AS RESERVED IN THE FINAL DECREE OF CONDEMNATION ENTERED IN SUPERIOR COURT LOS ANGELES COUNTY, CASE NO. 534017; A CERTIFIED COPY OF SAID DECREE BEING RECORDED OCTOBER 1, 1947 IN BOOK 25246 PAGE 176 OF OFFICIAL RECORDS.

PORTION OF APN: 4061-022-901

# Police Headquarters Site (1718 West 162nd Street, Gardena, CA)

THOSE PORTIONS OF BLOCKS 18 AND 19 OF BROADACRES, IN THE CITY OF GARDENA, AS PER MAP RECORDED IN BOOK 30 PAGE 42OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

### PARCEL 1:

LOTS 1 AND 2 OF SAID BLOCK 18, EXCEPT THE SOUTH 44.04 FEET OF LOT 2.

#### PARCEL 2:

THE WESTERLY 142.5 FEET OF LOT 3 AND THE WESTERLY 142.5 FEET OF THE SOUTH 44.04 FEET OF LOT 2 IN BLOCK 18.

### PARCEL 3:

THE EASTERLY 112.50 FEET OF THE WESTERLY 142.50 FEET, MEASURED FROM THE CENTER LINE OF HARVARD BOULEVARD, 60 FEET WIDE, OF LOTS 22 AND 21 OF SAID BLOCK 18.

EXCEPT THEREFROM THE SOUTHERLY 30.00 FEET OF SAID LOT 21; SAID 30 FEET BEING A PORTION OF THE NORTHERLY 30 FEET OF GARDENA BOULEVARD, AS SHOWN ON SAID MAP.

#### PARCEL 4:

LOTS 1, 2 AND 3 OF SAID BLOCK 19.

EXCEPT THEREFROM THE EASTERLY 30.00 FEET THEREOF, AND NORTHERLY 40.00 FEET OF LOT 1, SAID EASTERLY 30 FEET AND NORTHERLY 40 FEET BEING WITHIN HARVARD BOULEVARD AND 162ND STREET, AS SHOWN ON SAID MAP.

#### PARCEL 5:

LOT 4 OF SAID BLOCK 19.

EXCEPT THEREFROM THE EASTERLY 30.00 FEET AND THE EASTERLY 200.86 FEET OF THE WESTERLY 249.36 FEET OF THE SOUTHERLY 26.90 FEET THEREOF, SAID EASTERLY 30 FEET BEING A PORTION OF THE WESTERLY 30 FEET OF HARVARD BOULEVARD, AS SHOWN ON SAID MAP.

#### PARCEL 6:

THE NORTHERLY 102.10 FEET OF LOT 5 OF SAID BLOCK 19.

EXCEPT THEREFROM THE EASTERLY 30.00 FEET AND THE EASTERLY 200.86 FEET OF THE WESTERLY 249.36 FEET THEREOF, SAID EASTERLY 30 FEET BEING A PORTION OF THE WESTERLY 30 FEET OF HARVARD BOULEVARD, AS SHOWN ON SAID MAP.

#### PARCEL 7:

THAT PORTION OF HARVARD BOULEVARD, AS VACATED BY RESOLUTION NO. 1869 OF THE CITY COUNCIL OF THE CITY OF GARDENA, A CERTIFIED COPY OF WHICH BEING RECORDED JANUARY 12, 1962 IN BOOK M1478 PAGE 232, OFFICIAL RECORDS, AS INSTRUMENT NO. 3986 OF THE COUNTY OF LOS ANGELES, LYING BETWEEN THE SOUTHERLY LINE OF 162ND STREET, (FORMERLY MARKET STREET, 80.00 FEET WIDE) AND THE NORTHERLY LINE OF GARDENA BOULEVARD, (60 FEET WIDE).

APN: 6105-004-901

### Fire Department Headquarters Site (1650 West 162nd Street, Gardena, CA)

THOSE PORTIONS OF BLOCK 18 OF BROADACRES, IN THE CITY OF GARDENA, AS PER MAP RECORDED IN BOOK 30 PAGE 42 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

LOTS 1 AND 2 OF SAID BLOCK 18, EXCEPT THE WESTERLY 142.5 FEET OF LOTS 1 AND 2. ALSO EXCEPTING THE SOUTH 44.04 OF LOT 2.

### **EXHIBIT B**

### **DESCRIPTION OF THE FACILITY**

The Facility consists of the following:

## Rowley Park Gymnasium

**Rowley Park Gymnasium** located on the Site at 13220 South Van Ness Avenue in the City of Gardena, was dedicated February 12, 1990. The facility is \_\_\_\_\_\_.

# Police Headquarters

**Police Headquarters** located on the Site at 1718 West 162nd Street in the City of Gardena has approximately 63,475 square feet of site area and approximately 23,690 square feet of building space that includes a one-story brick masonry police headquarters structure (Class C construction). The facility was built in 1963. Separate modular units have been constructed in the parking lot, and on an adjacent property to serve as annex offices.

# Fire Department Headquarters

**Fire Department Headquarters** located on the Site at 1650 West 162nd Street in the City of Gardena. The station was built in 1964, contains 17,915 square feet of space, houses a an engine, a paramedic unit and a utility truck and is staffed by eight sworn personnel and three civilians.

# **LEASE AGREEMENT**

Dated as of September 1, 2021

by and between the

CITY OF GARDENA FINANCING AGENCY, as Lessor

and the

CITY OF GARDENA, as Lessee

Relating to

\$\_\_\_\_\_
City of Gardena Financing Agency
(Los Angeles County, California)
Lease Revenue Bonds, Series 2021

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#### LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease Agreement"), dated for convenience as of September 1, 2021, by and between the CITY OF GARDENA FINANCING AGENCY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California, as lessor (the "Agency"), and the CITY OF GARDENA, a municipal corporation and general law city organized and existing under and by virtue of the laws of the State of California, as lessee (the "City");

#### WITNESSETH:

WHEREAS, pursuant to that certain Site and Facility Lease, dated as of September 1, 2021 (the "Site and Facility Lease"), the City has leased those certain parcels of real property situated in Los Angeles County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the "Site"), and certain existing facilities on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (the "Facility" and, with the Site, the "Property"), all for the purpose of enabling the City to (a) finance of a portion of the costs of construction of the new Gardena Community Aquatic & Senior Center, (b) finance the costs of acquiring and renovating an existing building to be converted into a new Community Center, and (c) finance various park improvements (collectively, the "Project");

WHEREAS, the Agency proposes to lease the Property back to the City pursuant to this Lease Agreement and to assign its right to receive lease payments under this Lease Agreement (the "Lease Payments"), its right to enforce payment of the Lease Payments and otherwise to enforce its interest and rights under this Lease Agreement in the event of a default hereunder by the City, to U.S. Bank National Association, as trustee (the "Trustee"), pursuant to that certain Indenture of Trust, dated as of September 1, 2021, by and between the Agency and the Trustee (the "Indenture"), and pursuant to which the Agency will issue and the Trustee will authenticate and deliver the \$\_\_\_\_\_\_ aggregate principal amount of City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021 (the "Bonds");

WHEREAS, the Agency and the City have duly authorized the execution and delivery of this Lease Agreement;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

# ARTICLE I

# **DEFINITIONS AND EXHIBITS**

Section 1.1. <u>Definitions</u>. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease Agreement shall have the respective meanings specified in Section 1.01 of the Indenture.

Section 1.2. <u>Exhibits</u>. The following exhibits are attached to, and by this reference made a part of, this Lease Agreement:

EXHIBIT A: DESCRIPTION OF THE SITE

EXHIBIT B: DESCRIPTION OF THE FACILITY EXHIBIT C: SCHEDULE OF LEASE PAYMENTS

#### ARTICLE II

### REPRESENTATIONS, COVENANTS AND WARRANTIES

- Section 2.1. <u>Representations, Covenants and Warranties of Agency</u>. The Agency makes the following covenants, representations and warranties as the basis for its undertakings herein contained:
- (a) *Due Organization and Existence*. The Agency is a joint exercise of powers entity, organized and existing under and by virtue of the laws of the State; has power to enter into this Lease Agreement, the Site and Facility Lease and the Indenture; is possessed of full power to own and hold, improve and equip real and personal property, and to lease and lease back the same; and has duly authorized the execution and delivery of each of the aforesaid agreements and such agreements constitute the legal, valid and binding obligations of the Agency, enforceable against the Agency in accordance with their respective terms.
- (b) *Due Execution*. The representatives of the Agency executing this Lease Agreement, the Site and Facility Lease and the Indenture, are fully authorized to execute the same pursuant to official action taken by the governing body of the Agency.
- (c) Valid, Binding and Enforceable Obligations. This Lease Agreement, the Site and Facility Lease and the Indenture have been duly authorized, executed and delivered by the Agency and constitute the legal, valid and binding agreements of the Agency, enforceable against the Agency in accordance with their respective terms.
- (d) No Conflicts. The execution and delivery of this Lease Agreement, the Site and Facility Lease and the Indenture, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Agency is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Agency, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease Agreement, the Site and Facility Lease and the Indenture, or the financial condition, assets, properties or operations of the Agency.
- (e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Agency, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease Agreement, the Site and Facility Lease and the Indenture, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.
- (f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Agency after reasonable investigation, threatened against or affecting the Agency or the assets, properties or operations of the Agency which, if determined adversely

to the Agency or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease Agreement, the Site and Facility Lease or the Indenture, or upon the financial condition, assets, properties or operations of the Agency, and the Agency is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease Agreement, the Site and Facility Lease or the Indenture or the financial conditions, assets, properties or operations of the Agency.

Section 2.2. <u>Representations, Covenants and Warranties of the City</u>. The City makes the following covenants, representations and warranties to the Agency as of the date of the execution and delivery of this Lease Agreement:

- (a) *Due Organization and Existence*. The City is a municipal corporation and general law city organized and existing under and by virtue of its charter and the laws of the State, has full legal right, power and authority under the laws of the State to enter into the Site and Facility Lease and this Lease Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the City has duly authorized the execution and delivery of the Site and Facility Lease and this Lease Agreement.
- (b) *Due Execution*. The representatives of the City executing the Site and Facility Lease and this Lease Agreement have been fully authorized to execute the same pursuant to a resolution duly adopted by the City Council of the City.
- (c) *Valid, Binding and Enforceable Obligations*. The Site and Facility Lease and this Lease Agreement have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms.
- (d) No Conflicts. The execution and delivery of the Site and Facility Lease and this Lease Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the City is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease and this Lease Agreement, or the financial condition, assets, properties or operations of the City.
- (e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the Site and Facility Lease and this Lease Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Site and Facility Lease and this Lease Agreement, or upon the financial condition, assets, properties or operations of the City, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease and this Lease Agreement, or the financial conditions, assets, properties or operations of the City.

#### ARTICLE III

#### ISSUANCE OF THE BONDS

Section 3.1. <u>The Bonds</u>. The Agency has authorized the issuance of the Bonds pursuant to the Indenture in the aggregate principal amount of \_\_\_\_\_\_ dollars (\$\_\_\_\_\_\_). The Agency agrees that the proceeds of sale of the Bonds shall be paid to the Trustee on the Closing Date for deposit and application pursuant to the terms and conditions of the Indenture. The City hereby approves the Indenture, the assignment to the Trustee of the rights (but none of the obligations) of the Agency assigned or purported to be assigned thereunder, and the issuance of the Bonds by the Agency thereunder.

Section 3.2. <u>Plans and Specifications for the Projects</u>. Before any payment is made for the Project or any component thereof from amounts on deposit in the Project Fund, the City shall have filed with the Agency detailed Plans and Specifications relating thereto. The City may from time to time file amendments to such Plans and Specifications with the Agency and may thereby change or modify the description of the Project or any component thereof.

Section 3.3. Acquisition and Construction of the Project. The Agency hereby agrees with due diligence to supervise and provide for, or cause to be supervised and provided, for the Acquisition and Construction of the Project in accordance with Plans and Specifications, purchase orders, construction contracts and other documents relating thereto and approved by the City pursuant to all applicable requirements of law. Direct payment of the Project Costs shall be made from amounts on deposit in the Project Fund, pursuant to Section 3.03 of the Indenture. All contracts for, and all work relating to, the Acquisition and Construction of the Project shall be subject to all applicable provisions of law relating to the acquisition and construction of public works by the City. The Agency expects that the Acquisition and Construction of the Project will be completed on or before August 1, 2024; provided, however, that the failure to complete the Project by the estimated Completion Date thereof shall not constitute an Event of Default hereunder or a grounds for termination hereof, nor shall such failure result in the diminution, abatement or extinguishment of the obligations of the City hereunder to pay the Lease Payments allocable to such Project.

The City shall have the right from time to time in its sole discretion to amend the description of the Project to be financed and leased by the Agency hereunder.

Upon the completion of the Acquisition and Construction of the Project, the amounts, if any, on deposit in the Project Fund shall be transferred by the City to the Trustee for deposit in the Bond Fund and the City shall close the Project Fund.

Section 3.4. <u>Grant of Easements</u>. The City hereby grants to the Agency all necessary easements, rights of way and rights of access in and to all real property or interests therein now or hereafter acquired and owned by the City, as may be necessary or convenient to enable the Agency to acquire, construct and install the Project thereon or thereabouts. The City covenants that it will execute, deliver and record any and all additional documents as may be required to be executed, delivered and recorded to establish such easements, rights of way and rights of access.

Section 3.5. <u>Appointment of City as Agent of Agency</u>. The Agency hereby appoints the City as its agent to carry out all phases of the Acquisition and Construction of the Project

pursuant to and in accordance with the provisions hereof. The City hereby accepts such appointment and assumes all rights, liabilities, duties and responsibilities of the Agency regarding the Acquisition and Construction of the Project. The Agency, or the City as agent of the Agency hereunder, shall enter into, administer and enforce all purchase orders or other contracts relating to the Acquisition and Construction of the Project. All contracts for, and all work relating to, the Acquisition and Construction of the Projects shall be subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like project and property by joint powers authorities and by municipal corporations.

### ARTICLE IV

## LEASE OF PROPERTY; TERM OF THE LEASE AGREEMENT; LEASE PAYMENTS

Section 4.1. <u>Lease of Property</u>. The Agency hereby leases the Property to the City, and the City hereby leases the Property from the Agency, upon the terms and conditions set forth in this Lease Agreement.

Section 4.2. <u>Term of Lease</u>. This Lease Agreement shall take effect on the date hereof, and shall end on the earlier of May 1, 2041 or such earlier date on which the Bonds shall no longer be Outstanding under the Indenture. If, on May 1, \_\_\_\_, the Indenture shall not be discharged by its terms or if the Lease Payments payable hereunder shall have been abated at any time and for any reason, then the Term of the Lease Agreement shall be extended until there has been deposited with the Trustee an amount sufficient to pay all obligations due under the Lease Agreement, but in no event shall the Term of the Lease Agreement extend beyond May 1, \_\_\_\_.

## Section 4.3. Lease Payments.

(a) Obligation to Pay. In consideration of the lease of the Property from the Agency hereunder and subject to the provisions of Section 6.2, the City agrees to pay to the Agency, its successors and assigns, as rental for the use and occupancy of the Property during each Fiscal Year, the Lease Payments (denominated into components of principal and interest) for the Property in the respective amounts specified in Exhibit C hereto, to be due and payable on the respective Lease Payment Dates specified in Exhibit C hereto. Any amount held in the Revenue Fund, the Interest Account, the Principal Account or the Sinking Account on any Lease Payment Date, derived from any source of funds of the City or the Agency, shall be credited towards the Lease Payment then due and payable. The Lease Payments coming due and payable in any Fiscal Year shall be for the use of the Property for such Fiscal Year.

The City's obligation to pay Lease Payments hereunder shall be absolute and unconditional subject only to abatement, in the event and to the extent that there is substantial interference with the use and occupancy of the property or any portion thereof.

- (b) *Rate on Overdue Payments*. In the event the City should fail to make any of the payments required in this Section 4.3, the payment in default shall continue as an obligation of the City until the amount in default shall have been fully paid.
- (c) Fair Rental Value. The Lease Payments and Additional Payments coming due and payable in each Fiscal Year shall constitute the total rental for the Property for each Fiscal Year and shall be paid by the City in each Fiscal Year for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of, the Property during each Fiscal Year. The Agency and the City hereby agree and determine that the total Lease Payments do not exceed the fair rental value of the Property. In making such determination, consideration has been given to the obligations of the parties under this Lease Agreement, the value of the Property, the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the City and the general public.
- (d) Source of Payments; Budget and Appropriation. The Lease Payments and Additional Payments shall be payable from any source of available funds of the City, subject to the

provisions of Section 6.2. The City covenants to take such action as may be necessary to include all Lease Payments and Additional Payments due hereunder in each of its budgets during the Term of the Lease Agreement and to make the necessary annual appropriations for all such Lease Payments and Additional Payments. The covenants on the part of the City herein contained shall be deemed to be and shall be construed to be ministerial duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such official to enable the City to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the City. During the Term of the Lease Agreement, the City shall furnish to the Agency and the Trustee, no later than thirty days following the adoption of a budget for the current Fiscal Year, a certificate stating that the Lease Payments and Additional Payments due in that Fiscal Year have been included in the budget approved by the City Council for such Fiscal Year.

- (e) *Assignment*. The City understands and agrees that all Lease Payments have previously been assigned by the Agency to the Trustee in trust, pursuant to Section 5.01 of the Indenture, for the benefit of the Owners of the Bonds, and the City hereby assents to such assignment. The Agency hereby directs the City, and the City hereby agrees, to pay all of the Lease Payments to the Trustee at its Office.
- (f) Security Deposit. Notwithstanding any other provision of this Lease Agreement, the City may on any date secure the payment of the Lease Payments for the Property in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts, including but not limited to amounts on deposit in the Revenue Fund, is either (i) sufficient to pay such Lease Payments, including the principal and interest components thereof, and premium, if any, in accordance with the Lease Payment schedule set forth in Exhibit C, or (ii) invested in whole or in part in Defeasance Obligations in such amount as will, in the opinion of an Independent Accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due hereunder, as the City shall instruct at the time of said deposit. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease Agreement.

Section 4.4. <u>Prepayment Option</u>. The Agency hereby grants an option to the City to prepay the principal component of the Lease Payments in full, or in part, without premium.

Said option may be exercised with respect to Lease Payments due on and after April 15, \_\_\_\_, in whole or in part on any date commencing April 15, \_\_\_\_, Said option shall be exercised by the City by giving written notice to the Agency and the Trustee of the exercise of such option at least forty-five (45) days prior to said Lease Payment Date, or such lesser number of days acceptable to the Agency and the Trustee in the sole discretion of the Agency and the Trustee. Such option shall be exercised in the event of prepayment in full, by depositing with said notice cash in an amount, which, together with amounts then on deposit in the Insurance and Condemnation Fund and the Revenue Fund, will be sufficient to pay the aggregate unpaid Lease Payments on said Lease Payment Date as set forth in Exhibit C hereto, together with any Lease Payments then due but unpaid, or, in the event of prepayment in part, by depositing with said notice cash equal to the amount desired to be prepaid (the principal component of which shall be an amount divisible by \$5,000) together with any Lease Payments then due but unpaid. In the event of prepayment in part, the partial prepayment shall be applied against Lease Payments in such manner as the City shall determine and if the City shall fail to make such determination, in inverse order of their payment dates. Lease Payments due

after any such partial prepayment shall be in the amounts set forth in a revised Lease Payment schedule which shall be provided by, or caused to be provided by, the City to the Trustee and which shall represent an adjustment to the schedule set forth in Exhibit C attached hereto taking into account said partial prepayment.

Section 4.5. <u>Quiet Enjoyment</u>. During the Term of the Lease Agreement, the Agency shall provide the City with quiet use and enjoyment of the Property, and the City shall, during such Term, peaceably and quietly have and hold and enjoy the Property without suit, trouble or hindrance from the Agency, except as expressly set forth in this Lease Agreement. The Agency will, at the request of the City and at the City's cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the Agency may lawfully do so. Notwithstanding the foregoing, the Agency shall have the right to inspect the Property as provided in Section 7.2.

Section 4.6. <u>Title</u>. If the City pays all of the Lease Payments and Additional Payments during the Term of the Lease Agreement as the same become due and payable, or if the City posts a security deposit for payment of the Lease Payments pursuant to Section 4.3(f), and if the City has paid in full all of the Additional Payments coming due and payable as of such date, and provided in any event that no Event of Default shall have occurred and be continuing, all right, title and interest of the Agency in and to the Property shall be transferred to and vested in the City. The Agency agrees to take any and all steps and execute and record any and all documents reasonably required by the City to consummate any such transfer of title.

Section 4.7. <u>Additional Payments</u>. In addition to the Lease Payments, the City shall pay when due the following Additional Payments:

- (a) Any fees and expenses incurred by the Agency in connection with or by reason of its leasehold estate in the Property as and when the same become due and payable;
- (b) Any amounts due to the Trustee pursuant to Section 8.06 of the Indenture for all services rendered under the Indenture and for all reasonable expenses, charges, costs, liabilities, legal fees and other disbursements incurred in and about the performance of its powers and duties under the Indenture;
- (c) Any reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Agency or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Lease Agreement or the Indenture; and
- (d) Any reasonable out-of-pocket expenses of the Agency in connection with the execution and delivery of this Lease Agreement or the Indenture, or in connection with the issuance of the Bonds, including any and all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds, or incurred by the Agency in connection with any litigation which may at any time be instituted involving this Lease Agreement, the Bonds, the Indenture or any of the other documents contemplated hereby or thereby, or incurred by the Agency in connection with the Continuing Disclosure Certificate, or otherwise incurred in connection with the administration hereof or thereof.

# ARTICLE V

# MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

Section 5.1. <u>Maintenance, Utilities, Taxes and Assessments</u>. Throughout the Term of the Lease Agreement, as part of the consideration for the rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the City and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Property which may include, without limitation, janitor service, security, power, gas, phone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or lessee thereof. In exchange for the Lease Payments herein provided, the Agency agrees to provide only the Property, as hereinbefore more specifically set forth. The City waives the benefits of subsections 1 and 2 of Section 1932 of the California Civil Code, but such waiver shall not limit any of the rights of the City under the terms of this Lease Agreement.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Agency or the City affecting the Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of the Lease Agreement as and when the same become due.

The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Agency shall notify the City that, in the reasonable opinion of the Agency, by nonpayment of any such items, the interest of the Agency in the Property will be materially endangered or the Property or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Agency with full security against any loss which may result from nonpayment, in form satisfactory to the Agency and the Trustee.

Section 5.2. Modification of Property. The City shall, at its own expense, have the right to make additions, modifications and improvements to the Property All additions, modifications and improvements to the Property shall thereafter comprise part of the Property and be subject to the provisions of this Lease Agreement. Such additions, modifications and improvements shall not in any way damage the Property or cause the Property to be used for purposes other than those authorized under the provisions of State and federal law; and the City shall file with the Trustee and the Agency a Written Certificate of the City stating that the Property, upon completion of any additions, modifications and improvements made thereto pursuant to this Section 5.2, shall be of a value which is not substantially less than the value of the Property immediately prior to the making of such additions, modifications and improvements. The City will not permit any mechanic's or other lien to be established or remain against the Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City pursuant to this Section 5.2; provided that if any such lien is established and the City shall first notify or cause to be notified the Agency of the City's intention to do so, the City may in good faith contest any

lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Agency with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Agency. The Agency will cooperate fully in any such contest, upon the request and at the expense of the City.

Section 5.3. <u>Public Liability and Property Damage Insurance</u>. The City shall maintain or cause to be maintained throughout the Term of the Lease Agreement, a standard comprehensive general insurance policy or policies in protection of the Agency, the City, and their respective members, officers, agents, employees and assigns. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Property. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$100,000 (subject to a deductible clause of not to exceed \$5,000) for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and such liability insurance may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.7, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied by the City toward extinguishment or satisfaction of the liability with respect to which paid.

Section 5.4. Fire and Extended Coverage Insurance. The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, insurance against loss or damage to the improvements constituting a part of the Property by fire and lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance, when required, shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount at least equal to the lesser of (a) one hundred percent (100%) of the replacement cost of all of the insured improvements, or (b) the aggregate principal amount of the outstanding Bonds. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided however, that such insurance may not be maintained by the City in the form of self-insurance. The Net Proceeds of such insurance shall be applied as provided in Section 6.1(a).

Section 5.5. Rental Interruption Insurance. The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the Property as a result of any of the hazards covered in the insurance required by Section 5.4, in an amount at least equal to the maximum Lease Payments coming due and payable during any future twenty-four (24) month period. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained in the form of self-insurance. The proceeds of such insurance, if any, shall be paid to the Trustee

and deposited in the Revenue Fund, and shall be credited towards the payment of the Lease Payments as the same become due and payable.

Section 5.6. Recordation Hereof; Title Insurance. On or before the Closing Date the City shall, at its expense, (a) cause the Site and Facility Lease and this Lease Agreement, or a memorandum hereof or thereof, in each case in form and substance approved by Bond Counsel, to be recorded in the office of the Los Angeles County Recorder, and (b) obtain a CLTA policy of title insurance which insures the City's leasehold estate in the Property in an amount equal to the aggregate principal amount of the Bonds. All Net Proceeds received under said policy shall be deposited with the Trustee in the Redemption Fund and shall be applied to the redemption of Bonds pursuant to Section 4.01(d) of the Indenture.

Section 5.7. Net Proceeds of Insurance; Form of Policies. Each policy of insurance maintained pursuant to Sections 5.4, 5.5 and 5.6 shall name the Trustee as loss payee and additional insured so as to provide that all proceeds thereunder shall be payable to the Trustee. All required insurance policies shall be provided by a commercial insurer in one of the two highest rating categories by a Nationally Recognized Statistical Rating Organization (without regard to designations of plus (+) or minus (-)). The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease Agreement. All such policies shall provide that the Trustee shall be given thirty (30) days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency or amount of any insurance or self-insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. The City shall cause to be delivered to the Trustee annually, no later than June 15 in each year, a certificate stating that all of the insurance policies required by this Lease Agreement are in full force and effect and identifying whether any such insurance is then maintained in the form of self-insurance.

In the event that any insurance maintained pursuant to Section 5.3 shall be provided in the form of self-insurance, the City shall file with the Trustee annually, within ninety (90) days following the close of each Fiscal Year, a statement of the City risk manager, insurance consultant or actuary identifying the extent of such self-insurance and stating the determination that the City maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the City, the City shall not be obligated to make any payment with respect to any insured event except from such reserves. The results of such review shall be filed with the Trustee.

Section 5.8. <u>Installation of Personal Property</u>. The City may, at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon any portion of the Property. All such items shall remain the sole property of the City, in which neither the Agency nor the Trustee shall have any interest, and may be modified or removed by the City at any time provided that the City shall repair and restore any and all damage to the Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement shall prevent the City from purchasing or leasing items to be installed pursuant to this Section 5.8 under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Property.

Section 5.9. <u>Liens</u>. Neither the City nor the Agency shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on

or with respect to any portion of the Property, other than the respective rights of the Trustee, the Agency and the City as provided herein and Permitted Encumbrances. Except as expressly provided in this Article V, the City and the Agency shall promptly, at their own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The City shall reimburse the Agency for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

# Section 5.10. Tax Covenants.

- (a) *Private Activity Bond Limitation*. The City shall assure that proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.
- (b) Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.
- (c) *Rebate Requirement*. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.
- (d) *No Arbitrage*. The City shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.
- (e) *Maintenance of Tax-Exemption*. The City shall take all actions necessary to assure the exclusion of interest with respect to the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date.
- Section 5.11. <u>Continuing Disclosure</u>. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Lease Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not constitute an Event of Default hereunder; *provided, however*, that the Participating Underwriter or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under this Section 5.11, including seeking mandate or specific performance by court order.

# ARTICLE VI

# DAMAGE, DESTRUCTION AND EMINENT DOMAIN; ABATEMENT OF LEASE PAYMENTS

# Section 6.1. <u>Application of Net Proceeds</u>.

- (a) *From Insurance Award*. The Net Proceeds of any insurance award resulting from any damage to or destruction of the Property by fire or other casualty shall be paid by the City to the Trustee and shall be deposited in the Insurance and Condemnation Fund by the Trustee and applied as set forth in Section 5.08 of the Indenture.
- (b) From Eminent Domain Award. If the Property or any portion thereof shall be taken permanently or temporarily under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Net Proceeds resulting therefrom shall be deposited in the Insurance and Condemnation Fund and applied as set forth in Section 5.08 of the Indenture.
- (c) From Title Insurance Award. The Net Proceeds of any title insurance award shall be paid to the Trustee, deposited in the Insurance and Condemnation Fund and applied as set forth in Section 5.08 of the Indenture.

# Section 6.2. Abatement of Lease Payments.

- (a) Abatement Due to Damage or Destruction of the Property; Non-Completion. The Lease Payments shall be abated during any period in which by reason of damage to or destruction of the Property (other than by eminent domain which is hereinafter provided for) there is substantial interference with the use and occupancy by the City of the Property or any portion thereof. The amount of such abatement shall be an amount agreed upon by the City and the Agency such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Property not damaged or destroyed and available for use and possession by the City. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction or the date when the remaining portion of the Property is available for use and possession by the City. In the event of any such damage, destruction or non-completion, this Lease Agreement shall continue in full force and effect and the City waives any right to terminate this Lease Agreement by virtue of any such damage, destruction or non-completion. There shall be no abatement of the Lease Payments to the extent that moneys derived from any person as a result of such damage or destruction are available to pay the amount which would otherwise be abated or if there is any money available in the Revenue Fund to pay the amount which would otherwise be abated.
- (b) Abatement Due to Eminent Domain. If all of the Property shall be taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of the Lease Agreement shall cease with respect to the Property as of the day possession shall be so taken. If less than all of the Property shall be taken permanently, or if all of the Property or any part thereof shall be taken temporarily under the power of eminent domain, (i) this Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (ii) there shall be a partial abatement of Lease Payments in an amount to be agreed upon by the City and the Agency such that the resulting Lease Payments for the

| Property represent fair consideration for the use and occupancy of the remaining usable por- |
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| tion of the Property.  |
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### ARTICLE VII

# DISCLAIMER OF WARRANTIES; ACCESS

Section 7.1. <u>Disclaimer of Warranties</u>. THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE PROPERTY, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROPERTY. IN NO EVENT SHALL THE AUTHORITY AND ITS ASSIGNS BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE SITE AND FACILITY LEASE, THIS LEASE AGREEMENT OR THE INDENTURE FOR THE EXISTENCE, FURNISHING, FUNCTIONING OR THE CITY'S USE OF THE PROPERTY.

Section 7.2. <u>Rights of Access</u>. The City agrees that the Agency and any Authorized Representative of the Agency, and the Agency's successors or assigns, shall have the right at all reasonable times to enter upon and to examine and inspect the Property. The City further agrees that the Agency, any Authorized Representative of the Agency, and the Agency's successors or assigns, shall have such rights of access to the Property as may be reasonably necessary to cause the proper maintenance of the Property in the event of failure by the City to perform its obligations hereunder; provided, however, that the Agency's assigns shall not be required to cause such proper maintenance.

Section 7.3. Non-Liability of the Agency. The Agency shall not be obligated to pay the principal of or interest on the Bonds, except from Revenues and other moneys and assets received by the Trustee pursuant to this Lease Agreement. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof, nor the faith and credit of the Agency or any member of the Agency is pledged to the payment of the principal or interest on the Bonds. Neither the Agency nor its members, Board members, officers, agents or employees or their successors and assigns shall be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under, by reason of or in connection with this Lease Agreement, the Bonds or the Indenture, except only to the extent amounts are received for the payment thereof from the City under this Lease Agreement.

The City hereby acknowledges that the Agency's sole source of moneys to repay the Bonds will be payments made by the City to the Trustee pursuant to this Lease Agreement, together with investment income on certain funds and accounts held by the Trustee under the Indenture, and hereby agrees that if the payments to be made hereunder shall ever prove insufficient to pay all principal and interest on the Bonds as the same shall become due (whether by maturity, redemption or otherwise), then upon notice from the Trustee, the City shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the City, the Agency or any third party, subject to any right of reimbursement from the Agency or any such third party, as the case may be, therefor but solely, in the case of the Agency, from the Revenues.

Section 7.4. <u>Expenses</u>. The City shall pay and indemnify the Agency and the Trustee against all reasonable fees, costs and charges, including reasonable fees and expenses of attorneys, accountants, consultants and other experts, incurred in good faith (and with respect to

the Trustee, without negligence or willful misconduct) and arising out of or in connection with the Site and Facility Lease, this Lease Agreement, the Indenture and the Bonds. These obligations and those in Section 7.5 shall remain valid and in effect notwithstanding payment of the Lease Payments or the Bonds or termination of this Lease Agreement or the Indenture.

# Section 7.5. Indemnification.

- (a) To the fullest extent permitted by law, the City agrees to indemnify, hold harmless and defend the Agency, the Trustee, and each of their respective past, present and future officers, members, Board members, officials, officers, directors, employees, attorneys and agents (collectively, the "Indemnified Parties"), against any and all losses, damages, claims, actions, liabilities, costs and expenses of any conceivable nature, kind or character (including, without limitation, reasonable attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) to which the Indemnified Parties, or any of them, may become subject under or any statutory law (including federal or state securities laws) or at common law or otherwise, arising out of or based upon or in any way relating to:
  - (i) the Bonds, the Indenture, the Site and Facility Lease, this Lease Agreement or the Tax Certificate relating to the Bonds, or the execution or amendment hereof or thereof or in connection with transactions contemplated hereby or thereby, including the issuance, sale or resale of the Bonds;
  - (ii) any act or omission of the City or any of its agents, contractors, servants, employees, tenants) or licensees in connection with the Property, the operation of the Property, or the condition, environmental or otherwise, occupancy, use, possession, conduct or management of work done in or about, or from the planning, design, acquisition, installation or construction of, the Property or any part thereof;
  - (iii) any lien or charge upon payments by the City to the Agency and the Trustee hereunder, or any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges imposed on the Agency or the Trustee in respect of any portion of the Property;
  - (iv) any violation of any environmental laws or regulations with respect to, or the release of any hazardous substances from, the Property or any part thereof;
    - (v) the defeasance and/or redemption, in whole or in part, of the Bonds;
  - (vi) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in any offering statement or disclosure or continuing disclosure document for the Bonds or any of the documents relating to the Bonds, or any omission or alleged omission from any offering statement or disclosure or continuing disclosure document for the Bonds of any material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;
  - (vii) any declaration of taxability of interest on the Bonds, or allegations that interest on the Bonds is taxable or any regulatory audit or inquiry regarding whether interest on the Bonds is taxable; or

(viii) the Trustee's acceptance or administration of the trust of the Indenture, or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Bonds to which it is a party;

except (A) in the case of the foregoing indemnification of the Trustee or any of its respective officers, members, directors, officials, employees, attorneys and agents, to the extent such damages are caused by the negligence or willful misconduct of such Indemnified Party; or (B) in the case of the foregoing indemnification of the Agency or any of its officers, members, directors, officials, employees, attorneys and agents, to the extent such damages are caused by the willful misconduct of such Indemnified Party. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought hereunder, the City, upon written notice from the Indemnified Party, shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party, and shall assume the payment of all expenses related thereto, with full power to litigate, compromise or settle the same in its sole discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove any such compromise or settlement. Each Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense thereof, and the City shall pay the reasonable fees and expenses of such separate counsel; provided, however, that such Indemnified Party may only employ separate counsel at the expense of the City if in the judgment of such Indemnified Party a conflict of interest exists by reason of common representation or if all parties commonly represented do not agree as to the action (or inaction) of counsel.

(b) The rights of any persons to indemnity hereunder and rights to payment of fees and reimbursement of expenses shall survive the final payment or defeasance of the Bonds and in the case of the Trustee any resignation or removal. The provisions of this Section 7.5 shall survive the termination of this Lease Agreement.

Section 7.6. <u>Waiver of Personal Liability</u>. No member, Board member, officer, agent or employee of the Agency or any officer, agent or employee of the City shall be individually or personally liable for the payment of any principal of or interest on the Bonds or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Lease Agreement, but nothing herein contained shall relieve any such member, Board member, officer, agent or employee from the performance of any official duty provided by law or by this Lease Agreement.

### ARTICLE VIII

# ASSIGNMENT, LEASING AND AMENDMENT

- Section 8.1. <u>Assignment by the Agency</u>. Certain rights of the Agency under this Lease Agreement, including the right to receive and enforce payment of the Lease Payments to be made by the City under this Lease Agreement, have been pledged and assigned to the Trustee for the benefit of the Owners of the Bonds pursuant to the Indenture, to which pledge and assignment the City hereby consents. The assignment of this Agreement to the Trustee is solely in its capacity as Trustee under the Indenture and the duties, powers and liabilities of the Trustee in acting hereunder shall be subject to the provisions of the Indenture, including, without limitation, the provisions of Article VIII thereof.
- Section 8.2. <u>Assignment and Subleasing by the City</u>. This Lease Agreement may not be assigned by the City. The City may sublease the Property or any portion thereof, subject to, and delivery to the Agency of a certificate as to, all of the following conditions:
- (a) This Lease Agreement and the obligation of the City to make Lease Payments hereunder shall remain obligations of the City;
- (b) The City shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Agency and the Trustee a true and complete copy of such sublease;
- (c) No such sublease by the City shall cause the Property to be used for a purpose other than as may be authorized under the provisions of the laws of the State; and
- (d) The City shall furnish the Agency and the Trustee with a written opinion of Bond Counsel, stating that such sublease is permitted by this Lease Agreement and the Indenture, and will not, in itself, cause the interest on the Bonds to become included in gross income of the Owners of the Bonds for federal income tax purposes.

# Section 8.3. Amendment of Lease.

- (a) *Substitution of Site*. The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to substitute other land (a "Substitute Site") for the Site (the "Former Site"), or a portion thereof, provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:
  - (i) The City shall file with the Agency and the Trustee an amended Exhibit A to the Site and Facility Lease which adds thereto a description of such Substitute Site and deletes therefrom the description of the Former Site;
  - (ii) The City shall file with the Agency and the Trustee an amended Exhibit A to this Lease Agreement which adds thereto a description of such Substitute Site and deletes therefrom the description of the Former Site;
  - (iii) The City shall certify in writing to the Agency and the Trustee that such Substitute Site serves the purposes of the City, constitutes property that is unencumbered (or the portion of such property to be substituted is unencumbered), subject to

Permitted Encumbrances, and constitutes property which the City is permitted to lease under the laws of the State;

- (iv) The City delivers to the Trustee and the Agency evidence that the Substitute Site (or the portions to be substituted) is of equal or greater value than the Site (or the portions thereof) to be substituted;
- (v) The City shall certify the Substitute Site shall not cause the City to violate any of its covenants, representations and warranties made herein;
- (vi) The City shall obtain an amendment to the title insurance policy required pursuant to Section 5.6 hereof which adds thereto a description of the Substitute Site and deletes therefrom the description of the Former Site;
- (vii) The City shall certify that the Substitute Site is of the same or greater essentiality to the City as was the Former Site;
- (viii) The City shall certify that the Substitute Site has a useful life equal to or longer than the remaining term of the Bonds;
- (ix) The City shall provide notice of such substitution to any rating agency then rating the Bonds; and
- (x) The City shall furnish the Agency and the Trustee with a written opinion of Bond Counsel, which shall be an Independent Counsel, stating that such substitution does not cause the interest components of the Lease Payments to become subject to federal income taxes or State personal income taxes.
- (b) *Substitution of Facility*. The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to substitute a substitute facility or substitute facilities (a "Substitute Facility") for the Facility (the "Former Facility"), or a portion thereof, provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:
  - (i) The City shall file with the Agency and the Trustee an amended Exhibit B to the Site and Facility Lease which adds thereto a description of such Substitute Facility and deletes therefrom the description of the Former Facility, if applicable;
  - (ii) The City shall file with the Agency and the Trustee an amended Exhibit B to this Lease Agreement which adds thereto a description of such Substitute Facility and deletes therefrom the description of the Former Facility;
  - (iii) The City shall certify in writing to the Agency and the Trustee that such Substitute Facility serves the purposes of the City, constitutes property that is unencumbered (or the portion of such property to be substituted is unencumbered), subject to Permitted Encumbrances, and constitutes property which the City is permitted to lease under the laws of the State;
  - (iv) The City delivers to the Trustee and the Agency evidence that the Substitute Facility (or the portions to be substituted) is of equal or greater value than the property (or the portions thereof) to be substituted;

- (v) The City shall certify the Substitute Facility shall not cause the City to violate any of its covenants, representations and warranties made herein;
- (vi) The City shall certify that the Substitute Facility is of the same or greater essentiality to the City as was the Former Facility;
- (vii) The City shall certify that the Substitute Facility has a useful life equal to or longer than the remaining term of the Bonds; and
- (viii) The City shall provide notice of such substitution to any rating agency then rating the Bonds.
- (c) *Release of Site*. The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to release any portion of the Site, provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such release:
  - (i) The City shall file with the Agency and the Trustee an amended Exhibit A to the Site and Facility Lease which describes the Site, as revised by such release;
  - (ii) The City shall file with the Agency and the Trustee an amended Exhibit A to this Lease Agreement which describes the Site, as revised by such release;
  - (iii) The City delivers to the Trustee and the Agency evidence that the Site, as revised by such release, without regard to the value of the Facility, has a value at least equal to the principal amount of the Bonds then outstanding; and
  - (iv) The City shall provide notice of such release to any rating agency then rating the Bonds.
- (d) *Release of Facility*. The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to release any portion of the Facility provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such release:
  - (i) The City shall file with the Agency and the Trustee an amended Exhibit B to the Site and Facility Lease which describes the Facility, as revised by such release;
  - (ii) The City shall file with the Agency and the Trustee an amended Exhibit B to this Lease Agreement which describes the Facility, as revised by such release;
  - (iii) The City delivers to the Trustee and the Agency evidence that the Facility, as revised by such release, together with the Site, has a total value at least equal to the principal amount of the Bonds then outstanding; and
  - (iv) The City shall provide notice of such release to any rating agency then rating the Bonds.
- (e) *Generally*. The Agency and the City may at any time amend or modify any of the provisions of this Lease Agreement, but only (a) with the prior written consent of the Owners

of a majority in aggregate principal amount of the Outstanding Bonds, or (b) without the consent of any of the Bond Owners, but only if such amendment or modification is for any one or more of the following purposes:

- (i) to add to the covenants and agreements of the City contained in this Lease Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City; or
- (ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or in any other respect whatsoever as the Agency and the City may deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments will not materially adversely affect the interests of the Owners of the Bonds.

### ARTICLE IX

# **EVENTS OF DEFAULT; REMEDIES**

Section 9.1. <u>Events of Default Defined</u>. The following shall be "Events of Default" under this Lease Agreement:

- (a) Failure by the City to pay any Lease Payment required to be paid hereunder at the time specified herein.
- (b) Failure by the City to make any Additional Payment required hereunder and the continuation of such failure for a period of thirty (30) days.
- (c) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clauses (a) or (b), for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Agency or the Trustee; provided, however, that if in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such sixty (60) day period, such failure shall not constitute an Event of Default if the City shall commence to cure such failure within such sixty (60) day period and thereafter diligently and in good faith shall cure such failure in a reasonable period of time which shall last no longer than 120 days after the original written notice.
- (d) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of applicable federal bankruptcy law, or under any similar acts which may hereafter be enacted.
- Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 shall have happened and be continuing, it shall be lawful for the Agency to exercise any and all remedies available pursuant to law or granted pursuant to this Lease Agreement; provided, however, that notwithstanding anything to the contrary herein or in the Indenture, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable or to terminate this Lease Agreement or to cause the fee interest or the leasehold interest of the City in the Property to be sold, assigned or otherwise alienated. Each and every covenant hereof to be kept and performed by the City is expressly made a condition and, upon the breach thereof, the Agency may exercise any and all rights of entry and re-entry upon the Property. The City hereby irrevocably consents to the Agency's repossession of the Property if such an Event of Default shall occur and consents to the Agency's re-letting of the Property for the account of the City. In the event of such default and notwithstanding any re-entry by the Agency, the City shall, as herein expressly provided, continue to remain liable for the payment of the Lease Payments and/or damages for breach of this Lease Agreement and the performance of all conditions herein contained and, in any event, such rent and/or damages shall be payable to the Agency at the time and in the manner as herein provided, to wit:
- (a) The City agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Agency for

any deficiency arising out of the re-leasing of the Property, or, in the event the Agency is unable to re-lease the Property, then for the full amount of all Lease Payments to the end of the Term of the Lease Agreement, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Agency or any suit in unlawful detainer, or otherwise, brought by the Agency for the purpose of effecting such re-entry or obtaining possession of the Property or the exercise of any other remedy by the Agency.

- (b) The City hereby irrevocably appoints the Agency as the agent and attorney-in-fact of the City to enter upon and re-lease the Property in the event of default by the City in the performance of any covenants herein contained to be performed by the City and to remove all personal property whatsoever situated upon the Property to place such property in storage or other suitable place in Los Angeles County, for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Agency from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Property and the removal and storage of such property by the Agency or its duly authorized agents in accordance with the provisions herein contained.
- (c) The City hereby waives any and all claims for damages caused or which may be caused by the Agency in re-entering and taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the City that may be in or upon the Property.
- (d) The City agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Agency to re-lease the Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Agency in effecting such re-leasing shall constitute a surrender or termination of this Lease Agreement irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise.

Section 9.3. <u>Limitation on Remedies</u>. Notwithstanding the foregoing provisions of Section 9.2, neither the Agency nor the Trustee shall exercise any remedies against the Property to the extent such remedies would generate funds which are not available to satisfy the obligations of this Lease Agreement or the Indenture.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive and every such remedy shall be cumulative and shall, except as herein expressly provided to the contrary, be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity. 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 thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article IX it shall not be necessary to give any notice, other than such notice as may be required in this Article IX or by law.

Section 9.5. <u>Agreement to Pay Attorneys' Fees and Expenses</u>. In the event either party to this Lease Agreement should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part

of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

Section 9.6. <u>No Additional Waiver Implied by One Waiver</u>. In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.7. <u>Trustee and Bond Owners to Exercise Rights</u>. Such rights and remedies as are given to the Agency under this Article IX have been assigned by the Agency to the Trustee under the Indenture, to which assignment the City hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners of the Bonds as provided in the Indenture. The Trustee shall be considered a third party beneficiary for enforcing its rights under this Lease Agreement.

## ARTICLE X

### **MISCELLANEOUS**

Section 10.1. <u>Notices</u>. All written notices to be given under this Lease Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, confirmed by phone, (b) upon receipt after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt.

If to the Agency: City of Gardena Financing Agency

c/o City of Gardena 1700 West 162nd Street Gardena, CA 90247-1310 Attention: City Clerk Phone: (415) 508-2100 Fax: (415) 467-4989

If to the City: City of Gardena

1700 West 162nd Street Gardena, CA 90247-1310 Attention: City Clerk Phone: (415) 508-2100 Fax: (415) 467-4989

If to the Trustee: U.S. Bank National Association

633 West Fifth Street, 24<sup>th</sup> Floor

Los Angeles, CA 90071

Attention: Global Corporate Trust

Phone: (213) 615-6023 Fax: (213) 615-6197

The Agency, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

Section 10.2. <u>Binding Effect</u>. This Lease Agreement shall inure to the benefit of and shall be binding upon the Agency and the City and their respective successors and assigns.

Section 10.3. <u>Severability</u>. In the event any provision of this Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.4. <u>Net-net Lease</u>. This Lease Agreement shall be deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Lease Payments shall be an absolute net return to the Agency, free and clear of any expenses, charges or set-offs whatsoever.

Section 10.5. <u>Further Assurances and Corrective Instruments</u>. The Agency and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be

executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease Agreement.

Section 10.6. <u>Execution in Counterparts</u>. This Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.7. <u>Applicable Law</u>. This Lease Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.8. <u>Authorized Representatives</u>. Whenever under the provisions of this Lease Agreement the approval of the Agency or the City is required, or the Agency or the City is required to take some action at the request of the other, such approval or such request shall be given for the Agency by an Authorized Representative of the Agency and for the City by an Authorized Representative of the City, and any party hereto shall be authorized to rely upon any such approval or request.

Section 10.9. <u>Waiver of Personal Liability</u>. All liabilities under this Lease Agreement on the part of the City are solely liabilities of the City and the Agency hereby releases each and every member, director, officer, employee and agent of the City of and from any personal or individual liability under this Lease Agreement. No member, director, officer, employee or agent of the City shall at any time or under any circumstances be individually or personally liable under this Lease Agreement for anything done or omitted to be done by the City hereunder.

Section 10.10. <u>Limitation of Rights to Parties and Bond Owners</u>. Nothing in this Lease Agreement expressed or implied is intended or shall be construed to give to any person other than the Agency, the Trustee, the City, the Agency and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Lease Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Agency, the Trustee, the City, the Agency and the Owners of the Bonds.

Section 10.11. <u>Captions</u>. The captions or headings in this Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease Agreement.

IN WITNESS WHEREOF, the Agency has caused this Lease Agreement to be executed in its name by its duly authorized officers; and the City has caused this Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

| AGENCY      |             |
|-------------|-------------|
| By _        |             |
| , <u> </u>  | Tasha Cerda |
|             | Chair       |
| CITY OF GAI | RDENA       |
|             |             |
|             |             |
| Ву          |             |
|             | Tasha Cerda |
|             | Mayor       |

CITY OF GARDENA FINANCING

# [NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

# **EXHIBIT A**

# **DESCRIPTION OF THE SITE**

Real property in the City of Gardena, County of Los Angeles, State of California, described as follows:

# Rowley Park Gymnasium Site (13220 South Van Ness Avenue, Gardena, CA)

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF GARDENA, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHWEST CORNER OF THE ROWLEY PARK PROPERTY IN THE CITY OF GARDENA, CALIFORNIA, SAID PROPERTY HAVING ASSESSOR NUMBER 4061-022-901, AND BEING THE POINT OF BEGINNING, THEN GOING NORTH 577.0 FEET, THEN EAST 98.9 FEET TO THE SOUTHWEST CORNER OF BUILDING NUMBER TWO. FROM SAID POINT THE OUTLINE OF THE BUILDING IS DEFINED BY TRAVERSING NORTH 67.9 FEET, THEN EAST 46.7 FEET, THEN NORTH 32.4 FEET, THEN EAST 112.8 FEET, THEN SOUTH 82.8 FEET, THEN WEST 89.7 FEET, THEN SOUTH 17.2 FEET, THEN WEST 68.0 FEET TO THE SOUTHWEST CORNER OF BUILDING TWO. THE BUILDING FOOTPRINT IS APPROXIMATELY 13,000 SQUARE FEET.

EXCEPT ALL OIL, GAS, AND/OR OTHER HYDROCARBON SUBSTANCES LYING UNDER AND WITHIN SAID LAND, WHICH RESERVATION IS SUBJECT TO THE FOLLOWING CONDITIONS, TOWIT: THAT THE DEFENDANTS SHALL NEVER HAVE ANY RIGHT OF ENTRY UPON THE PARCEL OF LAND BEING CONDEMNED FOR THE PURPOSE OF DEVELOPING OIL, GAS, OR OTHER HYDROCARBON SUBSTANCES, BUT THAT DEVELOPMENT THEREOF MAY BE MADE BY MEANS OF WELLS UNTO ADJACENT LANDS OWNED BY THE DEFENDANTS; NO SUCH WELL, HOWEVER, TO BE DRILLED NEARER THAN 150 FEET TO THE BOUNDARIES OF SAID PARCEL OF LAND, BEING CONDEMNED, AS RESERVED IN THE FINAL DECREE OF CONDEMNATION ENTERED IN SUPERIOR COURT LOS ANGELES COUNTY, CASE NO. 534017; A CERTIFIED COPY OF SAID DECREE BEING RECORDED OCTOBER 1, 1947 IN BOOK 25246 PAGE 176 OF OFFICIAL RECORDS.

PORTION OF APN: 4061-022-901

# Police Headquarters Site (1718 West 162nd Street, Gardena, CA)

THOSE PORTIONS OF BLOCKS 18 AND 19 OF BROADACRES, IN THE CITY OF GARDENA, AS PER MAP RECORDED IN BOOK 30 PAGE 42OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

# PARCEL 1:

LOTS 1 AND 2 OF SAID BLOCK 18, EXCEPT THE SOUTH 44.04 FEET OF LOT 2.

# PARCEL 2:

THE WESTERLY 142.5 FEET OF LOT 3 AND THE WESTERLY 142.5 FEET OF THE SOUTH 44.04 FEET OF LOT 2 IN BLOCK 18.

# PARCEL 3:

THE EASTERLY 112.50 FEET OF THE WESTERLY 142.50 FEET, MEASURED FROM THE CENTER LINE OF HARVARD BOULEVARD, 60 FEET WIDE, OF LOTS 22 AND 21 OF SAID BLOCK 18.

EXCEPT THEREFROM THE SOUTHERLY 30.00 FEET OF SAID LOT 21; SAID 30 FEET BEING A PORTION OF THE NORTHERLY 30 FEET OF GARDENA BOULEVARD, AS SHOWN ON SAID MAP.

# PARCEL 4:

LOTS 1, 2 AND 3 OF SAID BLOCK 19.

EXCEPT THEREFROM THE EASTERLY 30.00 FEET THEREOF, AND NORTHERLY 40.00 FEET OF LOT 1, SAID EASTERLY 30 FEET AND NORTHERLY 40 FEET BEING WITHIN HARVARD BOULEVARD AND 162ND STREET, AS SHOWN ON SAID MAP.

### PARCEL 5:

LOT 4 OF SAID BLOCK 19.

EXCEPT THEREFROM THE EASTERLY 30.00 FEET AND THE EASTERLY 200.86 FEET OF THE WESTERLY 249.36 FEET OF THE SOUTHERLY 26.90 FEET THEREOF, SAID EASTERLY 30 FEET BEING A PORTION OF THE WESTERLY 30 FEET OF HARVARD BOULEVARD, AS SHOWN ON SAID MAP.

# PARCEL 6:

THE NORTHERLY 102.10 FEET OF LOT 5 OF SAID BLOCK 19.

EXCEPT THEREFROM THE EASTERLY 30.00 FEET AND THE EASTERLY 200.86 FEET OF THE WESTERLY 249.36 FEET THEREOF, SAID EASTERLY 30 FEET BEING A PORTION OF THE WESTERLY 30 FEET OF HARVARD BOULEVARD, AS SHOWN ON SAID MAP.

# PARCEL 7:

THAT PORTION OF HARVARD BOULEVARD, AS VACATED BY RESOLUTION NO. 1869 OF THE CITY COUNCIL OF THE CITY OF GARDENA, A CERTIFIED COPY OF WHICH BEING RECORDED JANUARY 12, 1962 IN BOOK M1478 PAGE 232, OFFICIAL RECORDS, AS INSTRUMENT NO. 3986 OF THE COUNTY OF LOS ANGELES, LYING BETWEEN THE SOUTHERLY LINE OF 162ND STREET, (FORMERLY MARKET STREET, 80.00 FEET WIDE) AND THE NORTHERLY LINE OF GARDENA BOULEVARD, (60 FEET WIDE).

APN: 6105-004-901

# Fire Department Headquarters Site (1650 West 162nd Street, Gardena, CA)

THOSE PORTIONS OF BLOCK 18 OF BROADACRES, IN THE CITY OF GARDENA, AS PER MAP RECORDED IN BOOK 30 PAGE 42 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

LOTS 1 AND 2 OF SAID BLOCK 18, EXCEPT THE WESTERLY 142.5 FEET OF LOTS 1 AND 2. ALSO EXCEPTING THE SOUTH 44.04 OF LOT 2.

# **EXHIBIT B**

# **DESCRIPTION OF THE FACILITY**

The Facility consists of the following:

# Rowley Park Gymnasium

**Rowley Park Gymnasium** located on the Site at 13220 South Van Ness Avenue in the City of Gardena, was dedicated February 12, 1990. The facility is \_\_\_\_\_\_.

# Police Headquarters

**Police Headquarters** located on the Site at 1718 West 162nd Street in the City of Gardena has approximately 63,475 square feet of site area and approximately 23,690 square feet of building space that includes a one-story brick masonry police headquarters structure (Class C construction). The facility was built in 1963. Separate modular units have been constructed in the parking lot, and on an adjacent property to serve as annex offices.

# Fire Department Headquarters

**Fire Department Headquarters** located on the Site at 1650 West 162nd Street in the City of Gardena. The station was built in 1964, contains 17,915 square feet of space, houses a an engine, a paramedic unit and a utility truck and is staffed by eight sworn personnel and three civilians.

# **EXHIBIT C**

# SCHEDULE OF LEASE PAYMENTS

| Lease   |           |           | Total   |
|---------|-----------|-----------|---------|
| Payment | Principal | Interest  | Lease   |
| Ďate    | Component | Component | Payment |

# PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 11, 2021

### NEW ISSUE-FULL BOOK ENTRY

RATING: S&P: "\_\_\_" See "RATING" herein.

In the opinion of Quint & Thimmig LLP, San Francisco, California, Bond Counsel, subject to compliance by the Agency and the City with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS" herein.



# \$\_\_\_\_\* CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

# **Dated: Date of Delivery**

Due: May 1, as shown on the inside cover

The \$\_\_\_\_\_\* City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021 (the "Bonds"), are being issued by the City of Gardena Financing Agency, a joint exercise of powers entity organized and existing under the laws of the State of California (the "Agency"), pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, resolutions adopted by the Agency and the City of Gardena (the "City") and an Indenture of Trust, dated as of September 1, 2021 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds are being issued to (a) finance a portion of the costs of construction of the new Gardena Community Aquatic & Senior Center, (b) finance the costs of acquiring and renovating an existing building to be converted into a new Community Center, (c) finance various park improvements and (d) pay the costs of issuance of the Bonds. See "THE PLAN OF FINANCING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein. The Bonds are secured by a pledge of and lien on the Revenues (as defined herein), consisting primarily of Lease Payments (as defined herein).

The City will lease certain real property and the improvements thereon (collectively, the "Property") from the Agency pursuant to a Lease Agreement, dated as of September 1, 2021 (the "Lease Agreement"), by and between the Agency and the City. Under the Lease Agreement, the City is required to make Lease Payments from legally available funds in amounts calculated to be sufficient to pay principal of and interest on the Bonds. All of the Agency's right, title and interest in and to the Lease Agreement (except for the right to receive any Additional Payments (as defined herein) to the extent payable to the Agency and certain rights to indemnification), including the right to receive Lease Payments under the Lease Agreement, will be assigned to the Trustee under the Indenture for the benefit of the Bondowners. See "SECURITY FOR THE BONDS" herein. The obligation of the City to make Lease Payments and Additional Payments is subject to abatement during any period in which, by reason of damage, destruction or a taking by eminent domain, there is substantial interference with the use and occupancy by the City of any portion of the Property. A reserve fund will not be funded for the Bonds.

The Bonds are subject to redemption as described herein. See "THE BONDS—Redemption" herein.

The Bonds are issuable in denominations of \$5,000 and any integral multiple thereof. Interest on the Bonds is payable on May 1 and November 1 of each year, commencing May 1, 2022. See "THE BONDS" herein. The Bonds will be delivered in fully registered form only, and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only. Principal of and interest on the Bonds will be paid by the Trustee to DTC or its nominee, which will in turn remit such payment to its participants for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS" herein and APPENDIX E—BOOK-ENTRY ONLY SYSTEM.

THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE AGENCY, PAYABLE SOLELY FROM AND SECURED SOLELY BY CERTAIN PROCEEDS OF THE BONDS HELD IN CERTAIN FUNDS AND ACCOUNTS PURSUANT TO THE INDENTURE AND THE REVENUES DERIVED FROM LEASE PAYMENTS AND OTHER PAYMENTS MADE OR CAUSED TO BE MADE BY THE CITY PURSUANT TO THE LEASE AGREEMENT. THE CITY HAS COVENANTED IN THE LEASE AGREEMENT TO TAKE SUCH ACTIONS AS MAY BE NECESSARY TO INCLUDE ALL LEASE PAYMENTS DUE THEREUNDER IN ITS ANNUAL GENERAL FUND BUDGETS AND TO MAKE THE NECESSARY ANNUAL APPROPRIATIONS THEREFOR. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE AGENCY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION, OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, THE AGENCY HAS NO TAXING POWER. THE OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY FOR WHICH THE CITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

# **MATURITY SCHEDULE**

### SEE INSIDE COVER

This cover page contains information for quick reference only. It is <u>not</u> a summary of this issue. Potential purchasers must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued, and received by the Underwriter, subject to the approval as to their validity by Quint & Thimmig LLP, Larkspur, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Agency and the City by the City Attorney, and by Quint & Thimmig LLP, Larkspur, California, as Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. It is anticipated that the Bonds will be available for delivery through DTC on or about September 8, 2021.

# **BofA Securities**

Dated: August \_\_\_, 2021

<sup>\*</sup>Preliminary, subject to change.

# S\_\_\_\_\_\* CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

# MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS\*

|                   | \$                  | Serial Bo        | nds         |                  |
|-------------------|---------------------|------------------|-------------|------------------|
|                   | CUSII               | P† Prefix:       |             |                  |
| Maturity<br>May 1 | Principal<br>Amount | Interest<br>Rate | Yield       | CUSIP†<br>Suffix |
|                   |                     |                  |             |                  |
|                   |                     |                  |             |                  |
|                   |                     |                  |             |                  |
|                   |                     |                  |             |                  |
| % Term Bonds      | maturing May 1,     | ; Price:         | %, to yield | %; CUSIP†        |
| <br>_             | maturing May 1,     |                  |             |                  |

<sup>\*</sup>Preliminary, subject to change.

<sup>†</sup> Copyright 2021, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, operated by S&P Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the Agency and are included solely for the convenience of the registered owners of the Bonds. None of the Agency, the City nor the Underwriter is responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the Agency with respect to the Bonds that has been deemed "final" by the Agency and the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesperson or other person has been authorized by the Agency, the City or the Underwriter to give any information or to make any representations other than as set forth herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the Agency, the City or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement that involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth in this Official Statement has been obtained from official sources and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Agency or the City since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the Agency's or the City's forecasts in any way, regardless of the level of optimism communicated in the information. The Agency is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. See "CONTINUING DISCLOSURE" herein.

THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

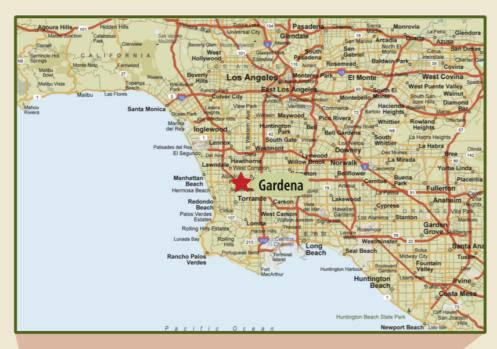
The execution, sale and delivery of the Bonds has not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

The City maintains a website, however, the information presented therein is not a part of this Official Statement and should not be relied on in making an investment decision with respect to the Bonds.

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# GARDENA · CALIFORNIA





# **CITY OF GARDENA**

1700 West 162nd St. Gardena, CA 90247 (310) 217-9500 www.cityofgardena.org

# CITY COUNCIL MEMBERS

Tasha Cerda, Chair/Mayor
Rodney G. Tanaka, Vice Chair/Mayor Pro Tem
Paulette C. Francis, Boardmember/Councilmember
Art Kaskanian, Boardmember/Councilmember
Mark E. Henderson, Ed.D., Boardmember/Councilmember

# **CITY OFFICIALS**

Clint Osorio, City Manager
Ray Beeman, CPA, Chief Fiscal Officer
J. Ingrid Tsukiyama, City Treasurer
Mina Semenza, City Clerk
Jones & Mayer, City Attorney

# PROFESSIONAL SERVICES

KNN Public Finance, LLC Los Angeles, California Municipal Advisor

U.S. Bank National Association Los Angeles, California Trustee

Quint & Thimmig LLP Larkspur, California Bond Counsel and Disclosure Counsel

# CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California)

Lease Revenue Bonds, Series 2021

### INTRODUCTION

The following introduction presents a brief description of certain information in connection with the Bonds (as defined below) and is qualified in its entirety by reference to the entire Official Statement and the documents summarized or described herein. References to, and summaries of, provisions of the Constitution and the laws of the State of California (the "State") and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions thereof. Capitalized terms used in this Official Statement and not defined elsewhere herein have the meanings given such terms in the Indenture. See APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS—Definitions.

# **General Description**

This Official Statement, including the cover page, the inside cover page and the attached appendices (this "Official Statement"), provides certain information concerning the issuance of \$\_\_\_\_\_\* aggregate principal amount of City of Gardena Financing Agency Lease Revenue Bonds, Series 2021 (the "Bonds"), by the City of Gardena Financing Agency, a joint exercise of powers entity organized under the laws of the State (the "Agency"). The Bonds are being issued pursuant to Article 4, Chapter 5, Division 7, Title 1 (commencing with section 6584) of the California Government Code, a resolution of the Agency authorizing the issuance of the Bonds, adopted on August 10, 2021 (the "Agency Resolution"), and an Indenture, dated as of September 1, 2021 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Trustee").

The Bonds are being issued to (a) finance a portion of the costs of construction of the new Gardena Community Aquatic & Senior Center, (b) finance the costs of acquiring and renovating an existing building to be converted into a new Community Center, (c) finance various park improvements (collectively, the "Project"), and (d) pay the costs of issuance of the Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "THE PROJECT."

### Terms of the Bonds

The Bonds will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds is payable semiannually on each May 1 and November 1 (each, an "Interest Payment Date"), commencing May 1, 2022, computed at the respective rates of interest set forth on the inside cover page of this Official Statement. The Bonds will be issuable in denominations of \$5,000 or any integral multiple thereof. The Bonds are subject to optional and mandatory redemption as described herein. See "THE BONDS."

<sup>\*</sup> Preliminary, subject to change.

# **Book-Entry Only**

The Bonds will be issuable in fully registered form only and, when issued and delivered, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"). DTC will act as the depository of the Bonds and all payments due on the Bonds will be made to DTC or its nominee. Ownership interests in the Bonds may be purchased in book-entry form only. See APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

# Source of Payment for the Bonds

Pursuant to the Site and Facility Lease, dated as of September 1, 2021 (the "Site and Facility Lease"), by and between the City and the Agency, the City will lease to the Agency certain real property and certain facilities and improvements located thereon (the "Property") owned by the City. See "THE PROPERTY." Concurrently, the City will sublease the Property from the Agency pursuant to a Lease Agreement, dated as of September 1, 2021 (the "Lease Agreement"), by and between the Agency and the City. Under the Lease Agreement, subject to abatement as provided therein, the City is required to make lease payments (the "Lease Payments") from legally available funds for use and occupancy of the Property in amounts calculated to be sufficient to pay principal of and interest on the Bonds when due. The City has covenanted in the Lease Agreement to take such action as may be necessary to include the Lease Payments in each of its annual budgets during the term of the Lease Agreement and has further covenanted to make the necessary annual appropriations for all such Lease Payments. All of the Agency's right, title and interest in and to the Lease Agreement (apart from certain rights to receive Additional Payments to the extent payable to the Agency and to indemnification), including the right to receive Lease Payments under the Lease Agreement, are assigned to the Trustee under the Indenture for the benefit of the Bondowners.

Except to the extent of amounts otherwise available to the City for payments under the Lease Agreement, during any period in which, by reason of material damage, destruction or condemnation there is substantial interference with the use and occupancy by the City of any portion of the Property, Lease Payments will be adjusted or abated in the proportion in which the value of that portion of the Property rendered unusable bears to the entire value of the Property. Such adjustment or abatement will end with the substantial replacement or reconstruction of the Property. To the extent proceeds of rental interruption insurance are available or there are moneys in the Insurance and Condemnation Fund or Revenue Fund, the Lease Agreement provides there will be no abatement of Lease Payments. See "SECURITY FOR THE BONDS—Abatement."

The Bonds are special limited obligations of the Agency payable solely from and secured by the Revenues and certain other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established under the Indenture and pledged therefor, and the Revenues may not be used for any other purpose while any of the Bonds remain Outstanding; provided, however, that the Revenues may be applied for such other purposes as are permitted under the Indenture. "Revenues" means (i) all Lease Payments and other amounts paid, or caused to be paid, by the City, and received by the Agency pursuant to the Lease Agreement (but not Additional Payments), and (ii) all interest or other income from any investment of any money in any fund or account established pursuant to the Indenture (other than the Rebate Fund).

# No Additional Bonds

The Agency may not issue additional bonds, notes or other indebtedness that would be payable out of the Revenues in whole or in part. See "SECURITY FOR THE BONDS—Additional Bonds."

# The Agency

The Agency is a joint exercise of powers entity formed on July 23, 1991, by agreement between the City and the Parking Authority of the City of Gardena pursuant to Articles 1 through 4, Chapter 5, Division 7, Title 1 of the California Government Code. See "THE AGENCY."

# The City

The City was incorporated as a general law city on September 11, 1930. The City is located approximately 15 miles south of the Los Angeles and 6 miles southeast of Los Angeles International Airport in the South Bay (southwestern) region of Los Angeles County (the "County"). The City encompasses an area of approximately 5.9 square miles and has a current population of approximately 60,000 residents. Gardena is bordered by Athens on the north, the Los Angeles neighborhood of Harbor Gateway on the east and south, Torrance on the southwest, Alondra Park on the west, and Hawthorne on the northwest. The City is served by three major freeways and is the home of a mix of aerospace, high tech and various other industries.

Policy-making and legislative authority are vested in the City Council of the City (the "City Council") consisting of a Mayor and four other elected City Council members. The City Council appoints the City Manager and the City Attorney. The City Manager is responsible for directing, coordinating and carrying out City Council policies. See "THE CITY," "CITY FINANCIAL INFORMATION," APPENDIX A—GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY and APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE YEAR ENDED JUNE 30, 2020.

# **Limited Liability**

THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE AGENCY, PAYABLE SOLELY FROM AND SECURED SOLELY BY CERTAIN PROCEEDS OF THE BONDS HELD IN CERTAIN FUNDS AND ACCOUNTS PURSUANT TO THE INDENTURE AND THE REVENUES DERIVED FROM LEASE PAYMENTS AND OTHER PAYMENTS MADE OR CAUSED TO BE MADE BY THE CITY PURSUANT TO THE LEASE AGREEMENT. THE AGENCY IS NOT OBLIGATED TO PAY INTEREST ON OR PRINCIPAL OF THE BONDS EXCEPT FROM THE REVENUES. THE CITY HAS COVENANTED IN THE LEASE AGREEMENT TO TAKE SUCH ACTIONS AS MAY BE NECESSARY TO INCLUDE ALL LEASE PAYMENTS DUE THEREUNDER IN ITS ANNUAL BUDGETS AND TO MAKE THE NECESSARY ANNUAL APPROPRIATIONS THEREFOR. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE AGENCY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION, OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY. THE AGENCY HAS NO TAXING POWER. THE OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY TO MAKE LEASE PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY

FOR WHICH THE CITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

# **COVID-19 Pandemic**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a Pandemic (the "COVID-19 Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the City, California, and the United States. The COVID-19 Pandemic is ongoing, has effected and will continue to effect the City and its finances. The duration and severity of the COVID-19 Pandemic and the ramifications of the economic and other actions that may be taken by governmental authorities to contain the COVID-19 Pandemic or to treat its impacts is uncertain. For additional discussion of the COVID-19 Pandemic, see "RISK FACTORS—COVID-19 Pandemic" herein.

The City experienced COVID-19 Pandemic related impacts to some of its primary General Fund revenue sources, with the largest impact occurring in the City's card club revenue collections. Sales and use taxes, the City's largest General Fund revenue source, declined less than projected due in part to increased revenues from sales taxes on online purchases. The City's property tax revenues have been minimally impacted. For a discussion of the City's General Fund revenue sources, including card club revenues, sales and use taxes, and property taxes, see "CITY FINANCIAL INFORMATION" herein.

The City also adopted certiain budget mitigation measures in Fiscal Year 2020-21 with a goal of cutting expenditures to offset COVID-19 Pandemic related impacts such as a temporary hiring freeze and salary reductions for certain City Staff. While the City did draw down its General Fund fund balance during Fiscal Years 2019-20 and 2020-21, the City does not project a need to draw down its General Fund fund balance in its Fiscal Year 2021-22 Budget. For a discussion of the City's fund balance policy, See "CITY FINANCIAL INFORMATION – General Fund Budget."

# **Continuing Disclosure**

The ultimate security for the payments of principal and interest on the Bonds comes from the Lease Payments to be made by the City, and, therefore, the City, as an obligated person within the meaning of the Rule (as defined below), has agreed to undertake the continuing disclosure responsibilities required by the Rule. The Agency has not undertaken a commitment to provide any continuing disclosure required by the Rule.

The City will covenant in a continuing disclosure certificate (the "Continuing Disclosure Certificate") to provide, or cause to be provided, to each nationally recognized municipal securities information repository and any public or private repository or entity designated by the State as a state repository and any public or private repository for purposes of Rule 15c2–12(b)(5) adopted by the Securities and Exchange Commission (the "Rule") certain annual financial information and operating data of the type set forth herein including, but not limited to, its audited financial statements and, in a timely manner, notice of certain material events. See "CONTINUING DISCLOSURE" and APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE for a description of the specific nature of the annual report and notices of material events and a summary description of the terms of the Continuing Disclosure Certificate pursuant to which such reports and notices are to be made.

#### **Tax Matters**

In the opinion of Quint & Thimmig LLP, San Francisco, California, Bond Counsel, subject to compliance by the Agency and the City with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State. See "TAX MATTERS."

#### **Certain Risk Factors**

Certain events could affect the ability of the City to make the Lease Payments when due. See "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Bonds.

#### **Other Information**

The descriptions herein of the Indenture, the Lease Agreement and any other agreements relating to the Bonds are qualified in their entirety by reference to such documents, and the descriptions herein of the Bonds are qualified in their entirety by the forms thereof and the information with respect thereto included in the aforementioned documents. See APPENDIX D—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS. Copies of the documents are on file and, upon request and payment to the City of a charge for copying, mailing and handling, from the City Manager, City of Gardena, 1700 West 162nd Street, Gardena, CA 90247, Telephone: (310) 217-9500.

The information and expressions of opinion herein speak only as of their date and are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement, under any circumstances, creates any implication that there has been no change in the affairs of the City or the Agency since the date hereof.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City or the Agency. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

# ESTIMNATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds realized upon the sale of, or in connection with, the Bonds as follows:

| <b>Estimated Sources:</b>                  |  |
|--|--|
| Principal Amount of Bonds                  |  |
| Less/Plus: Original Issue Discount/Premium |  |
| Total Sources                              |  |
|  |  |
| Estimated Uses:                            |  |
| Deposit to Project Fund                    |  |
| Costs of Issuance Fund (1)                 |  |
| Total Uses                                 |  |

<sup>(1)</sup> Includes, but is not limited to, the Underwriter's discount, the fees and expenses of Bond Counsel, Disclosure Counsel, the Trustee and the rating agency, costs of printing the Official Statement and other costs incurred by the Agency and the City in connection with the issuance and delivery of the Bonds.

#### DEBT SERVICE SCHEDULE

The following table sets forth the debt service due on the Bonds.

Bond

| Ending<br>May 1 | Principal (1) | Interest | Total |  |
|-----------------|---------------|----------|-------|--|
| IVIAY I         | Timelpai (1)  | Interest | Total |  |
|                 |               |          |       |  |
|                 |               |          |       |  |
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|                 |               |          |       |  |
| TOTALC          |               |          |       |  |
| TOTALS          |               |          |       |  |
|                 |               |          |       |  |

Pursuant to the Lease Agreement, the City is required to make Lease Payments which have been calculated to be sufficient to make the interest and principal payments due on the Bonds. The City's Lease Payments are due on the fifteenth calendar day of the month preceding each Interest Payment Date.

# THE PROPERTY

The Property consists of the Rowley Park Gymnasium, the Police Station and the Fire Department Headquarters.

**Rowley Park Gymnasium** located on the Site at 13220 South Van Ness Avenue in the City of Gardena, is a 3,458 swuare foot facility dedicated February 12, 1990.

**Police Headquarters** located on the Site at 1718 West 162nd Street in the City of Gardena has approximately 63,475 square feet of site area and approximately 23,690 square feet of building space that includes a one-story brick masonry police headquarters structure (Class C construction). The facility was

<sup>(1)</sup> Includes mandatory sinking fund payments.

built in 1963. Separate modular units have been constructed in the parking lot, and on an adjacent property to serve as annex offices.

**Fire Department Headquarters** located on the Site at 1650 West 162nd Street in the City of Gardena. The station was built in 1964, contains 17,915 square feet of space, houses a an engine, a paramedic unit and a utility truck and is staffed by eight sworn personnel and three civilians.

# THE PROJECT

The Project consists of (a) a portion of the costs of construction of the new Gardena Community Aquatic & Senior Center, (b) the costs of acquiring and renovating an existing building to be converted into a new Community Center, and (c) various park improvements.

# Gardena Community Aquatic & Senior Center

- 12,000 square foot Senior/Aquatic Center facility
- 8 lane competition pool with ADA accessible learning pool
- New park to include exercise stations, picnic tables and walking path

#### **Community Center**

- Acquisition of a building/lot
- Provides multipurpose room for events and classes
- Information hub for the community at large

#### Park Improvements

- Expand Current Building Size & Functionality
- Information & Technology Hub in North Gardena
- Health and Fitness Center

#### THE BONDS

#### General

The Bonds will be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Bonds will mature on May 1 in each of the years and in the amounts, and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates set forth on the inside cover page hereof.

Interest on the Bonds will be payable semiannually on each May 1 and November 1, commencing May 1, 2022 (each, an "Interest Payment Date"), to the person whose name appears on the Registration Books as the Owner thereof as of the fifteenth calendar day of the month immediately preceding each such Interest Payment Date (each, a "Record Date"), such interest to be paid by check of the Trustee mailed by first-class mail to the Owners at the respective addresses of such Owners as they appear on the Registration Books; provided, however, that payment of interest may be made by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who furnishes written wire instructions to the Trustee at least five days before the applicable Record Date. Principal of any Bond will be paid by check of the Trustee upon

presentation and surrender thereof at the corporate trust office of the Trustee, except as provided in APPENDIX G—BOOK-ENTRY ONLY SYSTEM. Principal of and interest on the Bonds will be payable in lawful money of the United States of America.

Each Bond will be dated as of its date of delivery and will bear interest from the Interest Payment Date next preceding such date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (b) it is authenticated on or before April 15, 2015, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

The Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC," and together with any successor securities depository, the "Securities Depository"). DTC will act as Securities Depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bondholders or registered owners thereof means Cede & Co. as aforesaid, and not the Beneficial Owners of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, principal of and interest on the Bonds are payable by wire transfer of same day funds by the Trustee to Cede & Co., as nominee for DTC. DTC is obligated, in turn, to remit such amounts to the Participants for subsequent disbursement to the Beneficial Owners. See APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

#### Transfer and Exchange of Bonds

Any Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Transfer of any Bond will not be permitted by the Trustee during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to the Indenture. Whenever any Bond or Bonds are required to be surrendered for transfer, the Agency will execute and the Trustee will authenticate and will deliver a new Bond or Bonds for a like aggregate principal amount and of like maturity. The Trustee may require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

Any Bond may be exchanged at the corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of like maturity. Exchange of any Bond will not be permitted during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption. The Trustee may require the Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

# Redemption

Optional Redemption. The Bonds maturing on and before May 1, \_\_\_\_\_, are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after May 1, \_\_\_\_\_, are subject to optional redemption prior to their respective stated maturities, at the written direction of the

| Agency, from moneys deposit<br>the City designates (and, if n<br>maturity), on any date on or a<br>equal to the principal amount<br>date fixed for redemption, with   | o specific order of reder<br>after May 1, from<br>t of the Bonds to be rede  | nption is designated by t<br>any available source of f  | he City, in inverse order of unds, at a redemption price   |
|---|--|---|--|
| Mandatory Sinking F Bonds") are subject to manda 1 to and including May 1, equal to the principal amou redemption date, without pre dates as set forth in the follow have been optionally redeeme the aggregate principal amou account payments as are there by the Agency (notice of whice | tory sinking fund redempt, from sinking account nt thereof to be redeen emium, in the aggregate ving table; provided, howeved, the total amount of all ant of Term Bonde eafter payable on a pro radional control of a property and a property and a property and a property a property and a proper | payments made by the A payments made by the A need together with accrurespective principal amover, that if some but not all future sinking account plays so redeemed, to be a ta basis in integral multip | gency at a redemption price led interest thereon to the bunts and on the respective ll of the Term Bonds bayments will be reduced by llocated among the sinking les of \$5,000 as determined |
|   | Redemption Date<br>(May 1)   | Principal<br>Amount   |  |
| † Maturity.  The Bonds maturing fund redemption in part by losinking account payments ma  | ot on May $1, \underline{\hspace{1cm}}$ , and  | on each May 1 to and inc  | ubject to mandatory sinking cluding May 1,, from he principal amount thereof   |
| to be redeemed together with aggregate respective principal provided, however, that if some amount of all future sinking a Term Bonds so redeemed, to a pro rata basis in integral multiple shall be given by the Agency to   | n accrued interest thereonal amounts and on the rebut not all of the   | on to the redemption dates as set for the respective dates as set for the rem Bonds have been opereduced by the aggregate inking account payments   | e, without premium, in the orth in the following table; stionally redeemed, the total e principal amount of as are thereafter payable on   |

† Maturity.

Extraordinary Redemption from Insurance or Condemnation Proceeds. The Bonds are also subject to redemption as a whole, or in part on a pro rata basis among maturities then outstanding, as determined by the Trustee in its sole discretion, on any date, in integral multiples of \$5,000, to the extent of prepayments made by the City from insurance proceeds or condemnation proceeds not used to repair, reconstruct or replace any portion of the Property damaged or destroyed or elected by the City to be used for such purpose, at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.

### **Selection of Bonds for Redemption**

Whenever provision is made for the redemption of less than all of the Bonds of a particular maturity, the Trustee will select the Bonds to be redeemed from all Bonds of such maturity or such given portion thereof not previously called for redemption, by lot in any manner which the Trustee in its sole discretion deems appropriate. For purposes of such selection, the Trustee will treat each Bond as consisting of separate \$5,000 portions and each such portion will be subject to redemption as if such portion were a separate Bond.

#### **Notice of Redemption**

Notice of redemption will be mailed by first-class mail, postage prepaid, not less than 20 nor more than 60 days before any redemption date, to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books maintained by the Trustee, and to the Municipal Securities Rulemaking Board, the Securities Depositories and the Information Services. Each notice of redemption will state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the CUSIP numbers and (in the event that not all Bonds within a maturity are called for redemption) Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice will also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon will cease to accrue and will require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein will affect the sufficiency of the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds will be given by the Trustee, at the expense of the Agency, for and on behalf of the Agency.

Any notice of optional redemption of the Bonds may be conditional and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, (i) said notice shall be of no force and effect, (ii) the City shall not be required to redeem such Bonds; (iii) the redemption shall be cancelled and (iv) the Trustee shall within a reasonable time thereafter give notice to the persons and in the manner in which the conditional notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the owner of any Bonds of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

So long as the book-entry system is used for the Bonds, the Trustee will give any notice of redemption or any other notices required to be given to registered Owners of Bonds only to DTC. Any failure of DTC to advise any Participant, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or any other action premised on such notice. Beneficial Owners may desire to make arrangements with a Participant so that all notices of redemption or other communications to DTC which affect such Beneficial Owners, and notification of all interest payments, will be forwarded in writing by such Participant. See APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

#### **Partial Redemption of Bonds**

Upon surrender of any Bonds redeemed in part only, the Agency will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Agency, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

#### **Effect of Redemption**

If notice of redemption has been given, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption are being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption will become due and payable, interest on the Bonds so called for redemption will cease to accrue, said Bonds (or portions thereof) will cease to be entitled to any benefit or security under the Indenture, and the Owners of said Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of the Indenture will be canceled by the Trustee upon surrender thereof and destroyed.

#### SECURITY FOR THE BONDS

#### General

The Bonds are special limited obligations of the Agency payable solely from and secured solely by the Revenues pledged therefor under the Indenture, together with amounts on deposit from time to time in the funds and accounts held by the Trustee, including proceeds of the sale of the Bonds.

Under the Indenture, the Agency assigns to the Trustee, for the benefit of the Owners of the Bonds, all of the Revenues and all of the rights of the Agency in the Lease Agreement (except for the right to receive any Additional Payments to the extent payable to the Agency and certain rights to indemnification set forth therein). The Trustee is entitled to collect and receive all of the Revenues, and any Revenues collected or

received by the Agency are required to be held, and to have been collected or received, by the Agency as the agent of the Trustee and must be paid by the Agency to the Trustee.

THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE AGENCY PAYABLE SOLELY FROM AND SECURED SOLELY BY THE REVENUES AND OTHER MONEYS PLEDGED THERETO IN THE INDENTURE. THE BONDS ARE NOT A DEBT OF THE AGENCY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS AND NEITHER THE AGENCY, THE CITY, THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS, EXCEPT THE AGENCY TO THE EXTENT DESCRIBED HEREIN, IS LIABLE THEREON. IN NO EVENT WILL THE BONDS OR ANY INTEREST OR REDEMPTION PREMIUM THEREON BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE AGENCY AS SET FORTH IN THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. NEITHER THE MEMBERS OF THE AGENCY NOR ANY PERSONS EXECUTING THE BONDS ARE LIABLE PERSONALLY ON THE BONDS BY REASON OF THEIR ISSUANCE.

# **Lease Payments and Additional Payments**

The Lease Agreement requires the City, subject to abatement as provided therein, to deposit with the Trustee, as assignee of the Agency, on each April 15 and October 15, commencing on April 15, 2022 (the "Lease Payment Dates"), an amount equal to the aggregate Lease Payment coming due and payable on each such Lease Payment Date. The Lease Payments payable in any fiscal year of the City constitute payment for the use and possession of the Property during such fiscal year. The City will receive a credit towards payment of Lease Payments for amounts on deposit in the Revenue Fund (including the Interest Account and the Principal Account therein) on each Lease Payment Date.

The obligation of the City to make Lease Payments is subject to annual appropriations of the City from funds lawfully available therefor. The obligation of the City to make Lease Payments under the Lease Agreement does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. Neither the full faith and credit nor the taxing power of the City, the State or any of its political subdivisions is pledged to make Lease Payments under the Lease Agreement. The Agency has no taxing power. The Lease Payments are calculated to be sufficient to pay, when due, the principal of and interest on the Bonds.

In addition to the Lease Payments, the City is required to pay when due the following Additional Payments: (a) any fees and expenses incurred by the Agency in connection with or by reason of its leasehold estate in the Property as and when the same become due and payable; (b) any amount due to the Trustee pursuant to the terms of the Indenture; (c) any reasonable fees and expenses of such accountants, consultants, attorneys, and other experts as may be engaged by the Agency or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under the Lease Agreement or the Indenture; and (d) any reasonable out-of-pocket expenses of the Agency in connection with the execution and delivery of the Lease Agreement, the Indenture or the Continuing Disclosure Certificate or in connection with the issuance of the Bonds.

Pursuant to the Lease Agreement, the City covenants to take such action as may be necessary to include all Lease Payments and Additional Payments due thereunder in its annual budgets and to make annual appropriations therefor. As provided in the Lease Agreement, the covenants of the City thereunder are duties imposed by law, and it is the duty of each and every public official of the City to take such action

and to do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in the Lease Agreement agreed to be carried out and performed by the City.

Lease Payments made by the City to the Agency are payable from any revenues lawfully available to the City therefor. The Lease Agreement and the Indenture require that Lease Payments be deposited in the Revenue Fund maintained by the Trustee, which fund is held for the benefit of the owners of the Bonds.

California law requires, and the Lease Agreement provides, that Lease Payments are required to be abated in whole or in part during any period in which there is substantial interference with the use and occupancy of the Property by the City due to damage, destruction or taking in eminent domain proceedings. Under these circumstances, failure to make any Lease Payment will not be an event of default under the Lease Agreement. See "SECURITY FOR THE BONDS—Abatement" below.

#### **Insurance and Condemnation Awards**

In the event of any damage to or destruction of any part of the Property covered by insurance, the Agency, except as hereinafter provided, is required to cause the proceeds of such insurance to be utilized for the repair, reconstruction or replacement of the damaged or destroyed portion of the Property, and the Trustee is required to hold said proceeds in a fund established by the Trustee for such purpose separate and apart from all other funds, to the end that such proceeds are required to be applied to the repair, reconstruction or replacement of the Property to at least the same good order, repair and condition as was the case prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Trustee is required to invest said proceeds in Permitted Investments pursuant to the Written Request of the City, as agent for the Agency under the Lease Agreement, and withdrawals of said proceeds are required to be made from time to time upon the filing of a Written Request of the City with the Trustee, stating that the City has expended moneys or incurred liabilities in an amount equal to the amount therein stated for the purpose of the repair, reconstruction or replacement of the Property, and specifying the items for which such moneys were expended, or such liabilities were incurred, in reasonable detail. The City is required to file a written certificate with the Trustee to the effect that sufficient funds from insurance proceeds or from any funds legally available to the City, or from any combination thereof, are available in the event it elects to repair, reconstruct or replace the Property. Any balance of such proceeds not required for such repair, reconstruction or replacement and the proceeds of use and occupancy insurance are required to be treated by the Trustee as Lease Payments. Alternatively, the City, at its option, if the proceeds of such insurance together with any other moneys then available for such purpose are sufficient to prepay all, in case of damage or destruction in whole of the Property, or that portion, in the case of partial damage or destruction of the Property, of the Lease Payments relating to the damaged or destroyed portion of the Property, may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Property and thereupon is required to cause said proceeds to be used for the redemption of Outstanding Bonds. The City is not required to apply the proceeds of insurance to redeem the Bonds in part due to damage or destruction of a portion of the Property unless the Trustee receives a written certificate of the Agency to the effect that the Lease Payments on the undamaged portion of the Property will be sufficient to pay the initially-scheduled principal and interest on the Bonds remaining unpaid after such redemption.

No assurance can be given that the proceeds of any insurance or condemnation award will be sufficient under all circumstances to repair or replace any damaged or taken Property or to prepay all Lease Payments with respect to the Property. Also, the City makes no representation as to the sufficiency of any

insurance awards or the adequacy of any self-insurance to pay, when and as due, amounts payable under the Lease Agreement or the Bonds.

#### **Abatement**

The Lease Agreement provides for the abatement of Lease Payments during any period in which by reason of damage to or destruction of the Property (other than by eminent domain which may cause abatement of Lease Payments as described below), which causes substantial interference with the use and occupancy by the City of the Property or any portion thereof. The amount of such abatement will be an amount agreed upon by the City and the Agency such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Property not damaged or destroyed or the portion of the Property completed and available for use and possession by the City. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, the Lease Agreement will continue in full force and effect and the City waives any right to terminate the Lease Agreement by virtue of any such damage and destruction. There will be no abatement of the Lease Payments to the extent that moneys derived from any person as a result of such damage or destruction are available to pay the amount which would otherwise be abated or if there is any money available in the Bond Fund to pay the amount which would otherwise be abated. See "—Insurance—Rental Interruption Insurance."

If all of the Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Lease Agreement will terminate with respect to the Property as of the day possession is so taken. If less than all of the Property is taken permanently, or if all of the Property or any part thereof is taken temporarily under the power of eminent domain, (a) the Lease Agreement will continue in full force and effect, and (b) there will be a partial abatement of Lease Payments in an amount to be agreed upon by the City and the Agency such that the resulting Lease Payments for the Property represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

#### Insurance

Fire and Extended Coverage Insurance. The City is required under the Lease Agreement to procure and maintain or cause to be procured and maintained, throughout the term of the Lease Agreement, insurance against loss or damage to any structures constituting any part of the Property by fire and lightning, with extended coverage insurance, vandalism, malicious mischief insurance and sprinkler system leakage insurance. Said extended coverage insurance is required to, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance is required to be in an amount equal to the replacement cost (without deduction for depreciation) of all structures constituting any part of the Property. The net proceeds of such insurance will be applied as provided under the caption "SECURITY FOR THE BONDS—Insurance and Condemnation Awards" above.

Rental Interruption Insurance. The Lease Agreement requires the City to procure and maintain or cause to be procured and maintained rental interruption insurance or use and occupancy insurance to cover loss, total or partial, of the use of the Property as a result of certain hazards, in an amount at least equal to the maximum Lease Payments coming due and payable during any future 24-month period. Such insurance may be maintained as part of or in conjunction with any other property insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers

agency or other program providing pooled insurance; provided that such insurance may not be maintained in the form of self-insurance except for a time element deductible not to exceed sixty days in duration. The proceeds of such insurance, if any, will be paid to the Trustee and deposited in the Revenue Fund, and will be credited towards the payment of the Lease Payments as the same become due and payable.

Title Insurance. The City is required to obtain upon the execution and delivery of the Lease Agreement, title insurance on the Property, in an amount not less than the aggregate principal amount of Bonds issued by a company of recognized standing duly authorized to issue the same, subject only to Permitted Encumbrances. Proceeds of such insurance are required to be delivered to the Trustee as a prepayment of rent and are required to be applied by the Trustee to the redemption of Bonds.

#### No Additional Bonds

Pursuant to the Indenture, the Agency may not issue additional bonds, notes or other indebtedness which would be payable out of the Revenues in whole or in part. See "THE AGENCY."

#### THE AGENCY

The Agency is a joint exercise of powers authority created by and existing under the laws of the State established pursuant to that certain Joint Exercise of Powers Agreement dated July 23, 1991, between the City and the Parking Authority of the City of Gardena. The Agency is administered by a governing Board which consists of the members of the City Council. THE AGENCY IS NOT OBLIGATED IN ANY MANNER WHATSOEVER TO MAKE PAYMENTS WITH RESPECT TO THE BONDS FROM ANY SOURCE OTHER THAN LEASE PAYMENTS.

#### THE CITY

The City was incorporated on September 11, 1930. The City is located approximately 15 miles south of the Los Angeles and 6 miles southeast of Los Angeles International Airport in the South Bay (southwestern) region of the County. The City encompasses an area of approximately 5.9 square miles and has a current population of approximately 60,937 residents. Gardena is bordered by Athens on the north, the Los Angeles neighborhood of Harbor Gateway on the east and south, Torrance on the southwest, Alondra Park on the west, and Hawthorne on the northwest. The City is served by three major freeways and is the home of a mix of aerospace, high tech and various other industries.

The City is a general law city and is governed by a City Council of five representatives. The Mayor and four City Council members are elected on an at-large basis for staggered four-year terms. Each year, the members of the City Council choose one member to serve as Mayor Pro Tem. The Mayor Pro Tem acts in the Mayor's place when absent. The City Council appoints the City Manager who is responsible for supervising day to day operations of the City and carrying out policies set by the City Council and the City Attorney.

Members of the Council and key administrative personnel of the City are listed at the front of this Official Statement.

See APPENDIX A—GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY for an additional description of the City as well as certain demographic and statistical information.

#### CITY FINANCIAL INFORMATION

#### **Financial Statements and Budgetary Process**

The City's accounting policies conform to generally accepted accounting principles. The audited financial statements also conform to the principles and standards for public financial reporting established by the Governmental Accounting Standards Board.

Basis of Accounting and Financial Statement Presentation. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Audited Financial Statements. The City retained The Pun Group Accountants & Advisors, Santa Ana, California (the "City's Auditor"), to examine the general purpose financial statements of the City as of and for the year ended June 30, 2020. The audited financial statements for Fiscal Year ended June 30, 2020, are included in APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020. The City has not requested, and the City's Auditor has not provided, any review or update of such financial statements in connection with their inclusion in this Official Statement.

Budget Process. The City Council is required to adopt a final budget by no later than the close of the fiscal year. The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, and by department (e.g., police). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval from the City Council.

A comprehensive mid-year budget review is done to update revenue and expenditure projections. In addition, the City Council receives quarterly budget updates. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) for the City's operating budget is the program area within each fund, and for the capital improvement budget it is each individual capital improvement project within each fund. For the operating budget, the City Manager has the authority to move appropriations between accounts (without dollar limitation) within a budget program and within the same fund as long as the transfers are within the same program area. For the capital improvement program, the City Manager has the authority to transfer

appropriations (with no dollar limitation) between capital projects within the same fund. Appropriation increases, decreases or transfers between funds require the approval of the City Council.

All appropriations lapse at the end of the fiscal year unless specific carryovers are approved by the City Council.

Certain of the City's revenues are collected and dispersed by the State (such as sales tax and motor-vehicle license fees) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. See "STATE BUDGET INFORMATION."

Impact of COVID-19 Pandemic on Future Budgeting. Impact of COVID-19 Pandemic on Future Budgeting. The COVID-19 Pandemic is ongoing, and the duration and severity of the outbreak, and the ramifications of the economic and other of actions that have been or may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. While the ultimate impact of COVID-19 on the City's operations and finances is unknown, property tax collections, the General Fund's primary revenue source, have been minimally impacted to date.

The City continues to monitor the intermediate and long-term impacts of the COVID-19 Pandemic and what, if any, further expenditure reductions will be needed due to reduced revenues. The depth, breadth and length of any economic downturn will directly impact the City's planning with regards to reductions in expenditures such as staffing cuts, program elimination, reductions in services. For additional discussion, see "RISK FACTORS – COVID-19 Pandemic."

# **General Fund Balance Sheet**

The following table shows the City's audited General Fund balance sheet for the past five fiscal years.

TABLE 1 CITY OF GARDENA GENERAL FUND BALANCE SHEET

|  | Fiscal Year Ending June 30, |               |               |               |               |
|--|-----------------------------|---------------|---------------|---------------|---------------|
|  | 2016                        | 2017          | 2018          | 2019          | 2020          |
|  | Audited                     | Audited       | Audited       | Audited       | Audited       |
| ASSETS   |                             |               |               |               |               |
| Cash and investments   | \$ 17,418,908               | \$ 20,489,704 | \$ 21,155,757 | \$ 14,418,692 | \$ 7,327,214  |
| Accounts receivable  | 600,737                     | 955,731       | 1,144,209     | 2,637,077     | 2,454,639     |
| Taxes receivable   | 5,477,778                   | 4,001,456     | 3,392,467     | 2,913,266     | 2,927,432     |
| Interest receivable  | 42,897                      | 87,965        | 142,354       | 115,340       | 44,542        |
| Employees receivables  | 57,167                      | 48,397        | 44,049        | 44,378        | 37,822        |
| Inventories  | 63,201                      | 78,970        | 71,941        | 69,361        | 44,833        |
| Prepaid items and deposits   | 69,451                      | 166,766       | 269,941       | 264,442       | 257,528       |
| Due from other governments   | 77,455                      | 122,648       | 1,661,179     | 111,732       | 238,920       |
| Due from other funds   | 514,873                     | 2,084,954     | 1,118,069     | 534,713       | 3,607,083     |
| Long-term receivables  | 56,787                      | 53,637        | 50,486        | 44,697        | 41,547        |
| Total Assets   | \$ 24,379,254               | \$ 28,090,228 | \$ 29,050,452 | \$ 21,153,698 | \$ 16,981,560 |
| LIABILITIES  |                             |               |               |               |               |
| Accounts payable   | \$ 650,765                  | \$ 683,679    | \$ 822,855    | \$ 878,991    | \$ 1,137,633  |
| Accrued liabilities  | 29,680                      | 54,631        | 24,817        | 4,135         | 192,307       |
| Salaries and benefits payable                                      | 905,326                     | 1,068,358     | 1,064,438     | 1,084,830     | 1,311,658     |
| Deposits payable   | 1,507,730                   | 1,777,157     | 3,260,650     | 2,560,139     | 2,960,344     |
| Unearned revenues  | 15,001                      | 30,002        | 30,008        | -             | -             |
| Total Liabilities  | \$ 3,108,502                | \$ 3,613,827  | \$ 5,202,768  | \$ 4,528,095  | \$ 5,601,942  |
| DEFERRER INFLOWS OF RESOURCES                                      |                             |               |               |               |               |
| Unavailable revenue  | \$ 400,764                  | \$ 589,256    | \$ 331,244    | \$ 110,719    | \$ 745,043    |
| FUND BALANCES  |                             |               |               |               |               |
| Non-spendable  | \$ 189,819                  | \$ 294,133    | \$ 385,931    | \$ 333,803    | \$ 302,361    |
| Restricted   | 164,116                     | 43,611        | 5,287         | -             | -             |
| Committed  | 17,542,367                  | 19,413,135    | 19,315,675    | 13,287,448    | 7,310,676     |
| Assigned   | 2,773,686                   | 3,936,266     | 3,609,547     | 2,622,256     | 2,848,416     |
| Unassigned   | 200,000                     | 200,000       | 200,000       | 271,377       | 173,122       |
| Total Fund Balances  | \$ 20,869,988               | \$ 23,887,145 | \$ 23,516,440 | \$ 16,514,884 | \$ 10,634,575 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 24,379,254               | \$ 28,090,228 | \$ 29,050,452 | \$ 21,153,698 | \$16,981,560  |

Source: City of Gardena 2016-20 Comprehensive Annual Financial Reports.

# General Fund Revenues, Expenditures, and Changes in Fund Balances

The following table shows the City's audited results for General Fund revenues and expenditures for Fiscal Years 2017-18 through 2019-20, estimates from the City's Finance Department for Fiscal Year 2020-21, and budgeted projections for Fiscal Year 2021-22.

TABLE 2
CITY OF GARDENA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

|                                      | Fiscal Year Ending June 30, |              |              |              |              |
|--------------------------------------|-----------------------------|--------------|--------------|--------------|--------------|
|                                      | 2018                        | 2019         | 2020         | 2021         | 2022         |
|                                      | Audited                     | Audited      | Audited      | Estimates(1) | Budgeted(1)  |
| REVENUES                             |                             |              |              |              |              |
| Taxes                                | \$44,449,284                | \$47,271,198 | \$42,745,369 | \$49,924,167 | \$55,741,767 |
| Licenses and permits                 | 1,694,670                   | 1,735,711    | 1,646,059    | 1,700,000    | 1,779,976    |
| Intergovernmental                    | 506,630                     | 464,588      | 542,272      | 8,135,064(2) | 527,500      |
| Charges for services                 | 5,070,020                   | 5,270,787    | 6,142,402    | 4,792,970    | 5,079,337    |
| Fines, forfeitures, and penalties    | 959,626                     | 1,537,714    | 1,070,462    | 845,327      | 980,000      |
| Use of money and property            | (18,444)                    | 843,510      | 853,247      | 100,000      | 255,000      |
| Miscellaneous                        | 1,080,591                   | 752,900      | 652,275      | 502,036      | 562,035      |
| Total Revenues                       | 53,742,377                  | 57,876,408   | 53,652,086   | 65,999,564   | 64,925,615   |
| EXPENDITURES                         |                             |              |              |              |              |
| General government                   | 5,016,851                   | 5,992,704    | 6,566,075    | 5,123,624    | 5,599,812    |
| Public safety                        | 37,596,764                  | 45,579,943   | 40,996,394   | 39,275,489   | 42,047,539   |
| Public works                         | 3,259,450                   | 7,146,168    | 7,019,470    | 5,069,480    | 6,338,125    |
| Recreation and human services        | 6,585,254                   | 2,985,197    | 2,774,192    | 2,602,995    | 3,397,540    |
| Community development                | 1,492,575                   | 1,657,758    | 1,802,936    | 1,556,354    | 1,857,031    |
| Capital outlay                       | 477,894                     | 226,170      | 277,739      | 683,901      | 628,600      |
| Debt service - Principal             | 17,898                      | -            | -            | -            | -            |
| Debt service - Interest              | -                           | -            | -            | -            | -            |
| Total Expenditures                   | 54,446,686                  | 63,587,940   | 59,436,806   | 54,311,843   | 59,868,647   |
| REVENUES OVER EXPENDITURES           | (704,309)                   | (5,711,532)  | (5,784,720)  | 11,687,721   | 5,056,968    |
| OTHER FINANCING SOURCES/(USES)       |                             |              |              |              |              |
| Proceeds from sale of capital assets | 410,810                     | 10,190       | 16,366       | -            | -            |
| Transfers in                         | 1,819,094                   | 2,380,977    | 2,238,108    | 2,018,523    | 2,098,821    |
| Transfers out                        | (1,896,300)                 | (3,681,191)  | (2,350,063)  | (2,617,257)  | (6,847,437)  |
| Total Other Financing Sources        | 333,604                     | (1,290,024)  | (95,589)     | (598,734)    | (4,748,616)  |
| NET CHANGE IN FUND BALANCES          | (370,705)                   | (7,001,556)  | (5,880,309)  | 11,088,987   | 308,352      |
| FUND BALANCES - BEGINNING OF YEAR    | 23,887,145                  | 23,516,440   | 16,514,884   | 10,634,575   | 21,723,562   |
| FUND BALANCES - END OF YEAR          | 23,516,440                  | 16,514,884   | 10,634,575   | 21,723,562   | 22,031,914   |

Source: City of Gardena 2018-20 Comprehensive Annual Financial Reports and City of Gardena.

<sup>(1)</sup> Data from Fiscal Years 2018-20 is audited, data from Fiscal Year 2020-21 are estimates provided by the City's Finance Department, and data for Fiscal Year 2021-22 are projections from the City's 2021-22 Budget, adopted June 22, 2021.

<sup>(2)</sup> Intergovernmental revenues for Fiscal Year 2020-21 include the receipt of \$7.5 million of COVID-19 Pandemic aid under the American Rescue Plan Act. For more information, see "Federal Aid."

# **General Fund Budget**

The following table shows the City's General Fund budget figures for Fiscal Year 2018-19 and 2019-20 and a comparison of the final General Fund budget versus audited actuals for those fiscal years.

# TABLE 3 CITY OF GARDENA GENERAL FUND BUDGET TO ACTUALS COMPARISON Fiscal Years 2018-19 and 2019-20

|                                      | Fiscal Year 2018-19 |                           |                           | Fiscal Year 2019-20 |              |              |
|--------------------------------------|---------------------|---------------------------|---------------------------|---------------------|--------------|--------------|
|                                      | Adopted             | Final                     | Audited                   | Adopted             | Final        | Audited      |
|                                      | Budget              | Budget                    | Actuals                   | Budget              | Budget       | Actuals      |
| REVENUES                             |                     |                           |                           |                     |              |              |
| Taxes                                | \$46,349,740        | \$46,349,740              | \$47,271,198              | \$48,019,591        | \$48,019,591 | \$42,745,369 |
| Licenses and permits                 | 1,958,500           | 1,958,500                 | 1,735,711                 | 1,799,150           | 1,799,150    | 1,646,059    |
| Intergovernmental                    | 506,900             | 506,900                   | 464,588                   | 530,910             | 530,910      | 542,272      |
| Charges for services                 | 5,127,300           | 5,127,300                 | 5,270,787                 | 5,275,998           | 5,275,998    | 6,142,402    |
| Fines, forfeitures and penalties     | 1,135,000           | 1,135,000                 | 1,537,714                 | 1,216,125           | 1,216,125    | 1,070,462    |
| Use of money and property            | 270,000             | 270,000                   | 843,510                   | 730,625             | 730,625      | 853,247      |
| Miscellaneous                        | 1,078,136           | 1,078,136                 | 752,900                   | 1,100,942           | 1,100,942    | 652,275      |
| Total Revenues                       | 56,425,576          | 56,425,576                | 57,876,408                | 58,673,341          | 58,673,341   | 53,652,086   |
| EXPENDITURES                         |                     |                           |                           |                     |              |              |
| City clerk                           | 392,250             | 395,250                   | 381,637                   | 480,235             | 480,235      | 515,798      |
| City treasurer                       | 250,557             | 250,557                   | 246,377                   | 261,728             | 261,728      | 268,061      |
| Executive office                     | 1,760,514           | 1,760,514                 | 1,950,599                 | 2,273,385           | 2,273,385    | 2,509,245    |
| Administrative services              | 2,567,641           | 2,567,641                 | 2,369,154                 | 2,329,671           | 2,329,671    | 1,989,077    |
| Non-departmental                     | 716,664             | 716,664                   | 1,044,937                 | 1,681,536           | 1,657,836    | 1,283,894    |
| Public safety - Police               | 28,509,960          | 34,569,960 <sup>(1)</sup> | 34,985,330 <sup>(1)</sup> | 29,329,503          | 29,329,503   | 29,509,994   |
| Public safety - Fire                 | 10,754,510          | 10,754,510                | 10,594,613                | 10,926,074          | 10,926,074   | 11,486,400   |
| Public works                         | 7,451,305           | 7,451,305                 | 7,146,168                 | 7,433,856           | 7,433,856    | 7,019,470    |
| Recreation and human services        | 2,675,470           | 2,675,470                 | 2,985,197                 | 2,625,860           | 2,649,560    | 2,774,192    |
| Community development                | 1,685,408           | 1,685,408                 | 1,657,758                 | 1,810,695           | 1,810,695    | 1,802,936    |
| Capital outlay                       | 103,600             | 103,600                   | 226,170                   | 103,600             | 103,600      | 277,739      |
| Total Expenditures                   | 56,867,879          | 62,930,879                | 63,587,940                | 59,256,116          | 59,256,116   | 59,436,806   |
| REVENUES OVER EXPENDITURES           | (442,303)           | (6,505,303)               | (5,711,532)               | (582,775)           | (582,775)    | (5,784,720)  |
| OTHER FINANCING SOURCES              |                     |                           |                           |                     |              |              |
| Proceeds from sale of capital assets | 35,000              | 35,000                    | 10,190                    | 40,000              | 40,000       | 16,366       |
| Transfers in                         | 2,593,500           | 2,593,500                 | 2,380,977                 | 2,746,750           | 2,746,750    | 2,238,108    |
| Transfers out                        | (2,003,497)         | (2,003,497)               | (3,681,191)               | (2,023,775)         | (2,023,775)  | (2,350,063)  |
| Total Other Financing Sources        | 625,003             | 625,003                   | (1,290,024)               | 762,975             | 762,975      | (95,589)     |
| NET CHANGE IN FUND BALANCES          | 182,700             | (5,880,300)               | (7,001,556)               | 180,200             | 180,200      | (5,880,309)  |
| FUND BALANCES - BEGINNING OF YEAR    |                     |                           | 23,516,440                |                     |              | 16,514,884   |
| FUND BALANCES - END OF YEAR          |                     |                           | 16,514,884                |                     |              | 10,634,575   |

Source: City of Gardena 2019 and 2020 Comprehensive Annual Financial Reports.

<sup>(1)</sup> The City made an additional discretionary payment of \$6 million towards the Safety Plan's Unfunded Accrued Liability in June 2019 to save approximately \$11 million over the next 20 years.

Federal Aid. On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") into law authorizing more than \$2 trillion to battle COVID-19 and its economic effects, including immediate cash relief for individual citizens, expanded unemployment insurance for workers, loan programs for small business, additional funds for state and local governments, support for hospitals and other medical providers, and various types of economic relief for impacted businesses and industries. The City has received approximately \$752,397 in CARES Act funding from the State.

The \$1.9 trillion American Rescue Plan Act of 2021 (the "American Rescue Plan Act") was signed into law on March 11, 2021, for purposes related to the COVID-19 Pandemic. The American Rescue Plan Act includes \$350 billion in state and local government fiscal aid to augment allocations provided in the CARES Act. The City expects to receive \$15 million in total from this source. Distributions under the American Rescue Plan Act will occur in two tranches, one each in 2021 and 2022, and are required to be spent by December 31, 2024. Examples of allowable uses for American Rescue Plan Act funds include but are not limited to:

- Addressing public health needs related to the COVID-19 pandemic including mitigation, medical expenses, behavioral health care and public health resources,
- Providing assistance to individuals, households, small businesses and impacted industries,
- Addressing the disproportionate public health and economic impacts of the COVID-19 pandemic on the hardest-hit communities, populations and households,
- Backfilling reductions in revenue by comparing actual revenue to an alternative representative that could have been expected to occur in the absence of the pandemic,
- Providing premium pay directly, or through grants to private employers, to essential workers who must be physically present at their jobs, and
- Financing certain water and sewer infrastructure projects.

The City is currently in the process of determining how to deploy the American Rescue Plan Act aid.

The American Rescue Plan Act also contains \$195 billion of aid to states. The City does not yet know whether the State will pass through a portion of its aid to local governments, as it did with its Cares Act funding. In addition, the City may benefit from other subventions and grants authorized in the American Rescue Plan Act. The City cannot give any assurance that it will receive any further relief funds.

#### **City Financial Management**

The City Council has adopted financial management policies including: (1) a general finance and budget policy; (2) an investment policy to ensure the prudent investment of City funds; (3) a debt issuance policy, and (4) a Unfunded Actuarial Liability Policy. The City's fiscal policies are reviewed at least annually and are adopted or reaffirmed in conjunction with approval of the budget.

General Fund Fund Balance Policy. The City will increase the its General Fund fund balance in any fiscal year in which recurring revenue sources exceed recurring expenditure uses with the intent to attain and maintain a minimum committed balance of three (3) months, or 25%, of regular General Fund operating expenditures.

The table below shows the City's General Fund fund balances for the four most recent fiscal years and budgeted projections for Fiscal Year 2021-22.

|  | 2016-17<br>Audited | 2017-18<br>Audited | 2018-19<br>Audited | 2019-20<br>Audited | 2020-21<br>Estimates | 2021-22<br>Budgeted |
|--|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Nonspendable   | \$294,133          | \$385,931          | \$333,803          | \$302,361          | \$275,000            | \$275,483           |
| Restricted   | 43,611             | 5,287              | 0                  | 0                  | 0                    | 0                   |
| Committed  | 19,413,135         | 19,315,675         | 13,287,448         | 7,310,676          | 18,418,201           | 18,933,289          |
| Assigned   | 3,936,266          | 3,609,547          | 2,622,256          | 2,848,416          | 2,830,362            | 2,567,649           |
| Unassigned   | 200,000            | 200,000            | 271,377            | 173,122            | 200,000              | 255,495             |
| Total Fund Balances  | \$23,887,145       | \$23,516,440       | \$16,514,884       | \$10,634,575       | \$21,723,563         | \$22,031,916        |
| Committed % of Total   | 35%                | 34%                | 20%                | 12%                | 32%                  | 28%                 |
| Exp. (25% Policy<br>Target)<br>Total Balances %<br>of Total Exp. | 43%                | 42%                | 25%                | 17%                | 38%                  | 33%                 |

Source: City of Gardena..

The City currently estimates that its General Fund fund balance is at a level of 38% of regular General Fund operating expenditures as of June 30, 2021 and projects its General Fund fund balance to constitute 33% of regular General Fund operating expenditures in Fiscal Years 2021-22.

Investment Policy. The investment of funds of the City (except pension and retirement funds) is made in accordance with the City's Investment Policy, most recently approved June 23, 2020 (the "Investment Policy"), prepared by the City Chief Fiscal Officer as authorized by section 53601 of the Government Code of California. The Investment Policy allows for the purchase of a variety of securities and provides for limitations as to exposure, maturity and rating which vary with each security type. The composition of the portfolio will change over time as old investments mature, or are sold, and as new investments are made. Invested funds are managed to ensure preservation of capital through high quality investments, maintenance of liquidity and then yield. Further, operating funds may not be invested in any investment with a maturity greater than five years.

Debt Management Policy. In accordance with section 8855(i) of the California Government Code the City adopted a debt management policy on October 8, 2013, to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the City's interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

*UAL Policy*. The City has adopted a policy with respect to the Unfunded Actuarial Liability for its pension plans ("UAL") whereby 10-60% of any savings from pension obligation refunding obligations are pledged to future UAL costs.

# **Principal Sources of General Fund Revenues**

The City relies on several sources to balance its General Fund budget. The most important of these revenue sources (based on percentage of the total revenue budget) are taxes and fees including the following: sales taxes, card club revenues, property taxes, vehicle license fees and utility user's taxes.

The table below shows the City's General Fund tax revenues by source for the four most recent fiscal years and budgeted projections for Fiscal Year 2021-22. Following the table is a brief discussion of each of the City's primary sources of General Fund revenues.

TABLE 4
CITY OF GARDENA
PRINCIPAL SOURCES OF GENERAL FUND REVENUES

Fiscal Year Ending June 30,

|                                     | 2018         | 2019         | 2020         | 2021                     | 2022           |
|-------------------------------------|--------------|--------------|--------------|--------------------------|----------------|
|                                     | Audited      | Audited      | Audited      | Estimates(2)             | Budgeted(1)(2) |
| Sales taxes                         | \$11,542,520 | \$12,611,795 | \$11,611,936 | \$12,100,794             | \$12,578,902   |
| Sales taxes - Measure G(2)          | -            | -            | -            | 7,637,780                | 7,612,939      |
| Card club revenues                  | 8,071,000    | 8,101,583    | 4,718,691    | 3,350,000                | 7,500,000      |
| Property tax                        | 7,109,380    | 7,694,736    | 8,165,458    | 8,471,663                | 8,704,634      |
| Vehicle license fees                | 5,885,121    | 6,269,483    | 6,664,379    | 7,034,607                | 7,312,472      |
| Utility user taxes                  | 5,088,450    | 4,955,646    | 4,801,229    | 4,819,630                | 4,877,820      |
| Business license taxes              | 2,727,532    | 2,843,375    | 2,438,304    | 2,350,000                | 2,550,000      |
| Franchise taxes                     | 3,993,316    | 4,765,183    | 4,297,060    | 4,115,000                | 4,555,000      |
| Other taxes                         | 31,965       | 29,397       | 48,312       | 44,693                   | 50,000         |
| Total Tax Revenues                  | 44,449,284   | 47,271,198   | 42,745,369   | 49,924,167               | 55,741,767     |
| Charges for Services                | 5,070,020    | 5,270,787    | 6,142,402    | 4,792,970                | 5,079,337      |
| American Rescue Plan <sup>(3)</sup> | -            | -            | -            | 7,501,031 <sup>(3)</sup> | -              |
| All Other General Fund Revenues     | 4,223,073    | 5,334,423    | 4,764,315    | 3,781,396                | 4,104,511      |
| <b>Total General Fund Revenues</b>  | \$53,742,377 | \$57,876,408 | \$53,652,086 | \$65,999,564             | \$64,925,615   |
|                                     |              |              |              |                          |                |

Source: City of Gardena Finance Department.

Note: Data from Fiscal Years 2018-20 is audited, data from Fiscal Year 2020-21 are estimates provided by the City's Finance Department, and data for Fiscal Year 2021-22 are projections from the City's Budget.

- (1) As projected in the City's 2021-22 Budget, adopted June 22, 2021.
- (2) Measure G sales tax collections began July 1, 2020.

Sales and Use Taxes. Sales and use taxes are the General Fund's largest revenue source. The City currently receives a 1% share of all taxable sales generated within its borders and a 0.75% sales tax that was passed by the voters of the City at the March 3, 2020 election ("Measure G").

In Fiscal Year 2019-20, sales and use taxes generated approximately \$11.6 million in General Fund revenues and in Fiscal Year 2020-21, sales and use taxes are estimated to have generated approximately \$19.7 million in General Fund revenues (which includes full-year sales tax revenues of \$7.6 million from Measure G that began on July 1, 2020). Sales and use taxes are budgeted to generate \$20.2 million in Fiscal Year 2021-22 (including \$7.6 million in sales tax revenues generated from Measure G). For additional discussion, see "SALES AND USE TAXES."

Card Club Revenues. Card club revenues are historically the City's second largest General Fund revenue source. The City currently has two card clubs, the Lucky Lady Casino founded in 1936 and the Hustler Casino founded in 2000 (together, the "Card Clubs"). A Card Club Revenue Fee is collected by the City from the card clubs and is set by the City's Municipal Code at 12% of each card club's gross revenue.

<sup>(3)</sup> The City received approximately \$7.5 million of COVID-19 Pandemic aid in Fiscal Year 2020-21 under the American Rescue Plan Act. For more information, see "Federal Aid."

In Fiscal Year 2019-20, card club revenues generated \$4.7 million (down from \$8.1 million the prior year), reflecting substantially reduced activity at the Card Clubs caused by the COVID-19 Pandemic. While ordinarily the General Fund's second largest revenue source, card club revenues were the General Fund's sixth largest revenue source in Fiscal Year 2019-20. The Card Clubs reopened for partial outdoor operations in October 2020 and reopened for full indoor operations on June 15, 2021. Fiscal Year 2020-21 card club revenues are projected to be \$3.3 million and Fiscal Year 2021-22 card club revenues are budgeted at \$7.5 million. For additional details on the Card Clubs, their closure and reopening, and the effects of the COVID-19 Pandemic on the City's card club revenues, see "CARD CLUB REVENUES" and "RISK FACTORS-Casino Litigation."

Property Taxes. Property taxes are typically the General Fund's third largest revenue source. The County levies a tax of 1% on the assessed valuation of property within the County. The City receives approximately a 17% share of this 1% levy for property located within the City limits. In Fiscal Year 2019-20, property taxes generated \$8.1 million, are expected to have generated \$8.5 million for Fiscal Year 2020-21 and are budgeted to generate \$8.7 million in Fiscal Year 2021-22. Property Tax revenues have been minimally impacted by the COVID-19 Pandemic to date. See "Property Taxes" below for additional information relating to the property taxes and the assessed valuation of property located in the City.

Vehicle License Fees. Vehicle license fees are assessed in the amount of 0.65% of a vehicle's depreciation market value for the privilege of operating a vehicle on California's public highways. In Fiscal Year 2019-20, vehicle license fees generated \$6.6 million, and are expected to have generated \$7.0 million for Fiscal Year 2020-21 and are budgeted to generate \$7.3 million in Fiscal Year 2021-22. For additional discussion, see "VEHICLE LICENSE FEES."

Utility User's Tax. The City imposes a utility user's tax on all utilities, electricity, gas, water, telephone and cable television. The current rate is 5% with a senior citizens exemption at age 60. In Fiscal Year 2019-20, utility user's taxes generated \$4.8 million, and are expected to have generated \$4.8 million for Fiscal Year 2020-21 and are budgeted to generate \$4.9 million in Fiscal Year 2021-22. The City's utility user's tax revenues can and do fluctuate based on market competition and its effect on rates charged by the utility providers serving customers within the City.

Charges for Services. The City charges various fees and charges for services provided, including development and inspection fees, paramedic fees, charges for public works, police, fire, library and parks and recreation services. By law, the City may not charge more than the cost of providing the service.

#### Sales and Use Taxes

A sales tax is imposed on the privilege of consuming personal property in the State. The State does not tax services. The tax rate is established by the State Legislature, and is presently 7.25%, statewide (of which 1% is paid to the City) (the "State Sales Tax"). In addition, many of the State's cities, counties, districts and communities have special taxing jurisdiction to impose a transaction (sales) or use tax. These so-called district taxes increase the tax rate in a particular area by adding the local option tax to the statewide tax. While more than one district tax may be in effect for a particular location, counties, municipalities, and districts are allowed to increase the sales tax in specific jurisdictions up to a total of 10.25%.

# TABLE 5 CITY OF GARDENA CURRENT SALES AND USE TAX RATES

| State General Fund $7.25\%$ Los Angeles County $0.25$ Measure $G^{(1)}$ $0.75$ Measure M $0.50$ Measure R $0.50$ Proposition C $0.50$ Proposition A $0.50$ Total $10.25\%$ | Component          | Tax Rate |
|--|--------------------|----------|
| Measure G <sup>(1)</sup> 0.75         Measure M       0.50         Measure R       0.50         Proposition C       0.50         Proposition A       0.50                  | State General Fund | 7.25%    |
| Measure M0.50Measure R0.50Proposition C0.50Proposition A0.50   |                    | 0.25     |
| Measure R0.50Proposition C0.50Proposition A0.50  | Measure G(1)       | 0.75     |
| Proposition C 0.50<br>Proposition A 0.50   | Measure M          | 0.50     |
| Proposition A 0.50   | Measure R          | 0.50     |
| •  | Proposition C      | 0.50     |
| Total 10.25%   | Proposition A      | 0.50     |
| 10001  | Total              | 10.25%   |

Source: City of Gardena

Four separate district taxes are levied on sales in the City by the Los Angeles County Metropolitan Transportation Authority, each having approved by the voters in County. The applicable sales taxes include, Measure M taxes, Measure R taxes, Proposition C taxes and Proposition A taxes.

Measure G. On March 3, 2020, the voters of the City approved Measure G, a 0.75% transactions and use tax that is collected along with other state and local sales and use taxes. Revenues from Measure G taxes are available to the City's general fund for any lawful purpose. Measure G tax collections began July 1, 2020, the start of the City's 2020-21 Fiscal Year. Measure G taxes do not have an expiration date. Actual Measure G revenues for Fiscal Year 2020-21 were approximately \$7.6 million.

The State's Department of Tax and Fee Administration actual administrative costs with respect to the portion of sales taxes allocable to the City are deducted before distribution and are determined on a quarterly basis.

Top 25 Sales Tax Generators in the City. The top 25 sales tax producers in the City collectively accounted for approximately 54% of the sales tax collections in Fiscal Year 2019-20. Due to confidentiality restrictions, the exact portion of sales tax paid by each sales tax payer is not available. The following table lists the top 25 sales tax producers in the City during the 2019-20 Fiscal Year in alphabetical order. The City is not aware of any plans by the top twenty-five sales tax produces to leave the City or terminate operations.

<sup>(1)</sup> Measure G tax collections began July 1, 2020.

# TABLE 6 CITY OF GARDENA TOP 25 SALES TAX GENERATORS IN FISCAL YEAR 2019-20

76 Food 4 Less Sam's Club

A&A Chevron G&C Equipment Smardan Hatcher Co.

Air FayreGardena HondaTargetAlbertsonsGardena NissanUnited OilArco AM PMHonda Lease and TrustVons Fuel

Beacon Roofing Supply Marukai Market Wood Oil Company

Crenshaw Lumber Co McDonalds Z Gallerie

Crenshaw Wholesale Electric Supply New York Times Sales

Enterprise Rent A Car Sakara Life

Source: City of Gardena.

Note: Listed in alphabetical order. Due to confidentiality restrictions, the exact portion of sales tax paid by each sales tax payer is not available.

Effects of COVID-19 Pandemic on Sales Tax Collections. Sales tax revenues have been impacted by the COVID-19 Pandemic. "Stay at home" orders issued by State and County authorities have impacted consumers' ability (and desire) to go out shopping or to dine out. Similar orders closing bars and prohibiting "dine in" service have negatively impacted local restaurants. The City's sales tax receipts for Fiscal Years 2019-20 and 2020-21 have been impacted and have declined from historical levels, but are offset by Measure G sales tax revenues and increased revenues from sales taxes on online purchases in Fiscal Year 2020-21.

On March 30, 2020, the Governor signed an executive order allowing the California Department of Tax and Fee Administration to offer a 90-day extension for sales, use and transactions tax returns and tax payment for all businesses filing a return for less than \$1 million tax liability. In addition, on April 2, 2020, the Governor announced a one-year sales tax deferral for small businesses limited to \$50,000. See the caption "RISK FACTORS—COVID-19 Pandemic." The City has not experienced any significant delays in collections as a result.

Transactions Exempt from Sales and Use Taxes. Many categories of transactions are exempt for the State Sales Tax (and thus also from Measure G sales tax). The most important of these exemptions are the sales of food products for home consumption, prescription medicine, edible livestock and their feed, seed and fertilizer used in raising food for human consumption, and gas and electricity and water when delivered to consumers through mains, lines and pipes. In addition, occasional sales (i.e., sales of property not held or used by a seller in the course of activities for which he or she is required to hold a seller's permit) are generally exempt from both the State Sales Tax; however, the occasional sales exemption does not apply to the sale of an entire business and other sales of machinery and equipment used in a business.

Action by the State Legislature or by voter initiative could change the transactions and items upon which the State Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial effect on revenues produced by sales taxes. The City is not currently aware of any proposed legislative change that would have a material adverse effect on the State Sales Tax.

#### **Card Club Revenues**

The City currently has two card clubs, the Lucky Lady Casino founded in 1936 and the Hustler Casino founded in 2000 (together, the "Card Clubs"). A Card Club Revenue Fee is collected by the City from the Card Clubs and is set by the City's Municipal Code at 12% of each card club's gross revenue. The fee is collected monthly.

A 10-Year history of the City's Card Club Revenues, including budgeted projections for Fiscal Year 2021-22, is shown in the following table.

TABLE 7
CITY OF GARDENA
HISTORICAL CARD CLUB REVENUES

| Fiscal          | Card Club   |
|-----------------|-------------|
| Year            | Revenues    |
| 2012-13         | \$8,394,406 |
| 2013-14         | 9,467,078   |
| 2014-15         | 9,517,550   |
| 2015-16         | 9,057,202   |
| 2016-17         | 8,975,991   |
| 2017-18         | 8,071,001   |
| 2018-19         | 8,101,583   |
| 2019-20         | 4,718,691   |
| $2020-21^{(1)}$ | 3,350,000   |
| $2021-22^{(2)}$ | 7,500,000   |

Source: City of Gardena

(1) Estimate provided by the City's Finance Department.

(2) Budgeted Projection.

Effects of COVID-19 Pandemic on Card Club Revenues. While the Lucky Lady Casino had been closed since July 2019 for renovations, the Hustler Casino closed in March 2020 in response to the COVID-19 Pandemic. As a result of closures, the City's collections of card club revenues was down substantially in Fiscal Year 2019-20 and 2020-21 as compared to historical levels.

Indoor gambling establishments such as the Card Clubs were not permitted to conduct indoor operations under State and County local health directives for most of calendar year 2020. In October 2020 the Card Clubs each began outdoor operations in compliance with State health directives. The Card Clubs estimated that their outdoor customer capacity was approximately 85% of indoor capacity. Customers were required to wear masks and physical barriers must separate customers where physical distancing is not possible. On June 15, 2021, the Card Clubs resumed normal operations indoors at full capacity as permitted by State and County guidelines.

While card club revenues for Fiscal Years 2019-20 and 2020-21 have been substantially impacted by disruptions caused by the COVID-19 Pandemic, the City expects card club revenues for Fiscal Year 2021-22 and beyond to begin to return to historical norms.

For additional information about certain state and federal legislation that may also affect future card club revenues, see "RISK FACTORS – Casino Litigation."

#### **Property Taxes**

Under Proposition 13, an amendment to the California Constitution adopted in 1978 that added Article XIIIA of the California Constitution, the county assessor's valuation of real property is established as shown on the fiscal year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property may be increased annually to reflect inflation at a rate not to exceed 2% per year or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than that of similar properties more recently sold and may be lower than its own market value. Likewise, changes in ownership of property and reassessment of such property to market value commonly will lead to increases in aggregate assessed value even when the rate of inflation or consumer price index would not permit the full 2% increase on any property that has not changed ownership.

Taxes are levied by the County for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due.

Local agencies and schools will share the growth of "base" sources from all tax rate areas in the County. Each year's growth allocation becomes part of each local agency's allocation in the following year. The availability of revenue from growth in the tax bases in such tax rate areas may be affected by the existence of redevelopment agencies (including their successor agencies) which, under certain circumstances, may be entitled to sources resulting from the increase in certain property values. State law exempts \$7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt values is supplemented by the State.

For assessment and tax collection purposes, property is classified either as "secured" or "unsecured," and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the SBE is commonly identified for taxation purposes as "utility" property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to any delinquent payment. Property on the secured roll, with respect to which taxes are delinquent, becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of delinquent taxes and the delinquency penalty, plus costs and prepayment penalty of one and one-half percent per month to the time of prepayment. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county treasurer.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid

at 5 p.m. on October 31, an additional penalty of one and one-half percent per month attaches to such taxes beginning the second month after the delinquent date, and on the first day of each month until paid. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the delinquent taxpayer.

#### No Teeter Plan

The Los Angeles County Board of Supervisors elected to discontinue the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sales Proceeds (commonly referred to as the "Teeter Plan") on July 1, 2009. Under the terms of the Teeter Plan, the County had remitted to local agencies the amount of uncollected taxes in exchange for retaining any subsequent delinquent payments, penalties and interest that would have been due to the local agency. As the Teeter Plan has been discontinued, the City's property tax revenues reflect both reduced property tax revenue from uncollected taxes and increased revenue from the subsequent receipt of delinquent taxes, interest and penalty payments.

#### **Assessed Value**

The assessed valuation of property in the City is established by the County Assessor, except for public utility property which is assessed by the SBE. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIIIA of the California Constitution.

Certain classes of property, such as churches, colleges, not-for-profit hospitals and charitable institutions, are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions. Property taxes allocated to the City are collected by the County at the same time and on the same tax rolls as are county and special district taxes. The valuation of secured property by the County Assessor is established as of January 1 and is subsequently equalized in September of each year.

The table below shows the assessed valuation of taxable property in the City for the most recent fiscal years.

TABLE 8
CITY OF GARDENA
HISTORIC ASSESSED VALUATIONS
Fiscal Years 2010-11 to 2021-22

|             |                 |             |               | Total Assessed  | %      |
|-------------|-----------------|-------------|---------------|-----------------|--------|
| Fiscal Year | Local Secured   | Utility     | Unsecured     | Valuation       | Change |
| 2010-11     | \$4,363,324,304 | \$3,785,648 | \$328,342,954 | \$4,695,452,906 |        |
| 2011-12     | 4,392,067,188   | 3,447,881   | 318,518,605   | 4,714,033,674   | 0.40%  |
| 2012-13     | 4,449,807,686   | 3,447,881   | 331,556,748   | 4,784,812,315   | 1.50   |
| 2013-14     | 4,633,302,642   | 3,447,881   | 321,015,836   | 4,957,766,359   | 3.61   |
| 2014-15     | 4,851,819,389   | 3,447,881   | 315,062,605   | 5,170,329,875   | 4.29   |
| 2015-16     | 5,125,128,374   | 257,048     | 327,711,675   | 5,453,097,097   | 5.47   |
| 2016-17     | 5,388,377,619   | 257,048     | 298,317,633   | 5,686,952,300   | 4.29   |
| 2017-18     | 5,718,487,269   | 257,048     | 286,651,391   | 6,005,395,708   | 5.60   |
| 2018-19     | 6,105,408,810   | 257,048     | 291,947,663   | 6,397,613,521   | 6.53   |
| 2019-20     | 6,505,974,159   | 257,048     | 294,349,387   | 6,800,580,594   | 6.30   |
| 2020-21     | 6,928,927,078   | 384,066     | 294,669,329   | 7,223,980,473   | 6.23   |
| 2021-22     | 7,264,642,197   | 213,049     | 288,608,090   | 7,553,463,336   | 4.56   |

Source: Los Angeles County Auditor-Controller

Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the City's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year.

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction activity occurs.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application, in the form prescribed by the SBE, with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must apply to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county

assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution.

In addition, Article XIIIA of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis.

Risk of Decline in Property Values; Fire; Earthquake Risk. Property values could be reduced by factors beyond the City's control, including fire, earthquake and a depressed real estate market due to general economic conditions in the County, the region and the State.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, drought, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the City in the future.

Assembly Bill 102. On June 27, 2017, the Governor of the State (the "Governor") signed into law Assembly Bill 102 ("AB 102"). AB 102 restructured the functions of the SBE and created two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration took over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE continues to perform the duties assigned by the State Constitution related to property taxes, however, effective January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the City.

State-Assessed Property. Under the Constitution, the SBE assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the City to non-utility companies will increase the assessed value of property in the City, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the City to a State-assessed utility will have the opposite effect, generally reducing the assessed value in the City as the value is shared among the other jurisdictions in the County. The City is unable to predict future transfers of State-assessed property in the City and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the City.

Assessed Valuation by Land Use. The following table gives a distribution of taxable real property located in the City by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

TABLE 9
CITY OF GARDENA
ASSESSED VALUATION AND PARCELS BY LAND USE

|                                 | FY2021-22       |         |         |         |
|---------------------------------|-----------------|---------|---------|---------|
|                                 | Assessed        | % of    | No. of  | % of    |
|                                 | Valuation(1)    | Total   | Parcels | Total   |
| Non-Residential:                |                 |         |         |         |
| Commercial/Office               | \$1,064,687,328 | 14.66%  | 726     | 4.92%   |
| Vacant Commercial               | 25,363,572      | 0.35    | 60      | 0.41    |
| Industrial                      | 1,117,318,602   | 15.38   | 631     | 4.28    |
| Vacant Industrial               | 33,828,826      | 0.47    | 39      | 0.26    |
| Recreational/Casinos            | 42,855,178      | 0.59    | 14      | 0.09    |
| Government/Social/Institutional | 95,154,792      | 1.31    | 141     | 0.96    |
| Miscellaneous                   | 1,469,728       | 0.02    | 55      | 0.37    |
| Subtotal Non-Residential        | \$2,380,678,026 | 32.77%  | 1,666   | 11.30%  |
| Residential:                    |                 |         |         |         |
| Single Family Residence         | \$2,952,162,719 | 40.64%  | 8,947   | 60.67%  |
| Condominium/Townhouse           | 639,326,143     | 8.80    | 1,872   | 12.69   |
| Mobile Home                     | 9,983,992       | 0.14    | 343     | 2.33    |
| Mobile Home Park                | 38,698,645      | 0.53    | 26      | 0.18    |
| 2-4 Residential Units           | 620,496,867     | 8.54    | 1,294   | 8.78    |
| 5+ Residential Units/Apartments | 606,421,833     | 8.35    | 491     | 3.33    |
| Vacant Residential              | 16,873,972      | 0.23    | 107     | 0.73    |
| Subtotal Residential            | \$4,883,964,171 | 67.23%  | 13,080  | 88.70%  |
| Total                           | \$7,264,642,197 | 100.00% | 14,746  | 100.00% |

Source: California Municipal Statistics, Inc.

<sup>(1)</sup> Total secured assessed valuation, excluding tax-exempt property.

Assessed Valuation of Single Family Homes. The following table focuses on single-family residential properties only, which comprise approximately 40.64% of the assessed value of taxable property in the City.

TABLE 10 CITY OF GARDENA PER PARCEL - ASSESSED VALUATION OF SINGLE-FAMILY HOMES

| Single Family Residential   | No. of Parcels 8,947   | FY2021-22<br>Assessed Valuation<br>\$2,952,162,719  |  | Average<br>Assessed<br>Valuation<br>\$329,961   | Median Assessed Valuation \$304,333  |   |
|---|--|---|--|---|--|---|
| FY2021-22 Assessed Valuation \$0 - \$49,999 \$50,000 - \$99,999 \$100,000 - \$149,999 \$150,000 - \$199,999 \$200,000 - \$249,999 \$250,000 - \$299,999 \$300,000 - \$349,999 \$350,000 - \$399,999 \$400,000 - \$449,999 \$450,000 - \$499,999 \$500,000 - \$549,999 | No. of Parcels <sup>(1)</sup> 27 1,472 607 571 914 827 716 604 583 539 487 568 | % of Total  0.302% 16.452 6.784 6.382 10.216 9.243 8.003 6.751 6.516 6.024 5.443 6.348    | Cumulative % of Total  0.302% 16.754 23.539 29.921 40.136 49.380 57.382 64.133 70.649 76.674 82.117 88.465 | Total Valuation \$ 1,086,727 109,407,275 73,452,418 100,014,376 207,720,597 226,446,293 231,797,424 226,577,096 248,048,893 255,926,281 255,181,061 325,945,396 | % of Total  0.037% 3.706 2.488 3.388 7.036 7.671 7.852 7.675 8.402 8.669 8.644 11.041                | Cumulative % of Total  0.037% 3.743 6.231 9.619 16.655 24.325 32.177 39.852 48.254 56.924 65.567 76.608 |
| \$550,000 - \$599,999<br>\$600,000 - \$649,999<br>\$650,000 - \$699,999<br>\$700,000 - \$749,999<br>\$750,000 - \$799,999<br>\$800,000 - \$849,999<br>\$850,000 - \$899,999<br>\$950,000 - \$949,999<br>\$1,000,000-and greater                                       | 568<br>485<br>297<br>137<br>71<br>32<br>7<br>1<br>1<br>1<br>8,947              | 6.348<br>5.421<br>3.320<br>1.531<br>0.794<br>0.358<br>0.078<br>0.011<br>0.011<br>100.000% | 88.465<br>93.886<br>97.206<br>98.737<br>99.531<br>99.888<br>99.966<br>99.978<br>99.989<br>100.000          | 325,945,396<br>302,777,376<br>199,509,875<br>98,598,892<br>54,431,962<br>26,239,993<br>6,052,631<br>929,251<br>988,000<br>1,030,902<br>\$2,952,162,719          | 11.041<br>10.256<br>6.758<br>3.340<br>1.844<br>0.889<br>0.205<br>0.031<br>0.033<br>0.035<br>100.000% | 76.608<br>86.864<br>93.623<br>96.962<br>98.806<br>99.695<br>99.900<br>99.932<br>99.965<br>100.000       |

Source: California Municipal Statistics, Inc.

<sup>(1)</sup> Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.

*Principal Taxpayers*. Based on Fiscal Year 2021-22 locally assessed taxable valuations, the top twenty taxable property owners in the City represent approximately 7.42% of the total Fiscal Year 2021-22 taxable value.

The following table shows the 20 largest owners of taxable property in the City as determined by secured assessed valuation in Fiscal Year 2021-22. The City is not aware of any plans by the top twenty largest local secured taxpayers to leave the City or terminate operations.

TABLE 11 CITY OF GARDENA LARGEST LOCAL SECURED PROPERTY TAXPAYERS

|     |                                       |                       | FY2021-22<br>Assessed | % of                 |
|-----|---------------------------------------|-----------------------|-----------------------|----------------------|
|     | Property Owner                        | Primary Land Use      | Valuation             | Total <sup>(1)</sup> |
| 1.  | Nissin Foods USA Company Inc.         | Industrial            | \$ 56,355,328         | 0.78%                |
| 2.  | Gardena Hospital Property             | Hospital              | 54,559,436            | 0.75                 |
| 3.  | Terreno 139th LLC                     | Industrial            | 39,471,753            | 0.54                 |
| 4.  | JSL Gardena I LLC                     | Shopping Center       | 32,181,779            | 0.44                 |
| 5.  | 14215 Normandie LLC                   | Public Storage        | 31,535,355            | 0.43                 |
| 6.  | Ray Pellegrino                        | Apartments            | 28,010,254            | 0.39                 |
| 7.  | Majestic Properties Inc.              | Casio/Card House      | 25,259,140            | 0.35                 |
| 8.  | PK I Gardena Gateway Center LP        | Shopping Center       | 22,898,561            | 0.32                 |
| 9.  | SGL Composites, Inc.                  | Industrial            | 22,759,817            | 0.31                 |
| 10. | Gardena Professional Medical Plaza LP | Office Building       | 22,629,157            | 0.31                 |
| 11. | Mickey Asamoto, Trust                 | Shopping Center       | 21,948,055            | 0.30                 |
| 12. | Target Corporation                    | Department Store      | 20,927,881            | 0.29                 |
| 13. | WH Gardena Marketplace LLC            | Commercial            | 20,668,064            | 0.28                 |
| 14. | Liberty Property Limited              | Industrial            | 20,489,781            | 0.28                 |
| 15. | SPS Technologies LLC                  | Industrial            | 20,354,228            | 0.28                 |
| 16. | Western LP                            | Commercial            | 20,207,200            | 0.28                 |
| 17. | Kaiser Foundation Health Plan Inc.    | Professional Building | 20,143,205            | 0.28                 |
| 18. | ACI Real Estate SPE 141 LLC           | Commercial            | 20,000,000            | 0.28                 |
| 19. | Showa Marine Inc.                     | Industrial            | 19,434,000            | 0.27                 |
| 20. | New Group Gardena LLC                 | Shopping Center       | 19,392,288            | 0.27                 |
|     | Total Top 20                          |                       | \$539,225,282         | 7.42%                |

Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies. Beginning in 1978-79, Article XIIIA and its implementing legislation shifted the function of property taxation primarily to the counties, except for levies to support prior-voted debt, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

<sup>(1)</sup> FY2021-22 Local Secured Assessed Valuation: \$7,264,642,197.

The following table sets forth the secured tax charges and delinquencies for the most recent fiscal years.

TABLE 12 CITY OF GARDENA SECURED TAX CHARGES AND DELINQUENCIES

| Fiscal<br>Year | Secured<br>Tax Charge <sup>(1)</sup> | Amt. Del.<br>June 30 | % Del.<br>June 30 |
|----------------|--------------------------------------|----------------------|-------------------|
| 2010-11        | \$5,334,443.36                       | \$127,866.88         | 2.40%             |
| 2011-12        | 5,386,422.73                         | 112,176.12           | 2.08              |
| 2012-13        | 5,491,676.98                         | 98,481.87            | 1.79              |
| 2013-14        | 5,698,385.64                         | 83,912.12            | 1.47              |
| 2014-15        | 5,948,938.86                         | 85,566.39            | 1.44              |
| 2015-16        | 6,279,553.88                         | 88,946.21            | 1.42              |
| 2016-17        | 6,527,095.77                         | 77,405.86            | 1.19              |
| 2017-18        | 6,924,277.09                         | 85,879.52            | 1.24              |
| 2018-19        | 7,348,424.58                         | 100,225.96           | 1.36              |
| 2019-20(2)     | 7,827,999.89                         | 176,220.16           | 2.25              |

Source: California Municipal Statistics, Inc.

- (1) 1% General Fund apportionment
- (2) Last available full year data.

Impacts of COVID-19 (Coronavirus) Pandemic on Property Tax Revenues. In response to the COVID-19 Pandemic, the Governor of the State signed Executive Order N-61-20 ("Order N-61-20"). Under Order N-61-20, certain provisions of the State Revenue and Taxation Code were suspended until May 6, 2021 to the extent said provisions require a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. Said penalties, costs and interest shall be cancelled under the conditions provided for in Order N-61-20, including if the property is residential real property occupied by the taxpayer or the real property qualifies as a small business under certain State laws, the taxes were not delinquent prior to March 4, 2020, the taxpayer files a claim for relief with the tax collector, and the taxpayer demonstrates economic hardship or other circumstances that have arisen due to the COVID-19 pandemic or due to a local, state, or federal governmental response to COVID-19. The impacts of the waiver of penalties, costs or interest on delinquent property taxes under the circumstances described in Order N-61-20 on the City's Fiscal Year 2019-20 and 2020-21 property tax revenues have been minimal. For additional discussion, see "RISK FACTORS— COVID-19 Pandemic."

#### **Vehicle License Fees**

Vehicle license fees are assessed in the amount of 2% of a vehicle's depreciation market value for the privilege of operating a vehicle on California's public highways. A program to offset (or reduce) a portion of the vehicle license fees ("VLF") paid by vehicle owners was established by Chapter 322, Statutes of 1998. Beginning January 1, 1999, a permanent offset of 25% of the VLF paid by vehicle owners became operative. Various pieces of legislation increased the amount of the offset in subsequent years to the existing statutory level of 67.5% of 2% (resulting in the current effective rate of 0.65%). This level of offset was estimated to provide tax relief of \$3.95 billion in the Fiscal Year 2003-04.

In connection with the offset of the VLF, the Legislature authorized appropriations from the State general fund to "backfill" the offset so that the local governments, which receive all of the vehicle license

fee revenues, would not experience any loss of revenues. The legislation that established the VLF offset program also provided that if there were insufficient general fund moneys to fully backfill the VLF offset, the percentage offset would be reduced proportionately (i.e., the license fee payable by drivers would be increased) to assure that local governments would not be disadvantaged. In June 2003, the State Director of Finance ordered the suspension of VLF offsets due to a determination that insufficient general fund moneys would be available for this purpose, and, beginning in October 2003, VLF paid by vehicle owners were restored to the 1998 level. However, the offset suspension was rescinded by the Governor on November 17, 2003, and offset payments to local governments resumed. Local governments received backfill payments totaling \$3.80 billion in Fiscal Year 2002-03. Backfill payments totaling \$2.65 billion were expected to be paid to local governments in Fiscal Year 2003-04. The State-local agreement also provided for the repayment in August 2006 of approximately \$1.2 billion in backfill that was not received by local governments during the time period between the suspension of the offsets and the implementation of higher fees. This repayment obligation was codified by Proposition 1A, which was approved by voters in the November 2004 general election and was repaid early by the State in August 2005. For a description of Proposition 1A, see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS—Proposition 1A of 2004."

Beginning in Fiscal Year 2004-05, the State-local agreement permanently reduced the VLF rate to 0.65% and replaced the backfill with a like amount of property taxes. Subsequent to Fiscal Year 2004-05, each city's "property tax in-lieu of VLF" increased proportionally to increases in such city's assessed valuation. However, in Fiscal Years 2004-05 and 2005-06, the State "shifted" \$700 million in city and county taxes to the State's General Fund.

### **Reliance on State Budget**

The City does not rely on the State for a material amount of revenues.

The City cannot predict the intermediate and long-term impacts that the COVID-19 Pandemic will have on global, State-wide and local economies, which may impact City operations and local property values. To the extent that the State budget process results in reduced revenues to the City, the City will be required to make adjustments to its budget. There can be no certainty that budget-cutting strategies, such as those used in prior recessions, will not be used by the State in the future, should the State budget again be stressed.

There can be no assurance that future State budget difficulties will not adversely affect the City's revenues or its ability to make payments under the Indenture. See "STATE BUDGET INFORMATION."

#### OTHER FINANCIAL INFORMATION

#### **Labor Relations**

Currently, 338 permanent City employees are covered by negotiated agreements as detailed in the table below.

# TABLE 13 CITY OF GARDENA NEGOTIATED EMPLOYEE AGREEMENTS

|   | Contract         | Number of |
|---|------------------|-----------|
| Bargaining Unit                           | Expiration Date  | Employees |
| Gardena Municipal Employees Association   | $5/1/2021^{(1)}$ | 234       |
| Gardena Management Employees Organization | 6/30/2021(1)     | 21        |
| Gardena Police Officers Association       | 7/31/2024        | 76        |
| Gardena Police Management                 | N/A              | 7         |
| Total                                     |                  | 338       |

Source: City of Gardena

(1) Currently under negotiation.

#### Risk Management

Self-Insurance. The City is self-insured for the first \$750,000 of each workers' compensation claim for the Bus Line and the City, \$750,000 of each general liability claim and \$250,000 of each Municipal Bus Line claim against the City. In addition, the City carries insurance of individual general liability claims in excess of \$750,000 to \$45,000,000 with Public Risk Innovation Solutions Management. Additionally, the City has health insurance coverage for the employees and their families with an annual maximum amount of \$1 million for all services.

The City carries stop-loss insurance of individual health benefit claims in excess of \$50,000 to \$950,000 per person per year. At June 30, 2020, \$9,412,603 has been accrued for the City's self-insurance programs, of which \$7,454,180 is considered to be current. Said accruals represent estimates of amounts to be paid for reported claims and incurred but unreported claims based upon past experience, modified for current trends and information. While the ultimate amounts of losses incurred through June 30, 2020 are dependent on future developments, based upon information provided from the City Attorney, outside counsel and others involved with the administration of the programs, City management believes that the aggregate accrual is adequate to cover such losses. For the prior three (3) fiscal years, no settlements exceeded the City's insurance coverage.

#### Purchased Insurance.

*Property Insurance.* Several insurance companies underwrite this insurance protection. The City is currently insured according to a schedule of covered property submitted by the City to Travelers Property Casualty Company of America. Total all-risk property insurance coverage is \$67.2 million. There is a \$10,000 per loss deductible.

*Crime Insurance.* The City purchases crime insurance coverage with a limit of \$200,000 per occurrence. This policy provides coverage for all City employees.

Adequacy of Protection. During the past three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in insured liability coverage from coverage in the prior year.

See APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 9.

# **Employee Retirement Plans**

The information set forth below regarding the California Public Employees' Retirement System ("CalPERS") program, other than the information provided by the City regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the City or the Underwriter.

On November 24, 2020, the City issued its \$101,490,000 City of Gardena Taxable Pension Obligation Bonds, Series 2020, to finance a portion of the City's unfunded accrued actuarial liability to CalPERS. Tables 14 through 17 below are derived from the City's FY2019-20 Comprehensive Annual Financial Report and reflect information as of June 30, 2020. Tables 14 through 17 do not yet reflect the results of the City's pension obligation bond financing that occurred subsequent to the City's 2019-20 Fiscal Year.

Plan Description. All qualified permanent and probationary employees are eligible to participate in the City's Safety Plan (police and fire) and Miscellaneous Plan (all others), agent multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

*Employees Covered*. At June 30, 2020, the following employees were covered by the benefit terms for each Plan.

TABLE 14 CITY OF GARDENA COVERED EMPLOYEES

|                                      | Miscellaneous | Safety | Safety<br>PEPRA |
|--------------------------------------|---------------|--------|-----------------|
| Active employees                     | 336           | 78     | 14              |
| Transferred and terminated employees | 358           | 52     | 6               |
| Retired employees and beneficiaries  | 383           | 230    | -               |
| Total                                | 1,077         | 360    | 20              |

Source: City of Gardena 2019-20 Comprehensive Annual Financial Report.

Contributions. Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's contributions to its Miscellaneous and Safety Plans for the most recent is summarized in the following table.

TABLE 15 CITY OF GARDENA HISTORICAL PENSION CONTRIBUTIONS

| Fiscal Year |               |              |               |
|-------------|---------------|--------------|---------------|
| Ending      | Miscellaneous | Safety       | Total         |
| June 30,    | Plan          | Plans        | Contributions |
| 2017        | \$ 2,317,060  | \$ 4,917,350 | \$ 7,234,410  |
| 2018        | 2,645,234     | 5,401,275    | 8,046,509     |
| 2019        | 3,015,630     | 6,093,811    | 9,109,441     |
| 2020        | 3,688,807     | 6,185,808    | 9,874,615     |

Source: City of Gardena 2019-20 Comprehensive Annual Financial Report.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions. For the Fiscal Year ended June 30, 2020, the City recognized pension expense of \$4,552,184 for the Miscellaneous Plan and \$11,418,295 for the Safety Plans, respectively. On June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TABLE 16 CITY OF GARDENA DEFERRED OUTFLOWS/INFLOWS OF RESOURCES FISCAL YEAR 2019-20

|  | Miscellaneous     |              | Safety       |              |
|--|-------------------|--------------|--------------|--------------|
|  | Deferred Deferred |              | Deferred     | Deferred     |
|  | Outflows          | Inflows      | Outflows     | Inflows      |
|  | of Resources      | of Resources | of Resources | of Resources |
| Contributions subsequent to measurement date | \$ 4,327,858      | \$ -         | \$ 6,185,808 | \$ -         |
| Diff. btw. actual and expected experience    | 2,676,001         | (65,062)     | 3,739,891    | -            |
| Changes in assumptions                       | 1,025,401         | (333,598)    | 2,347,822    | (458,175)    |
| Net diff. btw. projected and actual          | -                 | (644,539)    | -            | (787,986)    |
| earnings on investment                       |                   |              |              |              |
| Differences in proportions                   | -                 | -            | 61,441       | (4,835,833)  |
| Changes in employer's portion                | -                 | -            | 4,766,141    | -            |
| Total  | 8,029,260         | (1,043,199)  | 17,101,103   | (6,081,994)  |

Source: City of Gardena 2019-20 Comprehensive Annual Financial Report.

For information concerning the City's pension obligations, including descriptions of the actuarial methods and assumptions, and an explanation of the discount rate used, please see APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 10.

*Funded Status*. The following table sets forth a summary of the funding progress for the City's Miscellaneous and Safety Plans for the most recent actuarial valuation dates.

TABLE 17 CITY OF GARDENA HISTORICAL PENSION FUNDING PROGRESS

| Fiscal       |                |                |               |        |               |  |
|--------------|----------------|----------------|---------------|--------|---------------|--|
| Year         |                | Market         |               |        | Annual        |  |
| Ended        | Accrued        | Value          | Unfunded      | Funded | Covered       |  |
| June 30,     | Liability      | of Assets      | Liability     | Ratio  | Payroll       |  |
|              |                | Miscellaneo    | ous Plan      |        |               |  |
| 2016         | \$ 138,928,830 | \$ 114,296,961 | \$ 24,631,869 | 82.27% | \$ 18,094,788 |  |
| 2017         | 144,894,685    | 111,275,668    | 33,619,017    | 76.80  | 19,012,911    |  |
| 2018         | 159,298,485    | 119,686,740    | 39,611,745    | 75.13  | 19,306,012    |  |
| 2019         | 164,483,090    | 125,108,921    | 39,374,169    | 76.06  | 19,929,430    |  |
| 2020         | 174,322,037    | 129,479,562    | 44,842,475    | 74.28  | 20,102,352    |  |
|              |                |                |               |        |               |  |
| Safety Plans |                |                |               |        |               |  |
| 2016         | 167,831,681    | 122,645,268    | 45,186,413    | 77.40  | 9,351,143     |  |
| 2017         | 174,457,753    | 120,009,320    | 54,448,433    | 68.79  | 10,491,839    |  |
| 2018         | 191,278,407    | 130,578,665    | 60,699,742    | 68.27  | 10,435,515    |  |
| 2019         | 198,110,612    | 137,690,718    | 60,419,894    | 69.50  | 11,232,919    |  |
| 2020         | 208,875,272    | 151,594,952    | 57,280,320    | 72.58  | 12,156,428    |  |
|              |                |                |               |        |               |  |

Source: City of Gardena 2019-20 Comprehensive Annual Financial Report.

Coronavirus Impacts on Pension Obligations. Recent volatility in the CalPERS portfolio as a result of the COVID-19 Pandemic may result in increases in the City's required contributions in future years. The City cannot predict the level of such increases, if any.

As of June 30, 2020, CalPERS estimated that the rate of return for its investment portfolio for the fiscal year was 4.7%. Investment returns below 7% create additional liabilities for public agencies, including the City. Any increase in the unfunded actuarial liability created by the Fiscal Year 2019-20 rate of return will begin affecting the City's UAL costs starting in Fiscal Year 2021-22. Pursuant to CalPERS methodology, the amounts payable will increase annually during the first five years and then level out for the remaining 15 years over which to amortize investment losses.

CalPERS Amortization Period Reform. On February 13, 2018 the CalPERS Board voted to shorten the period over which actuarial gains and losses are amortized from 30 years to 20 years for new pension liabilities. The new 20-year amortization period begins with new gains or losses accrued starting with the June 30, 2019 actuarial valuations. The first payments on the new 20-year amortization schedule will take place in 2021.

A shorter amortization period will increase annual Unfunded Accrued Liability ("UAL") contributions for cities that participate in CalPERS so long as CalPERS remains underfunded. The shortened amortization period will also lead to reductions of periods of negative amortization of the UAL, interest cost savings, and faster recoveries of funded status after market downturns.

Cities that participate in CalPERS will also see additional volatility in their future UAL contributions due to market performance as gains or losses will be amortized faster under the new amortization period.

The City cannot currently estimate the impact the shorter amortization period will have on its required contributions for its Miscellaneous and Safety Plans. For information concerning the Plans, including descriptions of the actuarial methods and assumptions, please see APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 10.

#### **Defined Contribution Pension Plan**

For all of its part-time employees who are not eligible for coverage under the CalPERS pension plan, the City provides pension benefits through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan is administered as part of the Public Agency Retirement Systems ("PARS"). The PARS Trust Agreement may be amended by a two-thirds majority or greater of the Member Agencies. The plan conforms to the requirements under Internal Revenue Code 401(a) and has received a favorable Letter of Determination from the Internal Revenue Service.

All part-time employees are eligible to participate from the date of employment. Federal legislation requires contributions of at least 7.5% to a retirement plan, and City Council resolved to match the employees' contributions up to 3.75%. The City's contributions for each employee (and interest earned by the accounts) are fully vested immediately. For the year ended June 30, 2020 the City's payroll covered by the plan was \$431,298. The City made employer contributions in the amount of \$16,132. Participants of the Plan as of June 30, 2020 was 52.

# **Other Post-Employments Benfits**

Plan Description. The City provides retiree healthcare benefits for employees who retire simultaneously from CalPERS and the City and who meet the qualifying criteria negotiated by the various City labor groups. The OPEB plan is a single employer plan with a trust, but without special funding situation, or nonemployer contribution entities. The City offers insurance coverage from Kaiser Permanente and a self-insured PPO.

Miscellaneous employees hired prior to July 1, 2002 must be 55 years of age and have at least 13 years of full-time service with the City. Effective July 1, 2002, miscellaneous (non-management) employees must have at least 20 years of full-time service to qualify. Safety employees must be 50 years of age and have 25 years of full-time service in the police or fire department of the City. In October 2000, City fire services transferred to contracted services with the Los Angeles County Fire District. Postemployment benefits continue only for fire personnel retiring from service prior to that date.

The City's health plan year runs February through January with open-enrollment every January prior to the start of the new plan year. The monthly benefits to be paid by the City are both \$1,167 per month for the calendar years of 2019 and 2020.

*Employees Covered.* Membership of the plan consisted of 172 retirees and beneficiaries receiving benefits, 0 inactive members entitled to but not yet receiving benefits and 241 active plan members at June 30, 2020. Additional employees of GTrans and the Sewer Enterprise also participate in the plan.

Funding Policy. The contribution requirements for plan members and the City are established by an MOU as negotiated by each group or bargaining unit. The required contribution is based on projected payas-you-go financing requirements.

*OPEB Trust.* The City established an OPEB section 115 Trust in June 2019, with the California Employers' Retiree Benefit Trust Fund to facilitate the savings and reduce the retiree health care related liabilities.

Changes In Net OPEB Liability. The following table shows the changes in the City's net OPEB obligation to the Plan (excluding amounts for GTrans and Sewer Enterprise employees):

# TABLE 18 CITY OF GARDENA CHANGE IN NET OPEB LIABILITY Fiscal Year 2019-20

| Service cost                               | \$ 1,649,332 |
|--|--------------|
| Interest on OPEB liability                 | 2,284,925    |
| Dif. btw. actual and expected experience   | -            |
| Changes in assumptions                     | 3,665,059    |
| Employer contributions                     | (2,401,080)  |
| Investment income                          | (1,792)      |
| Net changes                                | 5,196,445    |
| Net OPEB obligation, beginning of the year | 58,518,198   |
| Net OPEB obligation, end of the year       | \$63,714,643 |

Source: City of Gardena 2019-20 Comprehensive Annual Financial Report.

The following table shows a 5-year history of the City's outstanding OPEB obligation and covered payroll (excluding amounts for GTrans and Sewer Enterprise employees).

TABLE 19 CITY OF GARDENA HISTORIC OPEB LIABILITY AND COVERED PAYROLL

|             |               |               | Ratio of |
|-------------|---------------|---------------|----------|
| Fiscal      | Net OPEB      |               | UAAL to  |
| Year Ending | Obligation    | Covered       | Covered  |
| June 30,    | (UAAL)        | Payroll       | Payroll  |
| 2015        | \$ 74,322,000 | \$ 22,395,000 | 332%     |
| 2016        | 64,718,000    | 22,395,000    | 289      |
| 2017        | 65,056,000    | 25,976,000    | 249      |
| 2018        | 59,608,000    | 25,500,000    | 233      |
| 2019        | 58,518,198    | 23,523,270    | 248      |
| 2020        | 63,866,434    | 24,650,894    | 258      |

Source: City of Gardena 2019-20 Comprehensive Annual Financial Report.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

For information concerning the City's OPEB obligations, including descriptions of the actuarial methods and assumptions, please see APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 11.

# **Debt Obligations**

Short-Term General Fund-Secured Obligations. The City has no outstanding short-term obligations secured by its General Fund.

Long-Term General Fund-Secured Obligations. In June 2006, the City and the Agency caused the delivery of the \$12,495,000 Certificates of Participation (2006 Refinancing Project), Series A (Taxable) (the "2006A Certificates") and the \$8,515,000 Certificates of Participation (2006 Refinancing Project), Series B (Taxable) (the "2006B Certificates"), both payable by the City from its General Fund. The proceeds of these issues were used to refinance the City's 1999 Certificates of Participation in connection with a Memorandum of Understanding ("MOU") entered into with certain financial institutions. Pursuant to the MOU, the Agency paid the financial institutions \$19.0 million (the "Initial Amount") as prepayment of the 1999 Certificates, of which \$18.0 million were funded by the 2006A Certificates and the 2006B Certificates and the balance of \$1.0 million from other available City funds.

In June 2006, the City and the Agency caused the delivery of the \$3,650,000 Certificates of Participation (2006 Refinancing Project), Series C (Tax-Exempt) (the "2006C Certificates"). The proceeds of this issue were used to defease the City's 1994 Civic Center improvement Certificates of Participation, and were placed in an irrevocable trust to provide for all future debt service payments related to the 1994 issuance.

In January 2007, the South Bay Regional Public Communications Authority issued its Refunding Revenue Bonds, 2007 Series A in the amount of \$2,800,000 (the "2007 SBRPCA Bonds"), for the benefit of the City and payable by the City from its General Fund. The proceeds of the 2007 SBRPCA Bonds of the bonds was to refund the South Bay Regional Public Communications Authority Revenue Bonds, 2001 Series A.

On December 2, 2014, the City of Gardena Financing Authority issued its \$9,110,000 aggregate principal amount of City of Gardena Financing Agency Taxable Lease Revenue Refunding Bonds, Series 2014 (the "2014 Bonds"), to refund the 2006B Certificates

On June 29, 2017, the City entered into a \$1,635,000 Lease Agreement (the "2017 Lease"), to refund the City's 2006C Certificates, the proceeds of this issue were used to defease prior certificates of participation delivered to finance the City's civic center.

On November 24, 2020, the City issued its \$101,490,000 aggregate principal amount of City of Gardena Taxable Pension Obligation Bonds, Series 2020, to finance a portion of the City's unfunded accrued actuarial liability to the CalPERS (the "2020 Bonds").

The following table shows the City's payment obligations with respect to the 2006A Certificates, the 2007 SBRPCA Bonds, the 2014 Bonds, the 2017 Lease and the 2020 Bonds.

| Fiscal  |                |                |                 |              |                  |                  |
|---------|----------------|----------------|-----------------|--------------|------------------|------------------|
| Year    |                |                |                 |              |                  |                  |
| Ending  | 2006A          | 2007           | 2014            | 2017         | 2020             |                  |
| June 30 | Certificates   | SBRPCA Bonds   | Bonds           | Lease        | Bonds            | Total            |
| 2022    | \$1,022,508.50 | \$ 187,325.00  | \$ 505,933.66   | \$294,593.50 | \$ 5,967,824.56  | \$ 7,978,185.22  |
| 2023    | 1,023,909.50   | 186,575.00     | 503,366.16      | 288,797.50   | 6,603,951.10     | 8,606,599.26     |
| 2024    | 1,022,758.50   | 185,575.00     | 505,798.66      | 287,949.75   | 7,101,196.16     | 9,103,278.07     |
| 2025    | 1,019,055.50   | 184,325.00     | 503,033.66      | _            | 7,627,961.96     | 9,334,376.12     |
| 2026    | 1,017,641.00   | 182,825.00     | 504,709.36      | _            | 7,821,265.96     | 9,526,441.32     |
| 2027    | 1,018,196.00   | 186,075.00     | 501,147.60      | _            | 7,816,416.46     | 9,521,835.06     |
| 2028    | 1,015,561.00   | 188,825.00     | 502,585.86      | _            | 7,813,975.96     | 9,520,947.82     |
| 2029    | 1,014,576.50   | 185,881.26     | 503,786.66      | _            | 7,817,970.10     | 9,522,214.52     |
| 2030    | 1,014,923.50   | 187,681.26     | 1,229,750.00    | _            | 7,817,662.90     | 10,250,017.66    |
| 2031    | 309,570.00     | 183,968.76     | 1,549,000.00    | _            | 7,817,621.22     | 9,860,159.98     |
| 2032    | _              | _              | 1,550,250.00    | _            | 7,817,248.70     | 9,367,498.70     |
| 2033    | _              | _              | 1,548,500.00    | _            | 7,819,143.10     | 9,367,643.10     |
| 2034    | _              | _              | 1,543,750.00    | _            | 7,816,041.96     | 9,359,791.96     |
| 2035    | _              | _              | 1,551,000.00    | _            | 7,815,636.12     | 9,366,636.12     |
| 2036    | _              | _              | 1,039,500.00    | _            | 7,817,041.10     | 8,856,541.10     |
| 2037    | _              | _              | _               | _            | 7,813,052.30     | 7,813,052.30     |
| 2038    | _              | _              | _               | _            | 7,814,235.80     | 7,814,235.80     |
| 2039    | _              | _              | _               | _            | 7,815,013.50     | 7,815,013.50     |
| Totals  | \$9,478,700.00 | \$1,859,056.28 | \$14,042,111.62 | \$871,340.75 | \$136,733,258.96 | \$162,984,467.61 |
|         |                |                |                 |              |                  |                  |

General Obligation Bonds. The City has no outstanding general obligation bonds.

# **Overlapping Debt**

Set forth below is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc. and effective August 1, 2021. The Debt Report is included for general information purposes only. The City has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the City in whole or in part. Such long-term obligations generally are not payable from revenues of the City (except as indicated) nor are they necessarily obligations secured by land within the City. In many cases, long-term obligations issued by a public agency are payable only from the General Fund or other revenues of such public agency.

The contents of the Debt Report are as follows: (1) the first column indicates the public agencies which have outstanding debt as of the date of the Debt Report and whose territory overlaps the City; (2) the second column shows the respective percentage of the assessed valuation of the overlapping public agencies identified in column 1 which is represented by property located in the City; and (3) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in the City, as determined by multiplying the total outstanding debt of each agency by the percentage of the City's assessed valuation represented in column 2.

# TABLE 20 CITY OF GARDENA DIRECT AND OVERLAPPING BONDED DEBT as of August 1, 2021

#### **CITY OF GARDENA**

2021-22 Assessed Valuation: \$7,553,463,336

| OVERLAPPING TAX AND ASSESSMENT DEBT: Metropolitan Water District Los Angeles Community College District Los Angeles Unified School District California Statewide Communities Development Authority 1915 Act Bonds TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT Less: Los Angeles Unified School District supported general obligation bonds TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT | % Applicable <sup>(1)</sup> 0.221% 0.750 0.917 100.000 | Debt 8/1/21<br>\$ 59,294<br>31,098,863<br>94,773,326<br>   |
|--|--|--|
| DIRECT AND OVERLAPPING GENERAL FUND DEBT: Los Angeles County General Fund Obligations Los Angeles County Superintendent of Schools Certificates of Participation Los Angeles Unified School District Certificates of Participation   | 0.423%<br>0.423<br>0.917                               | \$ 10,955,392<br>16,803<br>1,200,995                       |
| City of Gardena General Fund Obligations City of Gardena Pension Obligation Bonds Los Angeles County Sanitation District No. 5 Authority   | 100.000<br>100.000<br>5.913                            | 17,440,000 <sup>(2)</sup><br>101,280,000<br><u>242,444</u> |
| TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT  GROSS COMBINED TOTAL DEBT  |  | \$131,135,634<br>\$261,548,117 <sup>(3)</sup>              |
| NET COMBINED TOTAL DEBT  Ratios to 2021-22 Assessed Valuation: Total Overlapping Tax and Assessment Debt   |  | \$260,738,778  |

Source: California Municipal Statistics, Inc.

- (1) Based on FY2020-21 ratios.
- (2) Excludes Bonds to be sold.
- (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

#### INVESTMENT OF CITY FUNDS

Revenues collected by the City will be held and invested by the City in accordance with the provisions of the Trust Agrement.

Funds held by the City are invested in accordance with the City's Statement of Investment Policy (the "Investment Policy") prepared by the Finance Director and the City Treasurer as authorized by section 53601 of the Government Code of California. The Investment Policy is submitted to the City Council annually. The Investment Policy allows for the purchase of a variety of securities and provides for limitations as to exposure, maturity and rating which vary with each security type. The composition of the portfolio will change over time as old investments mature, or are sold, and as new investments are made.

Invested funds are managed to insure preservation of capital through high quality investments, maintenance of liquidity and then yield. Further, operating funds may not be invested in any investment with a maturity greater than five years. The City has never invested in derivatives or reverse repurchase agreements and such investments and instruments are not allowed by City policy.

For more information about the City's investment policy, see APPENDIX C—CITY OF GARDENA INVESTMENT POLICY.

#### STATE BUDGET INFORMATION

Information regarding the State Budget is regularly available at various State-maintained websites. The Fiscal Year 2021-22 State Budget further described below can each be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." Additionally, an impartial analysis of the State's Budgets is posted by the Office of the Legislative Analyst at www.lao.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the City, and neither the City nor the Underwriter takes responsibility for the continued accuracy of the internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

State Budget Process. Through the State budget process, the State enacts legislation that significantly impacts the source, amount and timing of the receipt of revenues by local agencies, including the City. As in recent years, State budget deficits can result in legislation that adversely impacts local agency budgets.

The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year (the "Governor's Budget"). Under State law, the annual proposed Governor's Budget cannot provide for projected expenditures more than projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a two-thirds majority vote of each House of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line item vetoes are subject to override by a two-thirds majority vote of each House of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (except for K-14 education) must be approved by a two-thirds majority vote in each House of the Legislature and be signed by the Governor. Bills containing K-14 education appropriations only require a simple majority vote. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

Recent State Budgets. Certain information about the State budgeting process and the State Budget is available through several State sources. A convenient source of information is the State's website, where recent official statements for State bonds are posted. The references to internet websites shown below are

shown for reference and convenience only; the information contained within the websites has not been reviewed by the City and is not incorporated herein by reference.

The State Treasurer's Internet home page at www.treasurer.ca.gov, under the heading "Financial Information," posts the State's audited financial statements. In addition, the "Financial Information" section includes the State's Rule 15c2-12 filings for State bond issues. The "Financial Information" section also includes the "Overview of the State Economy and Government, State Finances, State Indebtedness, Litigation" from the State's most current Official Statement, which discusses the State budget and the state budget process in greater detail.

The State Legislative Analyst's Office ("LAO") prepares analyses of the proposed and adopted State budgets. The analyses are accessible on the Legislative Analyst's Internet home page at www.lao.ca.gov under the heading "Products."

# 2021-22 State Budget

On July 12, 2021, Governor Gavin Newsom signed SB 129, legislation that reflects the majority of the State's budget for Fiscal Year 2021-22 (the "2021-22 Budget"). While the Governor's initial budget projections in January 2021 projected a budget surplus of \$6.0 billion, the 2021-22 Budget projects an even larger surplus of \$7.2 billion caused primarily by a better-than-expected economic recovery from the COVID-19 Pandemic, two major federal relief bills, and continued stock market appreciation. In addition to amounts received already under the CARES Act, the State's general fund will receive over \$43 billion in combined recovery funds from the American Rescue Plan Act of 2021 to cover costs incurred between March 3, 2021 and December 31, 2024.

The 2021-22 Budget notes that actual general fund revenues for fiscal year 2020-21 were \$183.8 billion. Relative to the projections contained in the State's 2020-21 Budget, actual 2020-21 general fund revenues reflect an increase of \$53.9 billion or 41.5% over the projected totals. The 2021-22 Budget projects general fund revenues to decrease slightly from fiscal year 2020-21 levels to \$178.8 (a decrease of \$5.0 billion) due in part to projected decreases of in personal income tax and corporation tax collections.

The 2021-22 Budget includes a major increase in general fund expenditures from \$166.1 billion in fiscal year 2020-21 to \$196.4 billion in fiscal year 2021-22 (an increase of \$30.4 billion). The largest increases are projected to occurring in expenditures for health and human services and government operations. The increases in expenditures are made possible by the larger than expected budget surplus in fiscal year 2020-21. The improved revenue forecast also allows for the elimination of \$2 billion in program suspensions enacted in prior budgets and allows the State to completely pay off Proposition 98 deferrals implemented in the 2020-21.

The 2021-22 Budget includes substantial contributions to the State's reserves. The 2021-22 Budget anticipates contributions of \$3.4 billion in fiscal year 2021-22 to grow the State's budget stabilization account/rainy day fund from \$12.3 billion to \$15.8 billion. The 2021-22 Budget also includes a \$2.6 billion contribution to the State's public school system stabilization account and a \$450 million contribution to the State's safety net reserve.

Due to the one-time nature of the 2020-21 surplus, the 2021-22 Budget prioritizes one-time spending over ongoing, allocating 85 percent of discretionary funds to one-time spending. Major new expenditures in the 2021-22 Budget include:

Golden State Stimulus and COVID-19 Pandemic Relief. The January 2021-22 Budget included a comprehensive package of budget actions was enacted to speed needed relief to individuals, families and businesses suffering the most significant economic hardships due to the pandemic. The January 2021-22 Budget established the Golden State Stimulus program, which provided \$600 one-time payments to millions of low-income Californians; added \$2.075 billion (on top of a \$500 million investment) to California's Small Business COVID-19 Relief Grant Program; provided certain small businesses impacted by the pandemic license renewal fee waivers; provided additional resources for critical child care services; and provided emergency financial aid for community college students, among other investments. The 2021-22 Budget includes a major expansion to the Golden State Stimulus, providing tax refunds to middle-class families with an adjusted gross income of \$75,000 or less. In total, two-thirds of Californians will benefit from \$600 payments. Qualified families with dependents, regardless of immigration status, will also be eligible for an additional \$500 payment.

The 2021-22 Budget also expands relief to small businesses by adding \$1.5 billion to the State's earlier \$2.5 billion investment in the Small Business COVID-19 Relief Grant Program that has helped approximately 210,000 businesses stay open and keep Californians employed. In addition to \$6.4 billion in state administered and direct local federal rent relief, the 2021-22 Budget also includes \$2 billion to pay down unpaid utility debt, which accumulated during the pandemic.

Homelessness and Housing Affordability. The 2021-22 Budget includes approximately \$12 billion over two years to combat homelessness. Project Roomkey, first deployed during the pandemic, has helped to house homeless individuals and families, and the 2021-22 Budget includes \$150 million to support transitions to permanent housing. Since the fall of 2020, Homekey has acquired and rehabilitated 6,000 units of permanent housing. Total proposed funding of \$5.8 billion for Homekey will further expand the portfolio of housing, including behavioral health continuum infrastructure and housing for low-income seniors. The 2021-22 Budget also includes \$2 billion over multiple years to support local actions to address homelessness. This funding is connected to accountability metrics, such as increasing transitions of individuals to permanent supportive housing.

Health Care Equity. The 2021-22 Budget expands Medi-Cal coverage to undocumented adults aged 50 years and older, beginning in May 2022. This proposal is designed to increase health care access and is another milestone on the path toward universal health coverage. Other equity investments in the 2021-22 Budget include Medi-Cal eligibility for postpartum individuals, doula services as a covered benefit in Medi-Cal, and subsidized zero-dollar premium plans. The 2021-22 Budget also eliminates the Medi-Cal asset limit for older adults and persons with disabilities.

Wildfire Prevention. An early action package enacted in April 2021 included \$536 million (\$411 million General Fund and \$125 million Cap and Trade) for a broad set of investments that are currently supporting forest health and fire prevention activities. The 2021-22 Budget authorizes an additional \$958 million (\$758 million General Fund and \$200 million Cap and Trade) for expenditure in the 2021-22 fiscal year to advance wildfire prevention and forest resilience investments. This includes \$500 million in general fund authorizations to accelerate into the budget year.

The 2021-22 Budget includes ongoing general fund support for 30 additional fire crews, enabling the California Department of Forestry and Fire Protection to respond to larger and more damaging wildfires throughout the fire season and complete priority fuel reduction projects to reduce wildfire risk in fire-threatened areas. The 2021-22 Budget also includes significant investments in new Black Hawk helicopters and large air tankers transferred from the federal government.

Water Resilience and Drought. The 2021-22 Budget commits approximately \$5.1 billion over four years to the State's water resilience and drought preparedness and response, including investments that support safe drinking water, wastewater, and water conveyance infrastructure; water recycling and groundwater cleanup; Sustainable Groundwater Management Act grants; financial assistance to small and urban water suppliers; and water resilience multi-benefit projects. Of this amount, \$2.1 billion from the general fund over three years is set aside for water resilience investments that will be negotiated subsequent to the adoption of the 2021-22 Budget.

Zero Emissions Vehicles. The 2021-22 Budget includes \$2.7 billion in 2021-22 and \$3.9 billion (\$2.98 billion general fund, \$565 million Cap and Trade, and \$394 million other funds) over three years for zero-emission vehicle ("ZEV") and infrastructure investments. This will scale the zero-emission vehicle market and accelerate the state toward meeting climate and transportation goals established in the Governor's ZEV Executive Order N-79-20 and consistent with California's Zero Emission Vehicle Market Development Strategy.

*Broadband.* The 2021-22 Budget reflects a plan to increase equitable access to high-speed broadband Internet service through a \$6 billion investment to expand broadband infrastructure and enhance access by constructing an open access middle mile and by funding construction of last mile projects that connect unserved households in remote areas to the middle mile.

For the additional information and the complete text of the State's 2021-22 Budget, please see the Department of Finance website at ebudget.ca.gov and the LAO's website at lao.ca.gov. The City can take no responsibility for the continued accuracy of the above-referenced internet address as for the or for the accuracy, completeness, or timeliness of information posted therein, and such information is not incorporated herein by reference.

Future State Budgets. The City receives a portion of its funding from the State. Changes in the revenues received by the State can affect the amount of funding, if any, to be received from the State by the City and other cities in the State.

In addition, the City cannot predict the outcome of current and future State budget negotiations, the impact that such budgets will have on its finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors, including the COVID-19 Pandemic and the associated economic downturn, over which the City has no control. See also "RISK FACTORS—Dependence on State for Certain Revenues."

# CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS

The constitutional and statutory provisions discussed in this section have the potential to affect the ability of the City to levy taxes and spend tax proceeds for operating and other purposes.

#### **Article XIIIA of the California Constitution**

On June 6, 1978, California voters approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the California Constitution. This amendment, which added Article XIIIA to the California Constitution, among other things affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn. The amendment further limits the amount of any ad valorem tax on real property to one percent of the full cash value except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition.

Legislation enacted by the California Legislature to implement Article XIIIA provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement (except as noted) is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value. Tax rates for voter approved bonded indebtedness and pension liability are also applied to 100% of assessed value.

The voters of the State subsequently approved various measures which further amended Article XIIIA. One such amendment generally provides that the purchase or transfer of (i) real property between spouses or (ii) the principal residence and the first \$1,000,000 of the Full Cash Value of other real property between parents and children, do not constitute a "purchase" or "change of ownership" triggering reappraisal under Article XIIIA. Other amendments permitted the State Legislature to allow persons over the age of 55 who meet certain criteria or "severely disabled homeowners" who sell their residence and buy or build another of equal or lesser value within two years in the same county, to transfer the old residence's assessed value to the new residence. Other amendments permit the State Legislature to allow persons who are either 55 years of age or older, or who are "severely disabled," to transfer the old residence's assessed value to their new residence located in either the same or a different county and acquired or newly constructed within two years of the sale of their old residence.

In the November 1990 election, the voters approved an amendment of Article XIIIA to permit the State Legislature to exclude from the definition of "new construction" certain additions and improvements, including seismic retrofitting improvements and improvements utilizing earthquake hazard mitigation technologies constructed or installed in existing buildings after November 6, 1990.

Article XIIIA has also been amended to provide that there would be no increase in the Full Cash Value base in the event of reconstruction of the property damaged or destroyed in a disaster.

Section 51 of the Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restoration of value of the damaged property.

Section 4 of Article XIIIA also provides that cities, counties and special districts cannot, without a two-thirds vote of the qualified electors, impose special taxes, which has been interpreted to include special fees in excess of the cost of providing the services or facility for which the fee is charged, or fees levied for general revenue purposes.

Both the California State Supreme Court and the United States Supreme Court have upheld the validity of Article XIIIA.

#### **Article XIIIB of the California Constitution**

On November 6, 1979, California voters approved Proposition 4, the Gann Initiative, which added Article XIIIB to the California Constitution. In June 1990, Article XIIIB was amended by the voters through their approval of Proposition 111. Article XIIIB of the California Constitution limits the annual appropriations of the State and any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and services rendered by the governmental entity. The "base year" for establishing such appropriation limit is Fiscal Year 1978-79. Increases in appropriations by a governmental entity are also permitted (1) if financial responsibility for providing services is transferred to the governmental entity, or (2) for emergencies so long as the appropriations limits for the three years following the emergency are reduced to prevent any aggregate increase above the Constitutional limit. Decreases are required where responsibility for providing services is transferred from the government entity.

Appropriations subject to Article XIIIB include generally any authorization to expend during the fiscal year the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations subject to limitation pursuant to Article XIIIB do not include debt service on indebtedness existing or legally authorized as of January 1, 1979, on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the Federal government, appropriations for qualified outlay projects, and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to any entity of government from (1) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation, (2) the investment of tax revenues and (3) certain State subventions received by local governments. As amended by Proposition 111, the appropriations limit is tested over consecutive two-year periods. Any excess of the aggregate "proceeds of taxes" received by the City over such two-year period above the combined appropriations limits for those two years is to be returned to taxpayers by reductions in tax rates or fee schedules over the subsequent two years.

As amended in June 1990, the appropriations limit for the City in each year is based on the limit for the prior year, adjusted annually for changes in the costs of living and changes in population, and adjusted, where applicable, for transfer of financial responsibility of providing services to or from another unit of government. The change in the cost of living is, at the City's option, either (1) the percentage change in California per capita personal income, or (2) the percentage change in the local assessment roll for the jurisdiction due to the addition of nonresidential new construction. The measurement of change in population is a blended average of statewide overall population growth, and change in attendance at local school and community college ("K-14") districts.

Article XIIIB permits any government entity to change the appropriations limit by vote of the electorate in conformity with statutory and Constitutional voting requirements, but any such voter-approved change can only be effective for a maximum of four years.

# Articles XIIIC and XIIID (Proposition 218) of the California Constitution

On November 5, 1996, the voters of the State approved Proposition 218, a constitutional initiative, entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 added Articles XIIIC and XIIID to the California Constitution and contained a number of interrelated provisions affecting the ability of local governments, including the City, to levy and collect both existing and future taxes and assessments, fees and charges.

#### **Article XIIIC**

Section 2 of Article XIIIC requires majority voter approval for the imposition, extension or increase of general taxes and requires two thirds voter approval for the imposition, extension or increase of special taxes. These voter approval requirements of Article XIIIC reduce the flexibility of the City to raise revenues by the levy of general or special taxes and, given such voter approval requirements, no assurance can be given that the City will be able to enact, impose, extend or increase any such taxes in the future to meet increased expenditure requirements.

Although a portion of the City's General Fund revenues are derived from general taxes purported to be governed by Proposition 218, all of such taxes were either imposed, extended or increased prior to the effective date of Proposition 218 or in accordance with the requirements of Proposition 218. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges, such as the TOT, Proposition 172 revenues, or storm water fees which support the City's General Fund. TOT and other local taxes, assessments, fees and charges, could be subject to reduction or repeal by initiative under Proposition 218.

Section 3 of Article XIIIC expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed. Section 3 expands the initiative power to include reducing or repealing assessments, fees and charges that had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Article XIIIC to fees imposed after November 6, 1996, the effective date of Proposition 218, and absent other legal authority could result in the reduction in any existing taxes, assessments or fees and charges imposed prior to November 6, 1996.

"Fees" and "charges" are not expressly defined in Article XIIIC or in SB 919, the Proposition 218 Omnibus Implementation Act enacted in 1997 to prescribe specific procedures and parameters for local jurisdictions in complying with Article XIIIC and Article XIIID ("SB 919"). However, on July 24, 2006, the California Supreme Court ruled in Bighorn-Desert View Water Agency v. Virjil (Kelley) (the "Bighorn Decision") that charges for ongoing water delivery are fees and charges within the meaning Section 3 of Article XIIIC. The California Supreme Court held that such water service charges may, therefore, be reduced or repealed through a local voter initiative pursuant to Section 3 of Article XIIIC. The Bighorn Decision has been interpreted to mean that ongoing water delivery charges are also property-related fees and charges within the meaning of Article XIIID.

In the Bighorn Decision, the Supreme Court stated that nothing in Section 3 of Article XIIIC authorizes initiative measures that impose voter-approval requirements for future increases in fees or charges for water delivery. The Supreme Court stated that water providers may determine rates and charges upon proper action of the governing body and that the governing body may increase a charge which was not affected by a prior initiative or impose an entirely new charge.

The Supreme Court further stated in the Bighorn Decision that it was not holding that the initiative power is free of all limitations and was not determining whether the initiative power is subject to the statutory provision requiring that water and wastewater service charges be set at a level that will pay debt service on bonded debt and operating expenses. Such initiative power could be subject to the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution. Additionally, SB 919 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution.

Article XIIIC also removes many of the limitations on the initiative power in matters of reducing or repealing any local tax, assessment, fee or charge. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund. "Assessments," "fees" and "charges" are not defined in Article XIIIC, and it is unclear whether these terms are intended to have the same meanings for purposes of Article XIIIC as for Article XIIID described below. If not, the scope of the initiative power under Article XIIIC potentially could include any General Fund local tax, assessment, or fee not received from or imposed by the federal or State government or derived from investment income.

If the City is unable to continue to collect assessment revenues for a particular program, the program might have to be curtailed and/or funded by the City's General Fund. Given the approval requirements imposed by Article XIIID, the City is unable to predict whether it will be able to continue to collect assessment revenues for these programs. If the City chose to fund any such programs from the General Fund instead, the General Fund budget would be affected.

# **Article XIIID**

Article XIIID defines a "fee" or "charge" as any levy other than an ad valorem tax, special tax, or assessment imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property-related service. A "property-related service" is defined as "a public service having a direct relationship to a property ownership" herein. Article XIIID further provides that reliance by an agency on any parcel map (including an assessor's parcel map) may be considered a

significant factor in determining whether a fee or charge is imposed as an incident of property ownership. In the Bighorn Decision, the Supreme Court stated that ongoing water delivery charges are also property-related fees and charges within the meaning of Article XIIID.

Article XIIID requires that any agency imposing or increasing any property-related fee or charge must provide written notice thereof to the record owner of each identified parcel upon which such fee or charge is to be imposed and must conduct a public hearing with respect thereto. The proposed fee or charge may not be imposed or increased if a majority of owners of the identified parcels file written protests against it. As a result, if and to the extent that a fee or charge imposed by a local government for water service is ultimately determined to be a "fee" or "charge" as defined in Article XIIID, the local government's ability to increase such fee or charge may be limited by a majority protest.

In addition, Article XIIID also includes a number of limitations applicable to existing fees and charges including provisions to the effect that (i) revenues derived from the fee or charge shall not exceed the funds required to provide the property-related service; (ii) such revenues shall not be used for any purpose other than that for which the fee or charge was imposed; (iii) the amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel; and (iv) no such fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Property-related fees or charges based on potential or future use of a service are not permitted.

Depending on the interpretation of what constitutes a "property-related fee" under Article XIIID, there could be future restrictions on the ability of the City's General Fund to charge its enterprise funds for various services provided. In the event that fees and charges of enterprise funds cannot be appropriately increased or are reduced pursuant to exercise of the initiative power, the City may have to decide whether to supplement any deficiencies in these enterprise funds with moneys from the General Fund or to curtail service, or both.

The interpretation and application of Proposition 218 will ultimately be determined by the courts or through implementing legislation with respect to a number of the matters described above, and it is not possible at this time to predict with certainty the outcome of such determination or the nature or scope of any such legislation.

Both Articles XIIIA and XIIIB, as well as Articles XIIIC and XIIID described above, were adopted as measures that qualified for the ballot pursuant to California's constitutional initiative process. From time to time other initiative measures could be adopted, affecting the ability of the City to increase revenues and to increase appropriations.

#### **Proposition 62**

Proposition 62 was adopted by the voters at the November 4, 1986, general election which (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local government entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of ad valorem taxes on real property by local

governmental entities except as permitted by Article XIIIA of the California Constitution, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) requires that any tax imposed by a local governmental entity on or after October 15, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of *Santa Clara County Local Transportation Corporation v. Guardino*, upheld the constitutionality of Proposition 62. In this case, the court held that a county-wide sales tax of one-half of one percent was a special tax that, under section 53722 of the Government Code, required a two-thirds voter approval. The county-wide sales tax at issue received an affirmative vote of only 54.1% and was found to be invalid.

Following the California Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* ("*La Habra*"). In this case, the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

# **Proposition 1A of 2004**

The California Constitution and existing statutes give the legislature authority over property taxes, sales taxes and the VLF. The legislature has authority to change tax rates, the items subject to taxation and the distribution of tax revenues among local governments, schools, and community college districts. The State has used this authority for many purposes, including increasing funding for local services, reducing State costs, reducing taxation, addressing concerns regarding funding for particular local governments, and restructuring local finance.

The California Constitution generally requires the State to reimburse the local governments when the State "mandates" a new local program or higher level of service. Due to the ongoing financial difficulties of the State, it has not provided in recent years reimbursements for many mandated costs. In other cases, the State has "suspended" mandates, eliminating both responsibility of the local governments for complying with the mandate and the need for State reimbursements.

The 2004 Budget Act, related legislation and the enactment of Proposition 1A of 2004 (described below) dramatically changed the State-local fiscal relationship. These constitutional and statutory changes implemented an agreement negotiated between the Governor and local government officials (the "State-local agreement") in connection with the 2004 Budget Act.

One change related to the reduction of the VLF rate from 2% to 0.65% of the market value of the vehicle. In order to protect local governments, which had previously received all VLF revenues, the 1.35% reduction in VLF revenue to cities and counties from this rate change was backfilled by an increase in the amount of property tax revenues they receive. This worked to the benefit of local governments, because the backfill amount annually increases in proportion to the growth in secured roll property tax revenues, which

has historically grown at a higher rate than VLF revenues. Proposition 1A of 2004 requires the State to provide local governments with equal replacement revenues.

On November 3, 2004 the voters of the State approved Proposition 1A ("Proposition 1A of 2004"). Proposition 1A of 2004 amended the State Constitution to, among other things, reduce the Legislature's authority over local government revenue sources by placing restrictions on the State's access to local governments' property tax, sales tax, and VLF revenues as of November 3, 2004. Pursuant to Proposition 1A of 2004, the State is able to borrow up to 8% of local property tax revenues but only if the Governor proclaims such action is necessary due to a severe State fiscal hardship and two-thirds of both houses of the State Legislature approve the borrowing. Any amounts borrowed are required to be repaid within three years. Proposition 1A of 2004 also permits the State to borrow from local property tax revenues for no more than two fiscal years within a period of 10 fiscal years, and only if previous borrowings have been repaid. In addition, the State cannot reduce the local sales tax rate or restrict the authority of the local governments to impose or change the distribution of the statewide local sales tax. Proposition 1A of 2004 generally prohibits the State from mandating activities on cities, counties, or special districts without providing the funding needed to comply with the mandates, and if the State does not provide funding for the activity that has been determined to be mandated, the requirement on cities, counties, or special districts to abide by the mandate is suspended. Proposition 1A of 2004 also expanded the definition of what constitutes a mandate to encompass State action that transfers to cities, counties, and special districts financial responsibility for a required program for which the State previously had partial or complete responsibility. The State mandate provisions of Proposition 1A of 2004 do not apply to schools or community colleges or to mandates relating to employee rights.

Pursuant to statutory changes made in conjunction with amendments to the Fiscal Year 2008-09 State Budget Act, the Fiscal Year 2009-10 State Budget Act and related budget legislation adopted by the State Legislature and signed by the Governor in February 2012 (collectively, the "February 2012 Budget Package"), the VLF rate increased from 0.65% to 1.15% effective May 19, 2012. Of this 0.50% increase, 0.35% will flow to the State General Fund, and 0.15% will support various law enforcement programs previously funded by the State General Fund.

#### **Proposition 22**

Proposition 22 ("Proposition 22"), which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State General Fund or any other State fund. Due to the prohibition with respect to State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition 1A of 2004. See " - Proposition 1 A of 2004" herein. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increase schools' and community college districts' share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State imposed mandates. In addition, Proposition 22 requires a two-thirds vote of each house of the State Legislature and a public hearing process to be conducted in order to change the amount of fuel excise tax revenues shared with cities and counties. The LAO states that Proposition 22 will prohibit the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies.

Proposition 22 prohibits the State from borrowing sales taxes or excise taxes on motor vehicle fuels or changing the allocations of those taxes among local government except pursuant to specified procedures involving public notices and hearings. In addition, Proposition 22 requires that the State apply the formula setting forth the allocation of State fuel tax revenues to local agencies revert to the formula in effect on June 30, 2009. The LAO anticipated that Proposition 22 would require the State to adopt alternative actions to address its fiscal and policy objectives, particularly with respect to short-term cash flow need. The City does not believe that Proposition 22 will have a significant impact on its revenues and expenditures.

# **Proposition 26**

Proposition 26 ("Proposition 26"), which was approved by California voters on November 2, 2010, revises the California Constitution to expand the definition of "taxes." Proposition 26 re-categorizes many State and local fees as taxes and specifies a requirement of two-thirds voter approval for taxes levied by local governments.

Proposition 26 requires the State obtain the approval of two-thirds of both houses of the State Legislature for any proposed change in State statutes, which would result in any taxpayer paying a higher tax. Proposition 26 eliminates the previous practice whereby a tax increase coupled with a tax reduction that resulted in an overall neutral fiscal effect was subject only to a majority vote in the State Legislature. Furthermore, pursuant to Proposition 26, any increase in a fee above the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require such two-thirds vote of approval to be effective. In addition, for State imposed fees and charges, any fee or charge adopted after January 1, 2010 with a majority vote of approval of the State Legislature which would have required a two-thirds vote of approval of the State Legislature if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a "tax" means a levy, charge or exaction of any kind imposed by a local government, except (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property or the purchase rental or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Proposition 218.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010, unless exempted, as stated above. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies. As of the date hereof, none of the City's fees or charges has been challenged in a court of law in connection with the requirements of Proposition 26.

If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a fifty percent voter requirement. Proposed local government fees that are not subject to Proposition 26 generally are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of the affected property owners.

# **Proposition 19**

On November 3, 2020, State voters approved a constitutional amendment entitled Property Tax Transfers, Exemptions and Revenue for Wildfire Agencies and Counties Amendment ("Proposition 19"), which will: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The City cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the City.

#### **Future Initiatives**

Articles XIIIA, XIIIB, XIIIC and XIIID, Propositions 62, 1A, 22, 26, and 19 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, which may place further limitations on the ability of the State, the City or local districts to increase revenues or to increase appropriations which may affect the City's revenues or its ability to expend its revenues.

#### **RISK FACTORS**

This section provides a general overview of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in evaluating an investment in the Bonds. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. Potential investors in the Bonds are advised to consider the following factors, among others, and to review this entire Official Statement to obtain information essential to the making of an informed investment decision. Any one or more of the risk factors discussed below, among others, could lead to a decrease in the market value and/or in the marketability of the Bonds. There can be no assurance that other risk factors not discussed herein will not become material in the future.

# **Limited Obligation**

The Bonds are not City debt and are limited obligations of the Agency. Neither the full faith and credit of the Agency nor the City is pledged for the payment of the interest on or principal of the Bonds nor for the payment of Lease Payments. The Agency has no taxing power. The obligation of the City to pay Lease Payments when due is an obligation payable from amounts in the general fund of the City. The obligation of the City to make Lease Payments under the Lease Agreement does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. Neither the Bonds nor the obligation of the City to make Lease

Payments under the Lease Agreement constitute a debt or indebtedness of the Agency, the City, the State or any of its political subdivisions, within the meaning of any constitutional or statutory debt limitation or restrictions.

# Lease Payments Are Not Debt

The obligation of the City to make the Lease Payments under the Lease Agreement does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. Neither the Bonds nor the obligation of the City to make Lease Payments constitute a debt of the City, the State or any political subdivision thereof (other than the Agency) within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds are not general obligations of the Agency, but are limited obligations payable solely from and secured by a pledge of Revenues and amounts held in the funds and accounts created under the Indenture, consisting primarily of Lease Payments. The Agency has no taxing power.

Although the Lease Agreement does not create a pledge, lien or encumbrance upon the funds of the City, the City is obligated under the Lease Agreement to pay the Lease Payments from any source of legally available funds and the City has covenanted in the Lease Agreement that, for so long as the Property is available for its use, it will make the necessary annual appropriations within its budget for the Lease Payments. The City is currently liable and may become liable on other obligations payable from general revenues, some of which may have a priority over the Lease Payments, or which the City, in its discretion, may determine to pay prior to the Lease Payments.

The City has the capacity to enter into other obligations payable from the City's general fund, without the consent of or prior notice to the Owners of the Bonds. To the extent that additional obligations are incurred by the City, the funds available to make Lease Payments may be decreased. In the event the City's revenue sources are less than its total obligations, the City could choose to fund other municipal services before making Lease Payments. The same result could occur if, because of State constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues. The City's appropriations, however, have never exceeded the limitations on appropriations under Article XIIIB of the California Constitution. For information on the City's current limitations on appropriations, see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS-Article XIIIB of the California Constitution."

# **Cash Management**

The City has numerous internal or external means to manage its cash flow, including but not limited to interfund borrowing, intrafund borrowing and tax and revenue anticipation notes which may be employed to the extent the City Council is required to make budget adjustments in order to maintain a balanced budget. If the City does not take required actions and the budget remains out of balance, the cash requirements of the City may exceed available cash flow. The ability of the City to borrow on an interim basis to meet any cash shortfalls also may be limited if the budget remains out of balance for a sustained period of time. The City has the legal authority to issue "warrants" in place of cash to meet various types of expenditures or appropriations as an additional means to manage its cash flow. See "CITY FINANCIAL INFORMATION."

## **Additional Obligations of the City**

The Lease Agreement does not prohibit the City from incurring additional lease and other obligations payable from the City's General Fund.

# Valid and Binding Obligation to Budget and Appropriate

Pursuant to the Lease Agreement, the City covenants to take such action as may be necessary to include Lease Payments due in its annual budgets and to make necessary appropriations for all such payments. Such covenants are deemed to be duties imposed by law, and it is the duty of the public officials of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform such covenants. A court, however, in its discretion may decline to enforce such covenants. Upon issuance of the Bonds, Bond Counsel will render its opinions (substantially in the form of APPENDIX E-PROPOSED FORM OF BOND COUNSEL OPINION) to the effect that, subject to the limitations and qualifications described therein, the Lease Agreement constitutes a valid and binding obligation of the City. As to the Agency's practical realization of remedies upon default by the City, see "-Limitations on Remedies."

#### Abatement

In the event of loss or substantial interference in the use and possession by the City of all or any portion of the Property caused by material damage, title defect, destruction to or condemnation of the Property, Lease Payments will be subject to abatement. In the event that such component of the Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time that proceeds of the City's rental interruption insurance will be available in lieu of Lease Payments, or in the event that casualty insurance proceeds or condemnation proceeds are insufficient to provide for complete repair or replacement of such component of the Property or prepayment of the Bonds, there could be insufficient funds to make payments to Owners in full. Reduction in Lease Payments due to abatement as provided in the Lease Agreement does not constitute a default thereunder.

It is not possible to predict the circumstances under which such an abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. For example, it is not clear whether fair rental value is established as of commencement of the lease or at the time of the abatement. If the latter, it may be that the value of the Property is substantially higher or lower than its value at the time of the execution and delivery of the Bonds. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the Bonds.

# No Acceleration Upon Default

In the event of a default, there is no remedy of acceleration of the total Lease Payments due over the term of the Lease Agreement and the Trustee is not empowered to sell a fee simple interest in the Property and use the proceeds of such sale to prepay the Bonds or pay debt service thereon. Any suit for money damages would be subject to limitations on legal remedies against public agencies in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest as described below.

#### **Limitation on Remedies**

The enforcement of any remedies provided in the Lease Agreement and the Indenture could prove both expensive and time consuming. Although the Lease Agreement provides that if the City defaults the Trustee may reenter the Property and re-let the Property, portions of the Property may not be easily recoverable, and even if recovered, could be of little value to others because of the Property's specialized nature. Additionally, the Trustee may have limited ability to re-let the Property to provide a source of rental payments sufficient to pay the principal of and interest on the Bonds so as to preserve the tax-exempt nature of interest on the Bonds. The Trustee is not obligated to re-let the Property in a manner so as to preserve the tax-exempt nature of interest on the Bonds. Furthermore, due to the governmental nature of the Property, it is not certain whether a court would permit the exercise of the remedy of re-letting with respect thereto.

Alternatively, the Trustee may terminate the Lease Agreement and proceed against the City to recover damages pursuant to the Lease Agreement. Any suit for money damages would be subject to limitations on legal remedies against public agencies in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest.

The rights of the Owners of the Bonds are subject to certain limitations on legal remedies against cities, redevelopment agencies and other governmental entities in the State, including but not limited to a limitation on enforcement against funds that are otherwise needed to serve the public welfare and interest. Additionally, the rights of the Owners of the Bonds may be subject to (i) bankruptcy, insolvency, reorganization, moratorium, or similar laws limiting or otherwise affecting the enforcement of creditors' rights generally (as such laws are now or hereafter may be in effect), (ii) equity principles (including but not limited to concepts of materiality, reasonableness, good faith and fair dealing) and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or law, (iii) the exercise by the United States of America of the powers delegated to it by the Constitution, and (iv) the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Under Chapter 9 of the Bankruptcy Code (Title 11, United States Code), which governs bankruptcy proceedings for public agencies, there are no involuntary petitions in bankruptcy. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners, the Trustee and the Agency could be prohibited or severely restricted from taking any steps to enforce their rights under the Lease Agreement and from taking any steps to collect amounts due from the City under the Lease Agreement.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditor's rights, by equitable principles and by the exercise of judicial discretion. Additionally, the Bonds are not subject to acceleration in the event of the breach of any covenant or duty under the Indenture. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the Bondowners.

#### **Concentration on Revenue Sources**

The City relies on, among other things, the a Revenue Fee imposed on the two Card Clubs operating within the City. The Revenue Fee is set by the City's Municipal Code at 12% of each Card Club's

gross revenue. The Card Club Revenue Fee is a major revenue source for the City and has historically accounted for approximately 10-12% of the City's total General Fund revenues. While, prior to the COVID-19 Pandemic the Card Clubs had continued to demonstrate growth, heavy competition from Tribal Government gaming and card clubs in other cities will continue to limit growth in the Card Club Revenues after the COVID-19 Pandemic has subsided. In addition, changes to State law regulating casinos could have an impact on the continued operation of the Card Clubs. Additional closures of either of the Card Clubs or declines in the revenues of either of the Card Clubs beyond those already caused by the COVID-19 Pandemic and discussed herein could materially and adversely impact the City's revenues and could affect the City's ability to make debt service payments. Such a result could be affected by events not related to the operation of the card clubs, natural disasters or other economic or environmental events occurring outside of their control.

# Risk of Uninsrued Loss Including Seismic Loss

The City, like much of California, is subject to seismic activity that could result in interference with its right to use and possession of the Property. The two faults likely to have the most impact on the County are the West Los Angeles Fault and Concord-Green Valley Fault Zone. The City is not obligated under the Lease Agreement to procure and maintain, or cause to be procured and maintained, earthquake insurance on the Property. Depending on its severity, an earthquake could result in abatement of Lease Payments under the Lease Agreement. See "—Abatement." The occurrence of severe seismic activity in the area of the Property could result in substantial damage and interference with the City's right to use and occupy all or a portion of the Property, and result in Lease Payments being subject to abatement. See "—Abatement" above.

There can be no assurance that the providers of the City's liability and rental interruption insurance will in all events be able or willing to make payments under the respective policies for such loss should a claim be made under such policies. Further, there can be no assurances that amounts received as proceeds from insurance or from condemnation of the Property will be sufficient to redeem the Bonds.

Under the Lease Agreement the City may obtain casualty insurance which provides for a deductible up to \$250,000. Should the City be required to meet such deductible expenses, the availability of general fund revenues to make Lease Payments may be correspondingly affected.

# **Eminent Domain**

If the Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the term of the Lease Agreement will cease as of the day possession is taken. If less than all of the Property is taken permanently, or if the Property or any part thereof is taken temporarily, under the power of eminent domain, (a) the Lease Agreement will continue in full force and effect and will not be terminated by virtue of such taking, and (b) there will be a partial abatement of Lease Payments as a result of the application of net proceeds of any eminent domain award to the prepayment of the Lease Payments, in an amount to be agreed upon by the City and the Agency such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

# Bankruptcy

The City is not subject to the involuntary procedures of the United States Bankruptcy Code (the "Bankruptcy Code"). However, pursuant to Chapter 9 of the Bankruptcy Code, the City may seek voluntary protection from its creditors for purposes of adjusting its debts. In the event the City were to become a debtor under the Bankruptcy Code, the City would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 proceeding. Among the adverse effects of such a bankruptcy might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the City or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the City; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or court-approved secured debt which may have a priority of payment superior to that of Owners of Bonds; and (iv) the possibility of the adoption of a plan for the adjustment of the City's debt (a "Plan") without the consent of the Trustee or all of the Owners of Bonds, which Plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that the Plan is fair and equitable.

In addition, the City could either reject the Lease Agreement or assume the Lease Agreement despite any provision of the Lease Agreement which makes the bankruptcy or insolvency of the City an event of default thereunder. In the event the City rejects the Lease Agreement, the Trustee, on behalf of the Owners of the Bonds, would have a pre-petition claim that may be limited under the Bankruptcy Code and treated in a manner under a Plan over the objections of the Trustee or Owners of the Bonds. Moreover, such rejection would terminate the Lease Agreement and the City's obligations to make payments thereunder.

The Agency is a public agency and, like the City, is not subject to the involuntary procedures of the Bankruptcy Code. The Agency may also seek voluntary protection under Chapter 9 of the Bankruptcy Code. In the event the Agency were to become a debtor under the Bankruptcy Code, the Agency would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 proceeding. Such a bankruptcy could adversely affect the payments under the Indenture. Among the adverse effects might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the Agency or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the Agency; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or court-approved secured debt which may have priority of payment superior to that of the Owners of the Bonds; and (iv) the possibility of the adoption of a plan for the adjustment of the Agency's debt without the consent of the Trustee or all of the Owners of the Bonds, which plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that the Plan is fair and equitable. However, the bankruptcy of the Agency, and not the City, should not affect the Trustee's rights under the Lease Agreement. The Agency could still challenge the assignment, and the Trustee and/or the Owners of the Bonds could be required to litigate these issues in order to protect their interests.

# No Liability of Agency to Owners

Except as expressly provided in the Indenture, the Agency will not have any obligation or liability to the Owners of the Bonds with respect to the payment when due of the Lease Payments by the City, or with respect to the performance by the City of other agreements and covenants required to be performed

by it contained in the Lease Agreement or the Indenture, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Indenture.

#### Tax Audit

The Internal Revenue Service (the "IRS") has an ongoing program of examining tax-exempt obligations to determine whether, in the view of the IRS, interest on such obligations is properly excluded from gross income for federal income tax purposes. It is possible that the Bonds or other tax-exempt obligations of the City may be selected for examination under such program. There is no assurance that an IRS examination of the Bonds or other tax-exempt obligations of the City will not adversely affect the market value of the Bonds. See "TAX MATTERS."

The City has not been contacted by the IRS regarding the examination of any of its bond transactions.

## **Geologic Conditions**

General. From time to time, the City has been and could be subject to natural calamities, including, but not limited to, earthquake, flood or wildfire, that may adversely affect economic activity in the City, and which could have a negative impact on City finances. There can be no assurance that the occurrence of any natural calamity would not cause substantial damage to persons, property and structures in the City and could have a substantial negative effect on the City's General Fund.

Seismic. Like most regions in California, the City is in an area of significant seismic activity. Soils in lowland areas away from major faults may also be unable to support buildings during major earthquakes. Landslides are likely on hillsides during major earthquakes. Damage resulting from such an event could have a material adverse effect on the City's financial condition as well, through unexpected recovery costs and reduced tax and other revenues.

*Wildfire*. In recent years, wildfires have caused extensive damage to cities throughout the State. In some instances, entire neighborhoods have been destroyed. Areas effected by wildfires may be more prone to flooding and mudslides. In addition to the direct impact of wildfires on health and safety and property damage, the smoke from wildfires has negatively impacted the quality of life in the City and may have short-term and future impacts on residential and commercial activity in the City.

Recent wildfires in the State have been driven in large measure by drought conditions and low humidity. Experts expect that California will continue to be subject to wildfire conditions as a result in changing weather patterns due to climate change.

While the City is not in a wildfire severity zone and the City believes the possibility of wildfire damage within the City is low, there can be no assurances that wildfires will not occur within the City or the region or that the City will not be negatively impacted by sustained smoky conditions caused by wildfires. Damage resulting from such an event could have a material adverse effect on the City's financial condition as well, through unexpected recovery costs and reduced tax and other revenues.

#### **Hazardous Substances**

One of the most serious risks in terms of the potential reduction in the value or use of a parcel of property is a claim with regard to a hazardous substance. In general, the owners, lessors and/or lessees of a parcel of real property may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar in application. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) has contributed to or caused contamination with the hazardous substances. The effect, therefore, should property in the City be affected by a hazardous substance, is to reduce both marketability and the value of property by the costs of remedying the condition. While the City is not currently aware of any such condition, it is possible that such hazardous substance conditions do currently exist and that the City has not been made aware of their existence.

# Potential Impact of State Financial Condition on the City

During the most recent recession, the State faced a structural deficit that resulted in substantial annual deficits and reductions in expenditures. Although the State has had a budget surplus in the more recent fiscal years, according to the State there remain a number of major risks and pressures that threaten the State's financial condition, including the threat of recession, potential changes to federal fiscal policies and unfunded long-term liabilities of more than \$200 billion related to pensions and other post-retirement benefits. These risks and financial pressures could result in future reductions or deferrals in amounts payable to the City. The State's financial condition and budget policies affect local public agencies throughout California. To the extent that the State budget process results in reduced revenues to the City, the City will be required to adjust its budget. State budget policies can also impact conditions in the local economy and could have an adverse effect on the local economy and the City's major revenue sources.

No prediction can be made by the City as to whether the State will encounter budgetary problems in future fiscal years, and if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on City finances and operations or what actions will be taken in the future by the Legislature and the Governor to deal with changing State revenues and expenditures. There can be no assurance that actions taken by the State to address its financial condition will not materially adversely affect the financial condition of the City. Current and future State budgets will be affected by national and State economic conditions and other factors over which the City has no control (see "STATE BUDGET INFORMATION"). The ability of the state to divert funds from the City has been limited by Proposition 1A and Proposition 22, which are discussed herein. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS."

# **Increased Internet Use May Reduce Sales Tax Revenues**

On June 21, 2018, in the case of South Dakota v. Wayfair, the Supreme Court of the United States ruled that state and local governments have the authority to require out-of-state vendors with no local physical presence in a state to collect and remit sales taxes to state and local governments. As of April 1, 2019, retailers located outside of the State are required to register with CDTFA, collect the California use

tax and pay the tax to CDTFA based on the amount of their sales into California, even if they do not have a physical presence in the state, with exceptions for retailers with California sales below certain volume and dollar thresholds. The City cannot predict the degree that the collection of the California use tax on such retailers will affect the collection of sales taxes on a going forward basis.

# **Limited Secondary Market**

As stated herein, investment in the Bonds poses certain economic risks which may not be appropriate for certain investors, and only persons with substantial financial resources who understand the risk of investment in the Bonds should consider such investment. There can be no guarantee that there will be a secondary market for purchase or sale of the Bonds or, if a secondary market exists, that the Bonds can or could be sold for any particular price.

# **Pension Benefit Liability**

Many factors influence the amount of the City's pension benefit liabilities, including, without limitation, inflationary factors, changes in statutory provisions of CalPERS retirement system laws, changes in the level of benefits provided or in the contribution rates of the City, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods (including but not limited to the assumed rate of return), and differences between actual and anticipated investment experience of CalPERS. Any of these factors could give rise to additional liability of the City to its pension plans as a result of which the City would be obligated to make additional payments to its pension plans in order to fully fund the City's obligations to its pension plans.

#### **COVID-19 Pandemic**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized by the World Health Organization and is currently affecting many parts of the world, including the City, California, and the United States. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency.

On March 4, 2020, the Governor of the State proclaimed a state of emergency in California as a result of the threat of COVID-19. Under the California Emergency Services Act, during a state of emergency, the Governor has authority over all agencies of the state government and can exercise the State's police powers. His powers also include the power to promulgate, issue, and enforce orders and regulations as he deems necessary.

To mitigate the spread of the pandemic, several cities and counties throughout the state (including the City) announced shelter-in-place ("Shelter-in-Place") emergency orders on March 13, 2020, which generally directed individuals to stay home, except for certain limited travel for the conduct of essential activities and services. Most retail establishments (e.g., restaurants, bars and nightclubs, entertainment venues, gyms, etc.) were closed in response to the Shelter-in-Place order. On March 17, 2020, the County Health Officer issued a Shelter-in-Place order and on March 19, 2020, California's Governor announced a similar Shelter-in-Place emergency executive order (N 33-20) effective for the entire State.

Full Reopening on June 15, 2021. On April 6, 2021, the Governor announced that the State plans lift most COVID-19 restrictions on business closures and indoor and outdoor occupancy limitations on June 15, 2021. Face masking requirements are expected to remain in place only for large indoor events and certain other specific instances such as at health care facilities, while using public transit, and at airports.

July Reinstatement of Mask Mandate in Los Angeles County. On July 17, 2021, Los Angeles County reinstated mandatory masking. All persons in the County will again be required to wear masks in indoor public spaces, regardless of their vaccination status.

The COVID-19 Pandemic is ongoing, and its ultimate duration and severity cannot be known. Upto-date information about the current status of the State's response to the COVID-19 Pandemic can be found at the State's website, <a href="https://www.covid19.ca.gov">www.covid19.ca.gov</a>. Up-to-date information about the current status of the County's response to the COVID-19 Pandemic can be found at the County's website <a href="http://publichealth.lacounty.gov/media/Coronavirus/">http://publichealth.lacounty.gov/media/Coronavirus/</a>. Reference to the State's and the County's website is included in this Official Statement for general information only and information on such website is not included in this Official Statement by reference to such website.

The COVID-19 Pandemic has negatively affected travel, commerce, investment values, and financial markets globally, and is widely expected to continue to negatively affect economic output worldwide and within the City. While federal and state governments (including California) have enacted legislation and taken executive actions seeking to mitigate the negative public health and economic impacts of the Pandemic, the City offers no assurances that these interventions will have the intended effects.

Intermediate and long-term negative economic impacts caused by the COVID-19 Pandemic may reduce or otherwise negatively affect revenues to the City's General Fund including impacts to sales taxes, card club revenues, and property tax revenues, as discussed under "CITY FINANCIAL INFORMATION." While the City has developed what it believes to be reasonable budgeted projections of the magnitude of these impacts on its revenues and on its expenditures, the COVID-19 Pandemic is ongoing and the City cannot predict how and when it will be resolved.

The ultimate impact of the COVID-19 Pandemic on the City's operations and finances is unknown. As of the date of this Official Statement, the City does not believe that the impacts of the COVID-19 Pandemic will prevent the City from making payments of principal and interest on the Bonds when due.

# **Risks Related to Cyber Security**

The City relies on computers and technology to conduct its operations. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. The City owns and operates its own enterprise class data network serving the municipal city government and its operations. The City has retained information technology professionals to support, maintain and protect these operations locally in a purpose-built and physically secure environment. This network and its operations are governed by and in compliance with all applicable governmental regulations as well as the City's own administrative regulations. Within the City's operations and guidance is an active cyber-security program designed to protect from, and to quickly identify and mitigate, a multitude of complex security threats. While no network is completely immune from all possible compromise, the City exercises its due diligence in protecting the data it possesses and the systems it operates. To date, there have been no significant cyber-attacks on the City's computers and technologies.

While the City routinely maintains its technology systems and continuously implements new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the City's computer and technology could negatively impact the City's operations, and the costs related to such attacks could be substantial.

The City has \$25 million of annual aggregate coverage with a \$50,000 deductible for cyber security through the Alliant Property Insurance program

# **Casino Litigation**

The Lucky Lady Casino and the Hustler Casino are located in the City. The City's ability to make payments on the Bonds will be dependent, in part, upon the willingness and ability of the property taxpayers in the City, including Lucky Lady Casino and the Hustler Casino, to make such payments. Such willingness and ability will be subject to all of the risks generally associated with business operations and may be adversely affected by changes in general economic conditions, regulations, litigation and other similar factors.

In November 2018, the Rincon Band of Luiseno Indians and the Santa Ynez Band of Chumash Indians (collectively, "State Court Cardroom Litigation Plaintiffs") filed a lawsuit in San Diego Superior Court (the "State Court Cardroom Litigation") against several cardrooms located in Southern California, including the Lucky Lady Casino and the Hustler Casino. The State Court Cardroom Litigation Plaintiffs allege that the operation of certain games is contrary to State law under Proposition 1A approved by State voters in 2000 granting an exclusive right to operate certain games to federally-recognized Native American tribes.

In January 2019, the Yocha Dehe Wintun Nation, the Viejas Band of Kumeyaay Nation, and the Sycuan Band of the Kumeyaay Nation (collectively, the "Federal Court Cardroom Litigation Plaintiffs") filed a lawsuit in the United States District Court, Eastern District of California (the "Federal Court Cardroom Litigation") against the State and the Governor of the State. In the Federal Court court Litigation, the Federal Court Cardroom Litigation Plaintiffs seek to enforce the exclusive right of federally-recognized Native American tribes under Proposition 1A approved by State voters in 2000. The City believes that neither Lucky Lady Casino nor the Hustler Casino are named defendants in the Federal Court Cardroom Litigation.

In addition, the State Bureau of Gambling Control (the "Bureau of Gambling Control"), within the Office of the Attorney General of the State, has stated its intent to begin revoking the approval of various card games played in card clubs, like the Lucky Lady Casino and the Hustler Casino, on the basis that they are contrary to Proposition 1A approved by State voters in 2000. Potential regulatory changes could impose new restrictions on the types of card games played at the Lucky Lady Casino and the Hustler Casino.

At most card rooms, including the Lucky Lady Casino and the Hustler Casino, an employee acts as the dealer and a representative from a licensed third-party business takes on the role of banker, also known as "the house." The banker collects from the losers and pays the winners. Card rooms generate revenue by collecting a fee from each player during each hand. The fee is based on the bet limit at each table.

If state rules are changed in accordance with the Bureau of Gambling Control's preferences, all players at the table would be required to take turns serving as the banker, switching every two rounds.

Players who refuse would be excluded from the game. If no one accepts the role of banker, the game stops. The City can not predict whether such rule changes will in fact be adopted or the impact such rules would have on the Card Clubs' operations.

The City believes that, in the event the State Court Cardroom Litigation Cardroom Litigation is determined adversely as to the Lucky Lady Casino and the Hustler Casino or the Federal Court Cardroom Litigation is determined adversely as to the State, or regulatory changes from the Bureau of Gambling Control are limited or otherwise changed, Lucky Lady Casino and the Hustler Casino may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of certain general fund revenues by the City.

The Card Clubs were both closed from March 2020 until October 2020 when both resumed outdoor operations with social distancing and safety measures in place in accordance with state and local regulations before fully reopening for indoor operations on June 15, 2021. For additional information, see "CITY FINANCIAL INFORMATION – Card Club Revenues" and "COVID-19 Pandemic."

In the event the types of card games permitted to be played at the Lucky Lady Casino and the Hustler Casino as a result of the State Court Cardroom Litigation, the Federal Court Cardroom Litigation or regulatory changes from the Bureau of Gambling Control are limited or otherwise changed, it is possible that business and casino taxes derived by the City from the Lucky Lady Casino and the Hustler Casino will decrease. The City believes that any such decrease in the City's business and casino taxes is unlikely to reduce the City's ability to provide services to its residents.

The City cannot provide any assurance that the types of card games permitted to be played at the Lucky Lady Casino and the Hustler Casino as a result of the State Court Cardroom Litigation, the Federal Court Cardroom Litigation or regulatory changes from the Bureau of Gambling Control will not be limited or otherwise changed. The extent and timing of any reductions in property tax revenues, business taxes or casino taxes received by the City from the Lucky Lady Casino and the Hustler Casino and any decrease in assessed values as a result of any reduction in services due to reduction in such business taxes is unknown by the City at this time.

Other factors relating to the Lucky Lady Casino and the Hustler Casino and its property owner may also affect the willingness and ability of the property taxpayers in the City and business and casino taxes received by the City from the Hollywood Park Casino.

#### Changes in Law

There can be no assurance that the electorate of the State will not at some future time adopt additional initiatives or that the Legislature will not enact legislation that will amend the laws or the Constitution of the State resulting in a reduction of the general fund revenues of the City and consequently, having an adverse effect on the security for the Bonds.

#### MUNICIPAL ADVISOR

KNN Public Finance, LLC (the "Municipal Advisor"), is registered as a "Municipal Advisor" with the Securities Exchange Commission and Municipal Securities Rulemaking Board. The Municipal Advisor has assisted the Authority and the City in connection with the planning, structuring, sale and

issuance of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of or to assume responsibilities for the accuracy, completeness or fairness of the information contained in this Official Statement not provided by the Municipal Advisor. The fees of the Municipal Advisor in respect to the Bonds are contingent upon their sale and delivery. The Municipal Advisor is an independent advisory firm and not engaged in the business of underwriting, trading or distributing municipal or other public securities.

#### LEGAL MATTERS

All legal matters in connection with the issuance, sale and delivery of the Bonds are subject to the approval of Quint & Thimmig LLP, Larkspur, California, Bond Counsel. Bond Counsel's opinion with respect to the Bonds will be substantially in the form set forth in APPENDIX E—PROPOSED FORM OF BOND COUNSEL OPINION. Certain legal matters will also be passed on for the Agency by Quint & Thimmig LLP, as Disclosure Counsel, and for the Agency by the City Attorney. Certain legal matters will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. The fees and expenses of Bond Counsel, Disclosure Counsel and Underwriter's Counsel are contingent upon the issuance and delivery of the Bonds.

#### ABSENCE OF LITIGATION

At the time of issuance of the Bonds, the Agency and the City will certify that there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court or regulatory agency, public board, or body pending or threatened against the City or the Agency affecting their existence or the titles of their respective officers or seeking to restrain or to enjoin the issuance, sale, or delivery of the Bonds, or the application of the proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the validity or enforceability of the Bonds, any agreement entered into between the City and any purchaser of the Bonds, the Lease Agreement, the Indenture, the Site and Facility Lease or any other applicable agreements or any action of the City or the Agency contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the City or the Agency or their authority with respect to the Bonds or any action of the City or the Agency contemplated by any of said documents, nor, to the knowledge of the City or the Agency, is there any basis therefor.

#### **RATING**

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P"), has assigned the rating of "\_\_\_\_" to the Bonds. Such rating reflects only the view of S&P and any desired explanation of the significance of such rating should be obtained from S&P at 55 Water Street, New York, NY 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by S&P if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price for the Bonds.

#### CONTINUING DISCLOSURE

Pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the City has covenanted to provide certain financial information and operating data relating to the City and the balances of funds relating to the Bonds, by not later than March 31 of each fiscal year commencing with the report for the Fiscal Year ending June 30, 2021 (the "Annual Information"), and to provide notices of the occurrence of certain enumerated events, if deemed by the City to be material. The Annual Information and notices of material events will be filed by the City or the Dissemination Agent, with the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access ("EMMA") system. The nature of the information to be provided in the Annual Information and the notices of material events is set forth in APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE.

While over the past five years City has filed its audited financial statements and operating data pursuant to its continuing disclosure undertakings, in each year such filings have been filed up to 55 days late. Additionally, when such filings were made, the filings were not correctly linked to all relevant CUSIP numbers and certain elements of the required operating data were not included in the filings. To remedy these issues, the City made corrective filings on October 5, 2020.

#### TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Agency and the City have covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest with respect to the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of delivery of the Bonds.

Subject to the Agency's and the City's compliance with the above referenced covenants, under present law, in the opinion of Quint & Thimmig LLP, Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals.

In rendering its opinion, Bond Counsel will rely upon certifications of the Agency and the City with respect to certain material facts within their knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Code includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT for a corporation, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporations' taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would generally include certain tax-exempt interest, but not interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price, or purchase Bonds subsequent to the initial public offering, should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity (the "Reduced Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases a Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax exempt obligations to determine whether, in the view of the Service, interest on such tax exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current

procedures the Service may treat the Agency or the City as a taxpayer and the Bond Owners may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest with respect to, and proceeds of the sale, redemption or maturity of, tax exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond Owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond Owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

In the further opinion of Bond Counsel, interest with respect to the Bonds is exempt from California personal income taxes.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

The complete text of the final opinion that Bond Counsel expects to deliver upon the issuance of the Bonds is set forth in APPENDIX E—PROPOSED FORM OF BOND COUNSEL OPINION.

#### **UNDERWRITING**

The Bonds are being purchased by BofA Securities, Inc. (the "Underwriter") at a price of \$\_\_\_\_\_\_ (being \$\_\_\_\_\_ aggregate principal amount of the Bonds, less \$\_\_\_\_\_ of Underwriter's discount, less/plus \$\_\_\_\_\_ of original issue discount/premium). The Underwriter may offer and sell the Bonds to certain dealers and others at prices different from the prices stated on the inside cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

The Underwriter has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, the Underwriter may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial network of MLPF&S. As part of this arrangement, the Underwriter may compensate MLPF&S as a dealer for their selling efforts with respect to the Bonds.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, such services for the City for which they received or will receive customary fees and expenses.

In the ordinary course of its various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

#### FINANCIAL STATEMENTS

The City's financial statements for the Fiscal Year ended June 30, 2020, included in APPENDIX B—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, have been audited by the City's Auditor, as stated in its reports appearing in such appendix. The City's Auditor has not undertaken to update its reports or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the City's Auditor with respect to any event subsequent to its report.

#### OTHER INFORMATION

All summaries and explanations of the Indenture, the Lease Agreement and the other documents referred to herein are qualified in their entirety by reference to such documents, and references herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Indenture.

Any statements in this Official Statement involving matters of opinion are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Agency and the purchasers or owners of the Bonds.

Copies of the Indenture and the Lease Agreement are available for inspection from the Trustee.

### **MISCELLANEOUS**

Insofar far as any statements made in this Official Statement involve matters of opinion, assumptions, projections, anticipated events or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and actual results may differ substantially from those set forth herein. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Bonds.

The summaries of certain provisions of the Bonds, statutes and other documents or agreements referred to in this Official Statement do not purport to be complete, and reference is made to each of them for a complete statement of their provisions. Copies are available for review by making requests to the City.

The Appendices are an integral part of this Official Statement and must be read together with all other parts of this Official Statement. The audited financial statements of the City, including a summary of significant accounting policies, for the Fiscal Year ended June 30, 2020, are contained in Appendix B.

The execution and delivery of this Official Statement have been duly authorized by the Agency and the City.

| CITY OF GARDENA FINANCING AGENCY |
|----------------------------------|
| ByExecutive Director             |
| CITY OF GARDENA                  |
| By                               |
| City Manager                     |

### APPENDIX A

# GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY

The following information concerning the City of Gardena and Los Angeles County is included only for the purpose of supplying general information regarding the City and the County. The Bonds are not a debt of the County, the State or any of its political subdivisions, and none of the County, the State nor any of their political subdivisions, except for the City, are liable therefor.

Although reasonable efforts have been made to include up-to-date information in this Appendix B, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.

#### Introduction

City of Gardena. The City of Gardena (the "City") was incorporated on September 11, 1930. The City is located approximately 15 miles south of the Los Angeles and 6 miles southeast of Los Angeles International Airport in the South Bay (southwestern) region of Los Angeles County (the "County"). The City encompasses an area of approximately 5.9 square miles and has a current population of approximately 60,000 residents. Gardena is bordered by Athens on the north, the Los Angeles neighborhood of Harbor Gateway on the east and south, Torrance on the southwest, Alondra Park on the west, and Hawthorne on the northwest. The City is served by three major freeways and is the home of a mix of aerospace, high tech and various other industries.

Los Angeles County. The County was established by an act of the State Legislature on February 18, 1850 as one of California's original 27 counties. Located in the southern portion of the State, the County covers 4,083 square miles. With a population of over 10 million, its population is the largest of any county in the nation. The County's economy is larger than that of 43 states and all but 20 countries. The County serves as the central trade district for the western United States and the gateway to the Asian economies, as it has evolved into a leader in international commerce and investments.

# Population

The table below summarizes population of the City, the County, and the State of California (the "State") for the last five years.

CITY OF GARDENA, LOS ANGELES COUNTY, and CALIFORNIA Population

| Year | City of<br>Gardena | Los Angeles<br>County | State of<br>California |
|------|--------------------|-----------------------|------------------------|
| 2017 | 60,870             | 10,181,162            | 39,352,398             |
| 2018 | 61,006             | 10,192,593            | 39,519,535             |
| 2019 | 60,752             | 10,163,139            | 39,605,361             |
| 2020 | 60,732             | 10,135,614            | 39,648,938             |
| 2021 | 60,344             | 10,044,458            | 39,466,855             |

Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2011-21, with 2010 Census Benchmark.

# **Employment**

The following table summarizes historical employment and unemployment for the City, the County, the State of California and the United States:

GARDENA, LOS ANGELES COUNTY, CALIFORNIA, and UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

|         |                    |             |             |              | Unemployment |
|---------|--------------------|-------------|-------------|--------------|--------------|
| Year    | Area               | Labor Force | Employment  | Unemployment | Rate (1)     |
| 2016    | City of Gardena    | 30,000      | 28,300      | 1,600        | 5.5          |
|         | Los Angeles County | 5,043,300   | 4,778,800   | 264,500      | 5.2          |
|         | California         | 19,102,700  | 18,065,000  | 1,037,700    | 5.4          |
|         | United States      | 159,187,000 | 151,436,000 | 7,751,000    | 4.9          |
| 2017    | City of Gardena    | 30,300      | 28,800      | 1,500        | 4.9          |
|         | Los Angeles County | 5,123,900   | 4,883,600   | 240,300      | 4.7          |
|         | California         | 19,312,000  | 18,393,100  | 918,900      | 4.8          |
|         | United States      | 160,320,000 | 153,337,000 | 6,982,000    | 4.4          |
| 2018    | City of Gardena    | 30,200      | 28,800      | 1,400        | 4.7          |
|         | Los Angeles County | 5,136,300   | 4,896,500   | 239,800      | 4.7          |
|         | California         | 19,398,200  | 18,582,800  | 815,400      | 4.2          |
|         | United States      | 162,075,000 | 155,761,000 | 6,314,000    | 3.9          |
| 2019    | City of Gardena    | 30,400      | 29,000      | 1,400        | 4.5          |
|         | Los Angeles County | 5,121,600   | 4,894,300   | 227,300      | 4.4          |
|         | California         | 19,411,600  | 18,627,400  | 784,200      | 4.0          |
|         | United States      | 163,539,000 | 157,538,000 | 6,001,000    | 3.7          |
| 2020(2) | City of Gardena    |             |             |              |              |
|         | Los Angeles County | 4,911,900   | 4,294,200   | 617,700      | 12.6         |
|         | California         | 18,330,500  | 16,063,500  | 2,267,000    | 12.4         |
|         | United States      | 160,742,000 | 147,795,000 | 12,947,000   | 8.1          |

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2010-19, and US Department of Labor.

<sup>(1)</sup> The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.

<sup>(2)</sup> Latest available full-year data.

# **Major Industries in the County**

The table below sets forth the ten largest industries by employment in the County as of June 30, 2020.

# LOS ANGELES COUNTY 2020 Major Industries

|                                     | No. of           | % of   |
|-------------------------------------|------------------|--------|
| Industry                            | <b>Employees</b> | Total  |
| Educational & Health Services       | 799,800          | 19.47% |
| Trade, Transportation and Utilities | 777,000          | 18.92  |
| Professional & Business Services    | 590,100          | 14.37  |
| Government                          | 579,300          | 14.10  |
| Leisure & Hospitality               | 378,600          | 9.22   |
| Manufacturing                       | 314,700          | 7.66   |
| Financial Activities                | 218,600          | 5.32   |
| Information                         | 178,400          | 4.34   |
| Construction                        | 146,100          | 3.56   |
| Other Services                      | 118,900          | 2.90   |
| Total Top 10 Industries             | 4,101,500        | 99.86  |
| All Other Industries                | 5,700            | .15    |
| Total All Industries                | 4,107,200        | 100.00 |

Source: Los Angeles County 2019-20 Comprehensive Annual Financial Report.

# **Construction Activity**

The following table reflects the five-year history of building permit valuation for the City and the County:

# CITY OF GARDENA Building Permits and Valuation (Dollars in Thousands)

|                            | 2016    | 2017   | 2018      | 2019     | $2020^{(1)}$ |
|----------------------------|---------|--------|-----------|----------|--------------|
| Permit Valuation:          |         |        |           |          |              |
| New Single-family          | \$6,861 | \$ 376 | \$ 14,200 | \$ 1,269 | \$ 16,236    |
| New Multi-family           | -       | 1,165  | 8,969     | -        | 13,433       |
| Res. Alterations/Additions | 4,877   | 5,415  | 4,480     | 3,118    | 1,976        |
| Total Residential          | 11,739  | 6,958  | 27,649    | 4,388    | 31,646       |
| Total Nonresidential       | 7,879   | 33,285 | 12,144    | 2,252    | 1,154        |
| Total All Building         | 19,618  | 40,243 | 39,793    | 6,641    | 32,800       |
| New Dwelling Units:        |         |        |           |          |              |
| Single Family              | 44      | 2      | 89        | 14       | 79           |
| Multiple Family            | -       | 6      | 42        | -        | 86           |
| Total                      | 44      | 8      | 131       | 14       | 165          |

# LOS ANGELES COUNTY Building Permits and Valuation (Dollars in Thousands)

|                            | 2016         | 2017         | 2018         | 2019         | $2020^{(1)}$ |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Permit Valuation:          |              |              |              |              |              |
| New Single-family          | \$ 2,162,018 | \$ 2,352,614 | \$ 2,277,101 | \$ 1,967,219 | \$ 1,874,304 |
| New Multi-family           | 2,774,294    | 3,257,833    | 3,222,530    | 2,961,257    | 2,789,673    |
| Res. Alterations/Additions | 1,639,294    | 1,757,904    | 1,941,369    | 1,625,839    | 1,014,422    |
| Total Residential          | 6,575,607    | 7,368,352    | 7,441,001    | 6,554,315    | 5,678,400    |
| Total Nonresidential       | 5,287,623    | 6,037,502    | 6,694,097    | 6,589,601    | 3,513,049    |
| Total All Building         | 11,863,230   | 13,405,855   | 14,135,098   | 13,143,917   | 9,191,449    |
| New Dwelling Units:        |              |              |              |              |              |
| Single Family              | 4,780        | 5,456        | 6,070        | 5,738        | 6,198        |
| Multiple Family            | 15,589       | 17,023       | 17,152       | 15,884       | 14,056       |
| Total                      | 20,369       | 22,479       | 23,222       | 21,622       | 20,254       |

Source: Construction Industry Research Board: "Building Permit Summary."

Note: Columns may not sum to totals due to independent rounding.

(1) Latest available full year data.

# **Median Household Income**

The following table summarizes the median household effective buying income for the City, the County, the State and the nation for the past five years.

# CITY OF GARDENA, LOS ANGELES COUNTY, STATE OF CALIFORNIA AND UNITED STATES Median Household Effective Buying Income

|                    | 2016      | 2017      | 2018      | 2019      | 2020      |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| Gardena            | \$ 44,198 | \$ 46,591 | \$ 48,743 | \$ 49,967 | \$ 54,179 |
| Los Angeles County | 50,236    | 54,720    | 53,831    | 60,174    | 62,353    |
| California         | 55,681    | 59,646    | 62,637    | 65,870    | 67,956    |
| United States      | 48,043    | 50,735    | 52,841    | 55,303    | 56,790    |

Source: Nielsen, Inc

# APPENDIX B

# COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020



# APPENDIX C CITY INVESTMENT POLICY



# APPENDIX D

# SUMMARY OF CERTAIN PROVISIONS OF THE LEGAL DOCUMENTS

[TO COME]



### APPENDIX E

# PROPOSED FORM OF BOND COUNSEL OPINION

[Letterhead of Quint & Thimmig LLP]

[Closing Date]

| Gardena, California 90247 | 7               |   |   |  |                          |        |      |         |         |
|---------------------------|-----------------|---|---|--|--------------------------|--------|------|---------|---------|
| OPINION:                  | \$California) L | _ | - |  | Financing<br>Series 2021 | Agency | (Los | Angeles | County, |

Members of the Agency:

City of Gardena Financing Agency

We have acted as bond counsel in connection with the delivery by the City of Gardena Financing Agency (the "Agency") of \$\_\_\_\_\_\* aggregate principal amount of the bonds of the Agency designated the "City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021" (the "Bonds"), pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Law"), and pursuant to an indenture of trust, dated as of September 1, 2021 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee, and a resolution of the Agency adopted on August 10, 2021. The Bonds are secured by Revenues (as defined in the Indenture), including certain payments made by the City of Gardena (the "City") under a lease agreement, dated as of September 1, 2021 (the "Lease Agreement"), by and between the Agency and the City. We have examined the Law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Agency and the City contained in the Indenture and Lease Agreement, as applicable, and in the certified proceedings, and upon other certifications furnished to us, without undertaking to verify the same by independent investigation.

Based upon our examination we are of the opinion, under existing law, that:

- 1. The Agency is a duly constituted joint exercise of powers entity under the laws of the State of California with power to enter into the Indenture, to perform the agreements on its part contained therein and to issue the Bonds.
- 2. The Bonds constitute legal, valid and binding special obligations of the Agency enforceable in accordance with their terms and payable solely from the sources provided therefor in the Indenture.
- 3. The Indenture has been duly approved by the Agency and constitutes a legal, valid and binding obligation of the Agency enforceable against the Agency in accordance with its terms.
- 4. The Lease Agreement has been duly approved by the City and constitutes a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

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<sup>\*</sup> Preliminary, subject to change.

- 5. The Indenture establishes a valid first and exclusive lien on and pledge of the Revenues (as such term is defined in the Indenture) and other funds pledged thereby for the security of the Bonds, in accordance with the terms of the Indenture.
- 6. Subject to the Agency's and the City's compliance with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals. Failure to comply with certain of such covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.
  - 7. Interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds, the Indenture and the Lease Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

## APPENDIX F

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF GARDENA (the "City") in connection with the issuance by the City of Gardena Financing Agency (the "Agency") of its \$\_\_\_\_\_\* City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021 (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of September 1, 2021 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds shall be secured by a pledge, charge and lien upon Revenues (as such term is defined in the Indenture). Pursuant to Section 5.11 of that certain Lease Agreement, dated as of September 1, 2021, by and between the Agency and the City, the City covenants and agrees as follows:

- Section 1. <u>Definitions</u>. In addition to the definitions set forth above and, in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:
- "Annual Report" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.
- "Annual Report Date" means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).
- "Dissemination Agent" shall mean, initially, the City or any successor Dissemination Agent designed in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.
- "Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the City as its official fiscal year period under a certificate of the City filed with the Trustee.
- "MSRB" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.
- "Official Statement" means the final official statement executed by the City in connection with the issuance of the Bonds.
  - "Participating Underwriter" means BofA Securities, Inc., the original underwriter of the Bonds.
- "Rule" means Rule 15c2–12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.
  - "Significant Events" means any of the events listed in Section 5(a) of this Disclosure Certificate.
- Section 2. <u>Purpose of the Disclosure Certificate</u>. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2–12(b)(5).

<sup>\*</sup> Preliminary, subject to change.

# Section 3. Provision of Annual Reports.

- (a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2022, with the report for fiscal year 2020-21 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(c). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.
- (b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.
  - (c) With respect to each Annual Report, the Dissemination Agent shall:
  - (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
  - (ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.
- Section 4. <u>Content of Annual Reports</u>. The City's Annual Report shall contain or incorporate by reference the following:
- (a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.
- (b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the City for preceding fiscal year, substantially similar to that provided in the Official Statement, as follows:
  - (1) The principal amount of Bonds outstanding as of the December 31 next preceding the date of the Annual Report.
  - (2) A summary of budgeted general fund revenues and appropriations for the then-current Fiscal Year.
  - (3) The aggregate assessed valuation of taxable property in the City.
  - (4) A schedule of aggregate annual debt service on the City's general fund obligations (e.g., capital leases).

- (c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.
- (d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

## Section 5. Reporting of Significant Events.

- (a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:
  - (i) Principal and interest payment delinquencies;
  - (ii) Non-payment related defaults, if material;
  - (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
  - (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
  - (v) Substitution of credit or liquidity providers, or their failure to perform;
  - (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
    - (vii) Modifications to rights of security holders, if material;
    - (viii) Bond calls, if material, and tender offers;
    - (ix) Defeasances;
    - (x) Release, substitution, or sale of property securing repayment of the securities, if material;
    - (xi) Rating changes;
    - (xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;
  - (xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
    - (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
  - (xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; or

- (xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.
- (b) Whenever the City obtains knowledge of the occurrence of a Significant Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Trust Agreement.
- (c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018) or any further guidance or release provided by the SEC.
- (d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.
- Section 6. <u>Identifying Information for Filings with the MSRB</u>. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.
- Section 7. <u>Termination of Reporting Obligation</u>. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds.
- Section 8. <u>Dissemination Agent</u>. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.
- Section 9. <u>Amendment; Waiver</u>. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:
- (a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;
- (b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. <u>Default</u>. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

#### Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article IX of the Trust Agreement is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Trust Agreement. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. <u>Beneficiaries</u>. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

| Date: [Closing Date] |   |
|----------------------|---|
|                      | CITY OF GARDENA, as Dissemination Agent |
|                      | By                                      |
|                      | Authorized Officer                      |

# EXHIBIT A

# NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

| Name of Obligor:         | City of Gardena   |
|--------------------------|---|
| Name of Issue:           | City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021  |
| Date of Issuance:        | [Closing Date]  |
| Issue as required by the | VEN that the Obligor has not provided an Annual Report with respect to the above-named Continuing Disclosure Certificate, dated [Closing Date], furnished by the Obligor in The Obligor anticipates that the Annual Report will be filed by |
| Date:                    | CITY OF GARDENA, as Dissemination Agent   |
|                          | ByAuthorized Officer  |



### APPENDIX G

# **BOOK-ENTRY ONLY SYSTEM**

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, redemption premium, if any, and interest with respect to the Bonds to The Depository Trust Company ("DTC"), New York, NY, its Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, its Participants and the Beneficial Owners is based solely on the understanding of the Agency of such procedures and record keeping from information provided by DTC. Accordingly, no representations can be made concerning these matters and neither DTC, its Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or its Participants, as the case may be. The City, the Agency, the Trustee and the Underwriter understand that the current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and that the current "Procedures" of DTC to be followed in dealing with Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTTC is owned by users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC is rated AA+ by Standard & Poor's. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized

representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC, if less than all of the Bonds within a maturity are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in each issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City, the Agency or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, the City or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal of, premium, if any, and interest on the Bonds by Cede & Co (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City, the Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City, the Agency or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Agency may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The foregoing information concerning DTC and DTC's book-entry system has been provided by DTC, and neither the Agency nor the Trustee takes any responsibility for the accuracy thereof.

NEITHER THE AGENCY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF BONDS FOR REDEMPTION.

Neither the Agency nor the Trustee can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the Bonds paid to DTC or its nominee, as the registered Owner, or any redemption or other notice, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in a manner described in this Official Statement.

In the event that the book-entry system is discontinued as described above, the requirements of the Indenture will apply.

The City, the Agency and the Trustee cannot and do not give any assurances that DTC, the Participants or others will distribute payments of principal, interest or premium, if any, evidenced by the Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Neither the Agency nor the Trustee are responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the Bonds or an error or delay relating thereto.



# CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

| BOND PURCH | IASE AGREEMENT |
|------------|----------------|
|            |                |

September , 2021

City of Gardena Financing Agency 1700 West 162nd Street Gardena, CA 90247-1310

City of Gardena 1700 West 162nd Street Gardena, CA 90247-1310

Ladies and Gentlemen:

The undersigned, BofA Securities, Inc. (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the City of Gardena Financing Agency (the "Agency") and the City of Gardena (the "City"), which, upon the Agency's and City's acceptance of this offer, will be binding upon the Agency and the Underwriter. This offer is made subject to written acceptance by the Agency and the City on or before 11:59 P.M., California time, on the date hereof. If this offer is not so accepted, this offer will be subject to withdrawal by the Underwriter upon notice delivered to the Agency and the City at any time prior to acceptance by the City and the Agency. Upon acceptance, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Agency, the City and the Underwriter. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Indenture (as such term is defined herein).

### 1. Purchase, Sale and Delivery of the Bonds.

| (a) Subject to the terms and conditions, and in reliance upon the representations,                   |
|--|
| warranties and agreements set forth herein, the Underwriter hereby agrees to purchase and the        |
| Agency agrees to sell and deliver to the Underwriter all (but not less than all) of the \$ City      |
| of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021        |
| (the "Bonds"). The Bonds shall be dated the date of delivery thereof and shall mature on such dates  |
| and shall bear interest at such rates set forth in Schedule I attached hereto. Interest on the Bonds |
| shall be payable semiannually on May 1 and November 1 of each year, commencing May 1, 2022.          |
| The aggregate purchase price for the Bonds shall be \$ (consisting of the \$                         |
| aggregate principal amount of the Bonds plus \$ of original issue premium and less                   |
| \$ of Underwriter's discount).   |

The Bonds will be special obligations of the Agency payable solely from: (i) lease payments (the "Lease Payments") to be made by the City to the Agency for the use and occupancy of certain property and improvements (the "Property") pursuant to a Lease Agreement, dated as of September 1, 2021 (the "Lease Agreement"), by and between the Agency, as lessor, and the City, as lessee; (ii) all amounts received from rental interruption or use and occupancy insurance maintained pursuant to the Lease Agreement, if any; (iii) all amounts on deposit in the funds and accounts established pursuant to the Indenture other than the Rebate Fund; and (iv) all of the Agency's right, title and interest in and to the Lease Agreement, including all of the Agency's rights of enforcement with respect thereto, all as more particularly set forth in the Indenture.

The Property has been leased by the City to the Agency pursuant to a Site and Facility Lease, dated as of September 1, 2021 (the "Site Lease"), by and between the City and the Agency.

The Bonds are being issued for the purpose of providing funds: (1) to finance of a portion of the costs of the new Gardena Community Aquatic & Senior Center and (2) pay the costs of issuance of the Bonds..

The City will undertake, pursuant to the Continuing Disclosure Certificate relating to the Bonds (the "Continuing Disclosure Certificate"), to provide certain annual financial information and operating data concerning the City and notices of the occurrence of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement (as such term is defined herein) and will also be set forth in the Official Statement.

- (c) At 8:00 A.M., California time, on September 8, 2021, or at such other time or on such other date as mutually agreed upon by the Agency, the City and the Underwriter (such time and date herein referred to as the "Closing Date"), the Agency will, subject to the terms and conditions hereof, sell and deliver, or cause to be delivered, the Bonds to the Underwriter, in definitive form, duly executed and authenticated, together with the other documents mentioned herein, and subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (a) above in immediately available funds (such delivery and payment being herein referred to as the "Closing") to the order of the Trustee. Sale, delivery and payment as aforesaid shall be made at the offices of Quint & Thimmig LLP ("Bond Counsel"), 900 Larkspur Landing Circle, Suite 270, Larkspur, California 94939-1726, or at such other place as shall have been mutually agreed upon by the Agency and the Underwriter, except that the Bonds shall be delivered through the Trustee via the F.A.S.T. delivery book-entry system of The Depository Trust Company ("DTC") or at such other place as shall have been mutually agreed upon by the Agency and the Underwriter, in fully registered book-entry eligible form (which may be typewritten) and registered in the name of Cede & Co., as nominee of DTC.
- (d) The City and the Agency acknowledge and agree that: (i) the Underwriter is not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the City, the Agency and the

Underwriter and the Underwriter has financial and other interests that differ from those of the City and the Agency; (iii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the City or the Agency and has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters); (iv) the only obligations the Underwriter has to the City with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement; and (v) the City has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

### 2. Determination of Issue Price.

- (a) The Underwriter agrees to assist the City and the Agency in establishing the issue price of the Bonds and shall execute and deliver to the City and the Agency on the Closing Date an "issue price" or similar certificate, substantially in the form attached hereto as Exhibit B, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Special Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the City and the Agency under this Section to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.
- (b) Except for the maturities set forth in in Schedule A to Exhibit B attached hereto, the City represents that it will treat the first price at which 10% of each maturity of the Bonds (the "10% Test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). If, as of the date hereof, the 10% Test has not been satisfied as to any maturity of the Bonds for which the City has elected to utilize the 10% Test, the Underwriter agrees to promptly report to the City the prices at which Bonds of that maturity or maturities have been sold by the Underwriter to the public. That reporting obligation shall continue until the earlier of the date upon which the 10% Test has been satisfied as to the Bonds of that maturity or maturities or the Closing Date.
- (c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Exhibit B attached hereto, except as otherwise set forth therein. Schedule A to Exhibit B also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the City, the Agency and the Underwriter agree that the restrictions set forth in the next sentence shall apply (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
  - (i) the close of the fifth  $(5^{th})$  business day after the sale date; or

(ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

## (d) The Underwriter confirms that:

(i) any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(1) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity and (ii) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or such dealer that the 10% Test has been satisfied as to the Bonds of that maturity and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

The City acknowledges that, in making the representations set forth in this Section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of

the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Agency further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

- (e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this Section:
  - (i) "public" means any person other than an underwriter or a related party to an underwriter,
  - (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
  - (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are Agencys (including direct ownership by one Agency of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the Agency or the capital interests or profit interests of the partnership, as applicable, if one entity is a Agency and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (f) "sale date" means the date of execution of this Bond Purchase Agreement by all parties.
- 3. <u>Use and Preparation of Official Statement</u>. The Agency and the City hereby ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement dated August \_\_\_, 2021 relating to the Bonds (which, together with all appendices thereto, is referred to herein as the "Preliminary Official Statement"). The Agency and the City have deemed final the Preliminary Official Statement as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Agency and the City hereby

agree to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof and in any event no later than two (2) business days prior to the Closing Date, copies of the final Official Statement, dated the date hereof (which, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Agency, the City and the Underwriter, is referred to herein as the "Official Statement") in sufficient quantity to enable the Underwriter to comply with the rules of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board (the "MSRB"). The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the City shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter. The City hereby agrees to deliver or cause to be delivered to the Underwriter an electronic copy of the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission ("SEC") including in a word-searchable pdf format including any amendments thereto. The City hereby ratifies, confirms and consents to and approves the use and distribution by the Underwriter before the date hereof of the Preliminary Official Statement and hereby authorizes and consents to the use by the Underwriter of the Official Statement, in connection with the public offering and sale of the Bonds. At the time of or prior to the Closing Date, the Underwriter shall file a copy of the Official Statement with the MSRB's Electronic Municipal Market Access System.

- 4. <u>Representations, Warranties and Agreements of the Agency</u>. The Agency hereby represents, warrants and agrees with the Underwriter as follows:
- (a) The Agency is, and will be on the Closing Date, a joint exercise of powers agency of the State of California duly organized and validly existing pursuant to the laws of the State of California, with the full legal right, power and authority to issue, sell and deliver the Bonds to the Underwriter, to execute and deliver the Official Statement and to enter into the Indenture, the Lease Agreement, the Site Lease, and this Purchase Agreement (collectively, including the Bonds, the "Legal Documents");
- (b) By all necessary official action of the Agency prior to or concurrently with the acceptance hereof, the Agency has duly approved the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Agency of the obligations on its part contained in, the Legal Documents and the consummation by it of all other transactions contemplated by the Official Statement and the Legal Documents;
- (c) When delivered by the Agency and paid for by the Underwriter in accordance with the provisions of this Purchase Agreement, the Bonds will have been duly authorized, executed and delivered and will constitute the valid and binding limited obligations of the Agency in conformity with, and entitled to the benefit and security of, the Indenture;
- (d) The Agency will deliver the duly executed Bonds, the Indenture, the Site Lease and the Lease Agreement on the Closing Date and, when executed and delivered, the Legal Documents, assuming due authorization, execution and delivery by the other respective parties thereto, will constitute the legally valid and binding obligations of the Agency enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy,

insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally;

- (e) On the date hereof and as of the Closing Date, except as otherwise disclosed in the Official Statement, the Agency will be in compliance with the covenants and agreements contained in the Legal Documents, and no event of default and no event which, with the passage of time or giving of notice, or both, would constitute an event of default thereunder, shall have occurred and be continuing;
- The Agency is not in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject, any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or to which the Agency or any of its property or assets is otherwise subject wherein a breach or default could materially adversely affect the validity or enforceability of the Legal Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default; and the issuance of the Bonds and the execution and delivery of the Official Statement and the Legal Documents and compliance with the provisions on the Agency's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Agency under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Legal Documents;
- (g) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best knowledge of the Agency, threatened against the Agency in any material respect affecting the existence of the Agency or the titles of its officers to their respective offices or affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, contesting or affecting, as to the Agency, the validity or enforceability of the Legal Documents, contesting the powers of the Agency or its authority to enter into, adopt or perform its obligations under any of the foregoing or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Legal Documents;
- (h) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations in connection with the issuance of the Bonds under the Indenture have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction in the matter which are required for the due authorization by, or which would constitute a

condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Legal Documents have been duly obtained;

- (i) The Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Agency be required to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject;
- (j) The information concerning the Agency contained in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of its date and at all times after the date of the Official Statement up to and including the Closing Date, relating to the Agency, was, is and will be true, correct and complete in all material respects and did not and does not, and on the Closing Date such information concerning the Agency will not, contain any untrue statement of a material fact or omit to state any material fact which is necessary to make such statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect;
- (k) As of the date thereof and at all times subsequent thereto to and including the date which is twenty-five (25) days following the End of the Underwriting Period (as such term is defined herein) for the Bonds, the Official Statement (excluding information concerning DTC and the book-entry system, as to which no representation is made) did not and will not contain any untrue statement of a material fact regarding the Agency or omit to state a material fact regarding the Agency necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;
- If between the date hereof and the date which is twenty-five (25) days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Agency will notify the Underwriter, and, if in the opinion of the Agency, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will forthwith prepare and furnish to the Underwriter (at the expense of the Agency) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this paragraph, between the date hereof and the date which is twenty-five (25) days after the End of the Underwriting Period for the Bonds, the Agency will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;
- (m) if the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) above, at the time of each supplement or amendment thereto

and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is twenty-five (25) days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended will not contain any untrue statement of a material fact regarding the Agency or omit to state a material fact regarding the Agency necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

- (n) After the Closing Date, the Agency will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not participate in the issuance of any such amendment of or supplement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing. The Agency will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds;
- (o) As used herein and for the purposes of the foregoing, the term "End of the Underwriting Period" for the Bonds shall mean the earlier of: (i) the Closing Date, unless the Agency shall have been notified in writing to the contrary by the Underwriter on or prior to the Closing Date; or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12; provided, however, that the Agency may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Underwriter stating the date which is the End of the Underwriting Period;
- (p) The Agency will apply, or cause the application of, the proceeds of the Bonds in accordance with the Indenture and as described in the Official Statement;
- (q) Except as described in the Preliminary Official Statement and the Official Statement, the Agency has complied in all material respects with all of its previous continuing disclosure obligations under Rule 15c2-12 during the previous five years; and
- (r) Any certificate signed by any authorized official of the Agency, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the Agency to the Underwriter as to the statements made therein and that such officer shall have been duly authorized to execute the same.

All representations, warranties and agreements of the Agency shall remain operative and in full force and effect, regardless of any investigations made by or on the Underwriter's behalf, and shall survive the delivery of the Bonds.

- 5. <u>Representations, Warranties and Agreements of the City</u>. The City hereby represents, warrants and agrees with the Underwriter as follows:
- (a) The City is, and will be on the Closing Date, a municipal Agency duly organized and existing pursuant to the laws of the State of California, with the full legal right, power and authority to execute, deliver and perform its obligations, as the case may be, under: (i) this Purchase Agreement; (ii) the Continuing Disclosure Certificate; (iii) the Site Lease; and (iv) the Lease Agreement (collectively, the "City's Legal Documents");

- (b) By all necessary official action of the City prior to or concurrently with the acceptance hereof, the City has duly approved the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the City's Legal Documents and the consummation by it of all other transactions in which the City has a role contemplated by the Official Statement and the City's Legal Documents;
- (c) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best knowledge of the City, threatened against the City in any material respect affecting the existence of the City or the titles of its officers to their respective offices, affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, contesting or affecting, as to the City, the validity or enforceability of the Bonds or the City's Legal Documents, contesting the powers of the City or its authority to enter into, adopt or perform its obligations under any of the foregoing, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the City's Legal Documents or the sale and delivery of the Bonds;
- (d) The City will deliver the duly executed City's Legal Documents on the Closing Date, has duly authorized and approved the execution and delivery of the City's Legal Documents and when executed and delivered, the City's Legal Documents, assuming due authorization, execution and delivery by the other respective parties thereto, will constitute the legally valid and binding obligations of the City enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally;
- (e) On the date hereof and as of the Closing Date, except as otherwise disclosed in the Official Statement, the City will be in compliance with the covenants and agreements contained in the City's Legal Documents, and no event of default shall have occurred and be continuing and no event has occurred and is continuing which, with the passage of time or giving of notice, or both, would constitute an event of default thereunder;
- (f) The City is not in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject, any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its property or assets is otherwise subject wherein a breach or default could materially adversely affect the validity or enforceability of the City's Legal Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default; and the issuance of the Bonds and the execution and delivery of the Official Statement and the City's Legal Documents and compliance with the provisions on the City's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the City under the terms of any such law, administrative regulation, judgment, decree, loan agreement,

indenture, bond, note, resolution, agreement or other instrument, except as provided in the City's Legal Documents and the Indenture;

- (g) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the City of its obligations under the Site Lease and Lease Agreement have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction in the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the City of its obligations under the City's Legal Documents have been duly obtained;
- (h) The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the City be required to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject;
- (i) The information contained in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement (except information relating to DTC or its book-entry only system, as to which no opinion is expressed), as of its date and at all times after the date of the Official Statement up to and including the Closing Date, was, is and will be true, correct and complete in all material respects and did not and does not, and on the Closing Date such information will not, contain any untrue statement of a material fact or omit to state any material fact which is necessary to make such statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect;
- (j) As of the date thereof and at all times subsequent thereto to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds, the Official Statement (excluding information concerning the DTC and the book-entry system, as to which no representation is made) did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;
- (k) If between the date hereof and the date which is twenty-five (25) days after the End of the Underwriting Period for the Bonds, an event occurs which might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City will notify the Underwriter, and, if in the opinion of the City, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official

Statement, the City will forthwith prepare and furnish to the Underwriter (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this paragraph, between the date hereof and the date which is twenty-five (25) days after the End of the Underwriting Period for the Bonds, the City will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

- (I) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (k) above, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is twenty-five (25) days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (m) After the Closing Date, the City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not participate in the issuance of any such amendment of or supplement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds;
- (n) The financial statements of the City contained in the Preliminary Official Statement and the Official Statement fairly present the financial position of the City and results of operations thereof as of the dates and for the periods therein set forth, the City has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied and the City is not required to obtain the consent of the City's auditor to append the financial statements to the City to the Preliminary Official Statement and the Official Statement:
- (o) Except as described in the Preliminary Official Statement and the Official Statement, the City has complied with all of its previous continuing disclosure obligations under Rule 15c2-12 during the previous five years; and
- (p) Any certificate signed by any authorized official of the City, and delivered to the Underwriter in connection with the delivery of the Bonds, shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and that such officer shall have been duly authorized to execute the same.

All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by or on the Underwriter's behalf, and shall survive the delivery of the Bonds.

6. <u>Conditions to the Obligations of the Underwriter</u>. The Underwriter hereby enters into this Purchase Agreement in reliance upon the representations and warranties of the Agency and the

City contained herein, the representations and warranties of the Agency and the City to be contained in the documents and instruments to be delivered on or prior to the Closing Date and the performance by the Agency and the City of their obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties of the Agency and the City contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Agency and the City made in any certificate or other document furnished pursuant to the provisions hereof, to the performance by the Agency and the City of their respective obligations to be performed hereunder and under the Legal Documents and the City's Legal Documents, as the case may be, at or prior to the Closing Date, and also shall be subject to the following additional conditions:

- (a) The Underwriter shall receive, within seven (7) business days of the date hereof and in any event not later than two (2) business days prior to the Closing Date, copies of the Official Statement (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such quantity as the Underwriter shall have requested pursuant to Section 2 hereof;
- (b) As of the Closing Date, the Legal Documents and the City's Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Agency, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter. The Legal Documents and City's Legal Documents shall be in full force and effect and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; and there shall be in full force and effect such resolution or resolutions of the Board of Directors of the Agency and the City Council of the City as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;
- (c) On the Closing Date all necessary action of the Agency and the City relating to the issuance and sale of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented;
- (d) Between the date hereof and the Closing Date, the market price or marketability, at the initial public offering prices set forth in the Official Statement, of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of Bonds, shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by written notice to the Agency and the City terminating the obligation of the Underwriter to accept delivery of and make any payment for the Bonds), by reason of any of the following:
- (1) Any event or circumstance occurs or information becomes known, which, in the professional judgment of the Underwriter, makes untrue any statement of a material fact set forth in the Preliminary Official Statement or the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

- an amendment to the Constitution of the United States or the State of California shall have been passed, legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction in the subject matter, legislation pending in the Congress of the United States shall have been amended, legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction in the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of California authority, with respect to State of California taxation upon revenues or other income of the general character to be derived by the Agency or the City or upon interest received on obligations of the general character of the Bonds which may have the purpose or effect, directly or indirectly, of affecting the tax status of the Agency or the City, their property or income, their securities (including the Bonds), the interest thereon, or any tax exemption granted or authorized by State of California legislation or materially and adversely affecting the market for the Bonds or the market price generally of obligations of the general character of the Bonds:
- (3) legislation shall have been enacted, introduced in the Congress or recommended for passage by the President of the United States, a decision shall have been rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States or an order, ruling, regulation (final, temporary or proposed) or official statement shall have been issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction in the subject matter to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;
- (4) an order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction in the subject matter shall have been issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect:
- (5) the escalation in military hostilities or declaration by the United States of a national emergency, war or other calamity or crisis the effect of which on the financial markets is such as to make it impracticable or inadvisable to proceed with the offering or delivery of the Bonds as contemplated hereby or by the Official Statement;

- (6) the declaration of a general banking moratorium by federal, State of New York or State of California authorities, the general suspension of trading on any national securities exchange or a material disruption in commercial banking or securities settlement or clearances services:
- (7) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;
- (8) the withdrawal, downgrading or placement on "credit watch" or "negative outlook" of any rating of the Bonds or any lease obligations payable from the City's General Fund by a national rating agency;
- (9) any litigation shall be instituted or be pending on the Closing Date to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the City Resolution, the Agency Resolution, the Bonds, the City Documents, the Agency Documents or the existence or powers of the City, the Agency or the Trustee with respect to their obligations under the City Documents, the Agency Documents or the Bonds; or
- (10) An material adverse event has occurred affecting the financial condition or operation of the Agency or the City which, in the opinion of the Underwriter, requires or has required a supplement or amendment to the Official Statement
- (e) On or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:
- (1) the Preliminary Official Statement, the Official Statement and each supplement or amendment, if any, thereto, executed by the Agency and approved by the City;
- (2) copies of this Purchase Agreement, the Legal Documents and the City's Legal Documents, each duly executed and delivered by the respective parties thereto;
- (3) the approving opinion of Bond Counsel, dated the Closing Date and addressed to the Agency, in substantially the form attached to the Official Statement as Appendix E thereto, and a letter of such counsel, dated the Closing Date, and addressed to the Underwriter to the effect that such opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to the Underwriter:
- (4) the supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter in substantially the form attached hereto as Exhibit A;
- (5) the opinion of the City Attorney of the City, as counsel for the Agency, dated the Closing Date and addressed to the Underwriter, in substantially the form attached hereto as Exhibit B;
- (6) the opinion of the City Attorney of the City, dated the Closing Date and addressed to the Underwriter, in substantially the form attached hereto as Exhibit C;

- (7) the opinion of counsel to the Trustee, dated the Closing Date and addressed to the Agency, the City and the Underwriter, to the effect that: (i) the Trustee has duly authorized, executed and delivered the Indenture and has duly authenticated and delivered the Bonds on the Closing Date; and (ii) the Indenture constitutes the legally valid and binding obligations of the Trustee, enforceable against the Trustee in accordance with its terms, except that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally and the application of general principles of equity;
- (8) the opinion of Underwriter's Counsel, dated the Closing Date and addressed to the Underwriter, in form and substance satisfactory to the Underwriter;
- authorized official of the Agency satisfactory to the Underwriter, in form and substance satisfactory to the Underwriter, to the effect that: (i) the representations and warranties of the Agency contained in this Purchase Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation pending or, to the best knowledge of such official, threatened: (A) to restrain or enjoin the execution, sale or delivery of any of the Bonds; (B) in any way affecting the validity of the Bonds or the Legal Documents; or (C) in any way contesting the existence or powers of the Agency; and (iii) no event affecting the Agency has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Official Statement relating to the Agency or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein relating to the Agency not misleading in any material respect;
- a certificate or certificates, dated the Closing Date, signed by a duly authorized official of the City satisfactory to the Underwriter, in form and substance satisfactory to the Underwriter, to the effect that: (i) the representations and warranties of the City contained in the City's Legal Documents are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) there is no action, suit, proceeding, inquiry or investigation pending or, to the best knowledge of such official, threatened: (A) to restrain or enjoin the payment of the Lease Payments or the execution and delivery of the City's Legal Documents; (B) in any way contesting or affecting the validity of the City's Legal Documents; or (C) in any way contesting the existence or powers of the City, wherein an unfavorable decision, ruling or finding would make invalid or materially adversely affect the authorization, execution, delivery or performance by the City of the foregoing; (iii) nothing has come to the City's attention which would cause the City to believe that the Official Statement (excluding therefrom information concerning DTC and the book-entry system included therein), as of the date thereof and the Closing Date, contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (iv) since June 30, 2020, except as referred to in or as contemplated by the Official Statement, the City has not incurred any financial liabilities, direct or contingent, or entered into any transactions and there has not been any adverse change in the financial condition of the City that would materially and adversely affect the ability of the City to meet its obligations under the Site Lease and the Lease Agreement;
- (11) a certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Underwriter, to the effect that: (i) the

Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture; (ii) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the terms of the Indenture; (iii) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, and the authentication and delivery of the Bonds, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (iv) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, served on, or, to the best knowledge of such officer, threatened against, the Trustee, affecting the existence of the Trustee or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Indenture against the Trustee, or contesting the power of the Trustee or its authority to enter into, adopt or perform its obligations under the Indenture, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture against the Trustee or the authentication and delivery of the Bonds;

- (12) a certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Indenture;
- (13) certified copies of the resolutions of the Agency authorizing the execution and delivery of the Legal Documents and the Official Statement;
- (14) certified copies of the resolutions of the City authorizing the execution and delivery of the City's Legal Documents and the preparation and distribution of the Preliminary Official Statement and the Official Statement;
- (15) evidence satisfactory to the Underwriter that ratings on the Bonds described in the Official Statement are in full force and effect as of the Closing Date;
- (16) a copy of the Blue Sky memorandum with respect to the Bonds, if any, prepared by Underwriter's Counsel;
- (17) a CLTA title insurance policy insuring the Agency's and the City's interests in the Lease Agreement and a CLTA owner's policy insuring the City's ownership of the Property, in each case in an amount equal to not less than the par amount of the Bonds and otherwise in compliance with Section 5.6 of the Lease Agreement;
- (18) evidence of such insurance required by Section 5.3, 5.4 and 5.5 of the Lease Agreement, in each case naming the Trustee as an additional insured;

- (19) the Report of Proposed Debt Issuance Sale and Report of Final Debt Issuance required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(g) and 53583 of the Government Code of the State of California;
- (20) the Blanket Letter of Representations of the Agency to DTC, relating to the book-entry only system;
- (21) Evidence that a Notice of Joint Exercise of Powers Agreement has been filed with respect to the Agency with the California Secretary of State; and
- (22) such additional legal opinions, certificates, proceedings, instruments, insurance policies or evidences thereof and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the representations of the Agency and the City herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Agency and the City on or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by the Agency and the City in connection with the transactions contemplated hereby and by the Official Statement, the Legal Documents and the City's Legal Documents.

If the Agency or the City shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the Agency and the City, and neither the Underwriter, the Agency nor the City shall have any further obligations hereunder.

- Expenses. All expenses and costs of the City and the Agency incident to the 7. performance of its obligations hereunder and relating to the execution and sale of the Bonds to the Underwriter, including the costs of printing or reproduction of the Bonds, the City Documents, the Agency Documents and the Official Statement in reasonable quantities, fees of consultants, fees of rating agencies, fees of obtaining title insurance, advertising expenses, fees and expenses of the Trustee and its counsel, fees and expenses of the Agency and its counsel and fees and expenses of counsel to the City, Special Counsel and Disclosure Counsel, shall be paid by the City from the proceeds of the Bonds or other revenues of the City. The City shall be solely responsible for and shall pay for any expenses incurred by the Underwriter on behalf of the City's employees and representatives, which are incidental to implementing this Contract of Purchase, including, but not limited to, meals, transportation, lodging, and entertainment of those employees and representatives. All other expenses and costs of the Underwriter incurred under or pursuant to this Contract of Purchase, including, without limitation, the cost of preparing this Contract of Purchase and other Underwriter documents, travel expenses and the fees and expenses of counsel to the Underwriter, shall be paid by the Underwriter (which may be included as an expense component of the Underwriter's discount).
- 8. <u>Notices</u>. Any notice or other communication to be given: (i) to the Agency under this Purchase Agreement may be given by delivering the same in writing to the Agency, 1700 West 162nd Street, Gardena, CA 90247-1310, Attention: Executive Director; (ii) to the City under this Purchase Agreement may be given by delivering the same in writing to the City, 1700 West 162nd Street, Gardena, CA 90247-1310, Attention: City Manager; and (iii) to the Underwriter under this

Purchase Agreement may be given by delivering the same in writing to the Underwriter: BofA Securities, Inc., 333 South Hope Street, Suite 3820, Los Angeles, California 90071, Attention: Jeffrey Bower, Managing Director.

- 9. <u>Survival of Representations and Warranties</u>. The Agency's and the City's representations, warranties and agreements contained in this Purchase Agreement or made in any certificate delivered hereunder shall remain operative and in full force and effect, regardless of: (i) any investigations or statements made by or on behalf of the Underwriter; and (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement.
- 10. <u>Effectiveness and Counterpart Signatures</u>. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution hereof by duly authorized officers of the Agency and the City and shall be valid and enforceable as of the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.
- 11. <u>Parties in Interest</u>. This Purchase Agreement is made solely for the benefit of the Agency, the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.
- 12. <u>Headings</u>. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.
- 13. <u>Governing Law</u>. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Purchase Agreement, effective as of the day and year first above written.

|                                       | BOFA SECURITIES, INC., as Underwriter |
|---------------------------------------|---------------------------------------|
|                                       | By:Authorized Representative          |
| Accepted:                             |                                       |
| CITY OF GARDENA FINANCING AGENCY      |                                       |
| By:<br>Title:                         |                                       |
| APPROVED AS TO FORM:<br>City Attorney |                                       |
| CITY OF GARDENA                       |                                       |
| By: Title:                            |                                       |
| APPROVED AS TO FORM:<br>City Attorney |                                       |
|                                       |                                       |

# **SCHEDULE I**

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# CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

# **MATURITY SCHEDULE**

Maturity Date Principal Interest
(May 1) Amount Rate Yield Price

#### **EXHIBIT A**

# FORM OF SUPPLEMENTAL OPINION OF QUINT & THIMMIG LLP

September , 2021

BofA Securities, Inc. Los Angeles, California

> City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021 (Supplemental Opinion)

#### Ladies and Gentlemen:

This letter is addressed to you, as the Underwriter, pursuant to Section 5(e)(4) of the Bond Purchase Agreement, dated September \_\_\_, 2021 (the "Purchase Agreement"), among BofA Securities, Inc., (the "Underwriter"), the City of Gardena Financing Agency (the "Agency") and the City of Gardena (the "City"), providing for the purchase of \$\_\_\_\_\_\_ aggregate principal amount of the City of Gardena Financing Agency (Los Angeles County, California Lease Revenue Bonds, Series 2021 (the "Bonds"). The Bonds are being issued pursuant to the Indenture of Trust, dated as of September 1, 2021 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture or, if not defined in the Indenture in the Purchase Agreement.

We have delivered our final legal opinion (the "Bond Opinion") as bond counsel to the Agency concerning the validity of the Bonds and certain other matters, dated the date hereof and addressed to the Agency. You may rely on such opinion as though the same were addressed to you.

In connection with our role as bond counsel to the Agency, we have reviewed the Purchase Agreement, the Indenture, the Lease Agreement, the Site Lease, opinions of counsel to the Agency, the Trustee and the City, certificates of the Agency, the Trustee, the City and others, and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth in the numbered paragraphs below.

The opinions and conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Agency. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal

conclusions contained in the opinions, referred to in the third paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Indenture, the Lease Agreement, the Site Lease, and the Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities and public authorities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement dated September \_\_\_, 2021 (the "Official Statement") or other offering material relating to the Bonds and express no opinion relating thereto except as expressly set forth in numbered paragraph 2 below.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

- 1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.
- 2. The statements contained in the Official Statement under the captions "THE BONDS," "SECURITY FOR THE BONDS," "TAX MATTERS," "APPENDIX E PROPOSED FORM OF BOND COUNSEL OPINION" and "APPENDIX D SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS," excluding any material that may be treated as included under such captions by reference to other documents, insofar as such statements expressly summarize certain provisions of the Indenture, the Lease Agreement and the Site Lease and the form and content of our Bond Opinion, are accurate in all material respects.
- 3. The Legal Documents have been duly executed and delivered by, and are the valid and binding agreements of, the Agency and the City.

We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 2 above), completeness or fairness of any of the statements contained in the Official Statement, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as bond counsel to the Agency in connection with the issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of the Agency, the City, their respective counsel, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Agency and City and others and on the records, documents, certificates, opinions and matters herein mentioned, subject to the limitations on our role as bond counsel, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services with respect to the Official Statement which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or

expressions of opinion, or any information about book-entry, DTC, the Underwriter, underwriting and the information contained in Appendices A, B and C included or referred to therein, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This letter is furnished by us as bond counsel to the Agency. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you as the Underwriter of the Bonds, is solely for your benefit as such Underwriter and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

**QUINT & THIMMIG LLP** 

#### **EXHIBIT B**

# FORM OF OPINION OF AGENCY COUNSEL

BofA Securities, Inc. Los Angeles, California 90071

\$\_\_\_\_\_CITY OF GARDENA FINANCING AGENCY
(Los Angeles County, California)
Lease Revenue Bonds, Series 2021

### Ladies and Gentlemen:

As City Attorney of the City of Gardena (the "City"), I am acting as counsel to the City of Gardena Financing Agency (the "Agency"), a joint exercise of powers authority organized and existing pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California in connection with the issuance of \$\_\_\_\_\_\_ principal amount of City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021 (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of September 1, 2021 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). I have examined the following documents: (i) the Site and Facility Lease, dated as of September 1, 2021 (the "Site Lease"), by and between the City and the Agency; (ii) the Lease Agreement, dated as of September 1, 2021 (the "Lease Agreement,"), by and between the Agency and the City; (iii) the Indenture; (iv) the Bond Purchase Agreement, dated September \_\_\_, 2021 (the "Purchase Agreement"), by and between the Agency and BofA Securities, Inc., as the Underwriter, and acknowledged by the City; and (v) the Official Statement, dated September \_\_\_, 2021 (the "Official Statement") relating to the Bonds, and have made such other investigations of law and fact as I have deemed necessary to render the following opinion. Terms used herein and not defined shall have the meanings given such terms in the Purchase Agreement.

# It is my opinion that:

- (1) The Agency is a joint exercise of powers authority duly organized and validly existing pursuant to the laws of the State of California.
- (2) The resolution of the Agency approving and authorizing the execution and delivery of the Indenture, the Site Lease, the Lease Agreement and the Purchase Agreement and approving the execution, delivery and distribution of the Official Statement, by the Agency was duly adopted at a meeting of the Board of Directors of the Agency, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.
- (3) The Agency has the necessary power and authority to execute and deliver the Indenture, the Site Lease, the Lease Agreement and the Purchase Agreement.

- (4) The Official Statement has been duly authorized, executed and delivered, and the Indenture, the Site Lease, the Lease Agreement and the Purchase Agreement have been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the other parties thereto, the Indenture, the Site Lease, the Lease Agreement and the Purchase Agreement constitute legal, valid and binding agreements of the Agency, enforceable in accordance with their respective terms, subject in each case to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, the application of equitable principles if equitable remedies are sought and the limitations on legal remedies against public agencies in the State of California.
- (5) The execution and delivery of the Indenture, the Site Lease, the Lease Agreement and the Purchase Agreement by the Agency, and compliance by the Agency with the provisions thereof will not conflict with or constitute on the part of the Agency a breach of, or default under, the Joint Powers Agreement (as such term is defined in the Indenture), or any agreement or other instrument to which the Agency is a party or by which it is bound or any existing law, regulation, court order or decree to which the Agency is subject.
- (6) Except as described in the Official Statement, no approval, consent or authorization of any governmental or public agency, authority or person is required for the execution, delivery and performance by the Agency of the Indenture, the Site Lease, the Lease Agreement or the Purchase Agreement which has not been obtained, provided that no opinion is expressed with respect to qualification under Blue Sky or other state securities laws.
- (7) Based upon my participation in the preparation of the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to my attention which would cause me to believe that the Official Statement (excluding therefrom financial statements, statistical data, information concerning DTC and the book-entry system included therein and the Appendices thereto, as to which no opinion is expressed), as of the date thereof and the Closing Date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (8) Except as described in the Official Statement, to the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the Agency or any of its officers in their respective capacities as such (nor to the best of my knowledge, is there any basis therefor), which questions the powers of the Agency in connection with the transactions contemplated by the Indenture, the Site Lease, the Lease Agreement, the Purchase Agreement or the Official Statement, or the validity of the proceedings taken by the Agency in connection with the authorization, execution or delivery of the Bonds, the Indenture, the Site Lease, the Lease Agreement, the Purchase Agreement, or wherein any unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Indenture, the Site Lease, the Lease Agreement, the Purchase Agreement or the Official Statement, or which in any way would adversely affect the validity or enforceability of the Indenture, the Site Lease, the Lease Agreement, the Purchase Agreement, or, in any material respect, the ability of the Agency to perform its obligations thereunder.
- (9) The assignment of rights by the Agency to the Trustee pursuant to the Indenture is effective to grant to the Trustee all of the rights granted thereby (including the right to receive

payments paid by the City under the Lease Agreement) free and clear of any lien or security interest or other claim of any third party or entity claiming by or through the Agency other than as set forth in the Official Statement.

The opinions set forth herein represent Agency Counsel's judgment as to the law applicable to the facts of the matter and are not guarantees as to such judgment.

I am furnishing this letter solely for your benefit. This letter is not to be used, circulated, quoted or otherwise referred to for any other purpose.

| Very truly yo | ours,  |  |
|---------------|--------|--|
| AGENCY C      | OUNSEL |  |
|               |        |  |

#### **EXHIBIT C**

### FORM OF OPINION OF CITY ATTORNEY

BofA Securities, Inc. Los Angeles, California 90071

# \$\_\_\_\_\_CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

#### Ladies and Gentlemen:

As City Attorney of the City of Gardena (the "City"), I am acting as counsel to the City in connection with the issuance of \$ principal amount of City of Gardena Financing Agency (Los Angeles County, California) Lease Revenue Bonds, Series 2021 (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of September 1, 2021 (the "Indenture"), by and between the City of Gardena Financing Agency (the "Agency") and U.S. Bank National Association, as trustee (the "Trustee"). I have examined the following documents: (i) the Site and Facility Lease, dated as of September 1, 2021 (the "Site Lease"), by and between the City and the Agency; (ii) the Lease Agreement, dated as of September 1, 2021 (the "Lease Agreement"), by and between the Agency and the City; (iii) the Indenture; (iv) the Continuing Disclosure Certificate dated as of September 1, 2021 (the "Continuing Disclosure Certificate"), to be executed by the City and acknowledged by the Trustee, as Dissemination Agent; (v) the Bond Purchase Agreement, dated September , 2021 (the "Purchase Agreement"), by and between the Agency and BofA Securities, Inc., as the Underwriter, and acknowledged by the City; and (vi) the Official Statement, dated September , 2021 (the "Official Statement") relating to the Bonds, and have made such other investigations of law and fact as I have deemed necessary to render the following opinion. Terms used herein and not defined shall have the meanings given such terms in the Purchase Agreement.

### It is my opinion that:

- (1) The City is a municipal Agency of the State of California (the "State"), duly organized and validly existing under the laws of the State.
- (2) The resolution of the City approving and authorizing the execution and delivery of the Site Lease, the Lease Agreement, the Continuing Disclosure Certificate and the Purchase Agreement (collectively, the "City's Legal Documents") and approving and authorizing the distribution of the Official Statement by the City was duly adopted at a meeting of the City Council of the City, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.
- (3) The City has the necessary power and authority to execute and deliver the City's Legal Documents.

- (4) The Official Statement has been duly authorized by the City and City's Legal Documents have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, the City's Legal Documents constitute the legal, valid and binding agreements of the City enforceable in accordance with their terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, the application of equitable principles if equitable remedies are sought and limitations on legal remedies against municipal corporations in the State.
- (5) The execution and delivery of the City's Legal Documents by the City, and compliance by the City with the provisions thereof will not conflict with or constitute a breach of, or default under, any agreement or other instrument to which the City is a party or by which it is bound, or any existing law, regulation, court order or decree to which the City is subject or any provision of the laws of the State relating to the City and its affairs.
- (6) Except as described in the Official Statement, no approval, consent or authorization of any governmental or public agency, authority or person is required for the execution, delivery and performance by the City of the City's Legal Documents which has not been obtained, provided that no opinion is expressed with respect to qualification under Blue Sky or other state securities laws.
- (7) Based upon my participation in the preparation of the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to my attention which would lead me to believe that the Official Statement (excluding therefrom financial statements, statistical data, information concerning DTC and the book-entry system included therein and Appendices A and E thereto, as to which no opinion is expressed) as of the date thereof and the Closing Date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (8) Except as described in the Official Statement, to the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, or before any court, governmental agency, public board or body, pending or threatened against or affecting the City or any of its officers in their respective capacities as such (nor to the best of my knowledge, is there any basis therefor), which questions the powers of the City in connection with the transactions contemplated by the City's Legal Documents or the Official Statement, or the validity of the City's Legal Documents or wherein any unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the City's Legal Documents or the Official Statement, or which, in any way, would adversely affect the validity or enforceability of the City's Legal Documents or, in any material respect, the ability of the City to perform its obligations thereunder.

The opinions set forth herein represent the City Attorney's judgment as to the law applicable to the facts of the matter and are not guarantees as to such judgment.

| I am furnishing this letter solely for your benefit. This letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. |
|--|
| Very truly yours,  |
| CITY ATTORNEY  |
|  |

#### **EXHIBIT D**

### FORM OF ISSUE PRICE CERTIFICATE OF THE UNDERWRITER

# \$\_\_\_\_\_CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

The undersigned, on behalf of BofA Securities, Inc. ("BofA") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the "Bonds").

- 1. **Sale of the General Rule Maturities**. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.
  - 2. Initial Offering Price of the Hold-the-Offering-Price Maturities.
- (a) BofA offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.
- (b) As set forth in the Bond Purchase Agreement, dated [\_\_\_\_\_], 2021, by and between BofA, the Agency and the City, BofA has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement, to comply with the hold-the-offering-price rule. BofA has not offered or sold any unsold Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

# 3. **Defined Terms**.

- (a) *City* means the City of Gardena.
- (b) Agency means the City of Gardena Financing Agency.
- (c) General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."
- (d) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

| (e) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([], 2021), or (ii) the date on which BofA has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.   |  |
|---|--|
| (f) <i>Maturity</i> means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.  |  |
| (g) <i>Public</i> means any person (including an individual, trust, estate, partnership, association, company, or Agency) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.  |  |
| (h) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [], 2021.  |  |
| (i) Underwriter means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).   |  |
| The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents BofA's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Quint & Thimmig LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds. The certifications contained herein are not necessarily based on personal knowledge of the undersigned but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. |  |
|   |  |
| BofA SECURITIES, INC.   |  |
| By:   |  |
| Name:   |  |
| Title:  |  |

Dated: [\_\_\_\_], 2021

# **SCHEDULE A**

# SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

CITY OF GARDENA FINANCING AGENCY (Los Angeles County, California) Lease Revenue Bonds, Series 2021

| Maturity | Principal     | Interest |              |              |
|----------|---------------|----------|--------------|--------------|
| (May 1)  | <u>Amount</u> | Rate     | <u>Yield</u> | <b>Price</b> |

General Rule Maturities.

<sup>\*\*</sup> Hold-the-Offering-Price Maturities.

\*\*\* Priced to the first optional redemption date of [\_\_\_\_\_\_].

# **SCHEDULE B**

# PRICING WIRE OR EQUIVALENT COMMUNICATION

#### **RESOLUTION NO. 6528**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA AMENDING CERTAIN 2017 LEASE FINANCING DOCUMENTS TO PROVIDE FOR THE SUBSTITUTION OF THE PROPERTY AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS RELATING THERETO

RESOLVED, by the City Council (the "Council") of the City of Gardena Financing Agency (the "City") as follows:

WHEREAS, the City and the City of Gardena Financing Agency (the "Agency") have heretofore entered into that certain Site and Facility Lease, dated as of June 1, 2017 (the "Site and Facility Lease"), pursuant to which the City leased certain real property and improvements described in Exhibits A and B thereto (collectively, the "Property") to the Agency and the Agency leased the Property from the City;

WHEREAS, the Agency and the City have heretofore entered into that certain Lease Agreement, dated as of June 1, 2017 (the "Lease Agreement"), pursuant to which the Agency leased the Property to the City and the City leased the Property from the Agency and pursuant to which the City agreed to make certain lease payments (the "Lease Payments") to the Agency;

WHEREAS, the Agency and ZB, National Association, now known as Zions Bancorporation, N.A. (the "Assignee"), have heretofore entered into that certain Assignment Agreement, dated as of June 1, 2017 (the "Assignment Agreement"), pursuant to which the Agency assigned to the Assignee its right to receive the Lease Payments;

WHEREAS, the City has determined that it is necessary to amend the description of the Property, as set forth in the Site and Facility Lease and the Lease Agreement to substitute the real property and improvements described therein:

WHEREAS, Section 7.6 of the Lease Agreement grants to the City the option to substitute the Property, provided that the City shall satisfy certain requirements which are conditions precedent to such substitution;

WHEREAS, the City will satisfy all such requirements; and

WHEREAS, the documents below specified have been filed with the City and the members of the Council, with the aid of its staff, have reviewed said documents;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. The below-enumerated documents, in the forms on file with the City Clerk, be and are hereby approved, and the Mayor, the City Manager or the Finance Director, or the designee of any such official, is hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official:

- (a) an amendment to the Site and Facility Lease; and
- (b) an amendment to the Lease Agreement.

Section 2. The Mayor, the City Manager, the Finance Director, the City Clerk and all other officers of the City are each authorized and directed in the name and on behalf of the City to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the documents approved pursuant to this Resolution. Whenever in this Resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 3. This Resolution shall take effect immediately.

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

| * * * * *  |
|--|
| I, the undersigned hereby certify that the foregoing Resolution was duly and regularly adopted and passed by City Council of the City of Gardena at a regular meeting assembled on the 10th day of August, 2021, by the following vote to wit: |
| AYES:  |
| NOES:  |
| ABSENT:  |
| ABSTAIN:   |
|  |
|  |
| TASHA CERDA, Mayor   |
| ATTEST:  |
| MINA SEMENZA, City Clerk   |
|  |

Quint & Thimmig LLP 07/15/21 07/22/21

### AFTER RECORDATION PLEASE RETURN TO:

Quint & Thimmig LLP 900 Larkspur Landing Circle, Suite 270 Larkspur, CA 94939-1726 Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

### FIRST AMENDMENT TO SITE AND FACILITY LEASE

(Amending that Certain Site and Facility Lease, dated as of June 1, 2017, by and between the City of Gardena and the City of Gardena Financing Agency)

Dated as of August 1, 2021

by and between the

CITY OF GARDENA, as Lessor

and the

CITY OF GARDENA FINANCING AGENCY, as Lessee

# FIRST AMENDMENT TO SITE AND FACILITY LEASE

THIS FIRST AMENDMENT TO SITE AND FACILITY LEASE, dated as of August 1, 2021, is by and between the CITY OF GARDENA, a municipal corporation and general law city, duly organized and existing under and by virtue of the laws of the State of California, as lessor (the "City"), and the CITY OF GARDENA FINANCING AGENCY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California, as lessee (the "Agency"), amending that certain Site and Facility Lease, dated as of June 1, 2017, by and between the City and the Agency, and recorded on June 29, 2017, as document number 20170728410, in the Official Records of Los Angeles County, California (the "Site and Facility Lease");

#### WITNESSETH:

WHEREAS, the City and the Agency have heretofore entered into the Site and Facility Lease, pursuant to which the City leased certain real property, described in Exhibits A and B thereto (the "Property") to the Agency and the Agency leased the Property from the City;

WHEREAS, the Agency and the City have heretofore entered into the Lease Agreement, dated as of June 1, 2017, recorded by memorandum on June 29, 2017, as document number 20170728411, in the Official Records of Los Angeles County, California, a first amendment thereto being recorded concurrently herewith (the "Lease Agreement"), pursuant to which the Agency leased the Property to the City and the City leased the Property from the Agency;

WHEREAS, the Agency and ZB, National Association, now known as Zions Bancorporation, N.A. (the "Assignee"), have heretofore entered into the Assignment Agreement, dated as of June 1, 2017, recorded on June 29,2017, as document number 20170728412, in the Official Records of Los Angeles, California, a first amendment thereto being recorded concurrently herewith (the "Assignment Agreement"), pursuant to which the Agency assigned to the Assignee its right to receive lease payments made by the City under the Lease Agreement (the "Lease Payments");

WHEREAS, the City has determined that it is necessary to amend the description of the Property, as set forth in the Site and Facility Lease, the Lease Agreement and the Assignment Agreement to release the existing Site and Facility and to substitute other real property and improvements therefor; and

WHEREAS, Section 7.6 of the Lease Agreement authorizes amendment of the Site and the Facility Lease, the Lease Agreement and the Assignment Agreement, to substitute the Site and/or the Facility, subject to certain conditions precedent set forth therein;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

# SECTION 1. Amendment of the Site and Facility Lease.

- (a) The description of the Site contained in Exhibit A to the Site and Facility Lease is hereby amended by releasing and terminating from the Site and Facility Lease all property described in Exhibit A attached thereto. The resulting description of the Site shall be as described in Exhibit B attached hereto which shall modify and replace in its entirety Exhibit A attached to the Site and Facility Lease.
- (b) The description of the Facility contained in Exhibit B to the Site and Facility Lease is hereby amended by releasing and terminating from the Site and Facility Lease all improvements described in Exhibit C attached hereto. The resulting description of the Facility shall be as described in Exhibit D attached hereto which shall modify and replace in its entirety Exhibit B attached to the Site and Facility Lease.
- (c) By virtue of such substitutions, the City hereby leases to the Agency and the Agency hereby leases from the City, the Site, as now described in Exhibit B attached hereto, and the Facility, as now described in Exhibit D attached hereto.
- SECTION 2. <u>Site and Facility Lease in Full Force and Effect</u>. Except as amended by this First Amendment to Site and Facility Lease, the Site and Facility Lease remains in full force and effect.
- SECTION 3. <u>Execution in Counterparts</u>. This First Amendment to Site and Facility Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- SECTION 4. <u>Applicable Law</u>. This First Amendment to Site and Facility Lease shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the City and the Agency have caused this First Amendment to Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

|   | CITY OF GARDENA                     |
|---|-------------------------------------|
|   | By<br>Clint Osorio<br>City Manager  |
|   | CITY OF GARDENA FINANCING<br>AGENCY |
|   | ByClint Osorio                      |
| APPROVED:   | Executive Director                  |
| ZIONS BANCORPORATRION, N.A, formerly known as ZB, National Association, as Assignee |                                     |
| By<br>Name<br>Title   |                                     |

# [NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

# **EXHIBIT A**

# **RELEASED SITE**

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

THOSE PORTIONS OF BLOCK 18 OF BROADACRES, IN THE CITY OF GARDENA, AS PER MAP RECORDED IN BOOK 30 PAGE 42 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

LOTS 1 AND 2 OF SAID BLOCK 18, EXCEPT THE WESTERLY 142.5 FEET OF LOTS 1 AND 2. ALSO EXCEPTING THE SOUTH 44.04 OF LOT 2.

#### **EXHIBIT B**

#### **DESCRIPTION OF THE RESULTING SITE**

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

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF GARDENA, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHWEST CORNER OF THE ROWLEY PARK PROPERTY IN THE CITY OF GARDENA, CALIFORNIA, SAID PROPERTY HAVING ASSESSOR NUMBER 4061-022-901, AND BEING THE POINT OF BEGINNING, THEN GOING NORTH 629.0 FEET, THEN EAST 18.5 FEET TO THE SOUTHWEST CORNER OF BUILDING NUMBER ONE. FROM SAID POINT THE OUTLINE OF THE BUILDING IS DEFINED BY TRAVERSING NORTH 97.8 FEET, THEN EAST 60.2 FEET, THEN SOUTH 97.8 FEET, THEN WEST 60.2 FEET TO THE SOUTHWEST CORNER OF BUILDING ONE. THE BUILDING FOOTPRINT IS APPROXIMATELY 5,888 SOUARE FEET.

EXCEPT ALL OIL, GAS, AND/OR OTHER HYDROCARBON SUBSTANCES LYING UNDER AND WITHIN SAID LAND, WHICH RESERVATION IS SUBJECT TO THE FOLLOWING CONDITIONS, TOWIT: THAT THE DEFENDANTS SHALL NEVER HAVE ANY RIGHT OF ENTRY UPON THE PARCEL OF LAND BEING CONDEMNED FOR THE PURPOSE OF DEVELOPING OIL, GAS, OR OTHER HYDROCARBON SUBSTANCES, BUT THAT DEVELOPMENT THEREOF MAY BE MADE BY MEANS OF WELLS UNTO ADJACENT LANDS OWNED BY THE DEFENDANTS; NO SUCH WELL, HOWEVER, TO BE DRILLED NEARER THAN 150 FEET TO THE BOUNDARIES OF SAID PARCEL OF LAND, BEING CONDEMNED, AS RESERVED IN THE FINAL DECREE OF CONDEMNATION ENTERED IN SUPERIOR COURT LOS ANGELES COUNTY, CASE NO. 534017; A CERTIFIED COPY OF SAID DECREE BEING RECORDED OCTOBER 1, 1947 IN BOOK 25246 PAGE 176 OF OFFICIAL RECORDS.

PORTION OF APN: 4061-022-901

## **EXHIBIT C**

## **RELEASED FACILITY**

The Facility is the City's **Fire Department Headquarters** located on the Site at 1650 West 162nd Street in the City of Gardena. The station was built in 1964, contains 17,915 square feet of space, houses a an engine, a paramedic unit and a utility truck and is staffed by eight sworn personnel and three civilians.

## **EXHIBIT D**

## **DESCRIPTION OF THE RESULTING FACILITY**

**Rowley Park Recreation Center is** located at 13220 South Van Ness Avenue within the 18.17-acre Rowley Park. The facility has a kitchen, two classrooms and a large meeting room. The space is currently used for the City's senior lunch program, dance classes, summer camp, neighborhood watch meetings, and other City related meetings and activities. The facility was recently updated with audio visual equipment to continue to serve the Gardena community.

Quint & Thimmig LLP 07/15/21 07/22/21

#### AFTER RECORDATION PLEASE RETURN TO:

Quint & Thimmig LLP 900 Larkspur Landing Circle, Suite 270 Larkspur, CA 94939-1726 Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

#### FIRST AMENDMENT TO LEASE AGREEMENT

(Amending that Certain Lease Agreement, dated as of December 1, 2017, by and between the City of Gardena Financing Agency and the City of Gardena)

Dated as of August 1, 2021

by and between the

CITY OF GARDENA FINANCING AGENCY, as Lessor

and the

CITY OF GARDENA, as Lessee

#### FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT, dated as of August 1, 2021, is by and between the CITY OF GARDENA FINANCING AGENCY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California, as lessor (the "Agency"), and the CITY OF GARDENA, a municipal corporation and general law city, duly organized and existing under and by virtue of the laws of the State of California, as lessee (the "City"), amending that certain Lease Agreement, dated as of June 1, 2017, by and between the Agency and the City, and recorded by memorandum on June 29, 2017, as document number 20170728411, in the Official Records of Los Angeles County, California (the "Lease Agreement");

#### WITNESSETH:

WHEREAS, the City and the Agency have heretofore entered into the Site and Facility Lease, dated as of June 1, 2017, recorded on June 29,2017, as document number 20170728410, in the Official Records of Los Angeles County, California, a first amendment thereto being recorded concurrently herewith (the "Site and Facility Lease"), pursuant to which the City leased certain real property, described in Exhibits A and B thereto (the "Property") to the Agency and the Agency leased the Property from the City;

WHEREAS, the Agency and the City have heretofore entered into the Lease Agreement, pursuant to which the Agency leased the Property to the City and the City leased the Property from the Agency;

WHEREAS, the Agency and ZB, National Association, now known as Zions Bancorporation, N.A. (the "Assignee") have heretofore entered into the Assignment Agreement, dated as of June 1, 2017, recorded on June 29, 2017, as document number 20170728412, in the Official Records of Los Angeles County, California, a first amendment thereto being recorded concurrently herewith (the "Assignment Agreement"), pursuant to which the Agency assigned to the Assignee its right to receive lease payments made by the City under the Lease Agreement (the "Lease Payments");

WHEREAS, the City has determined that it is necessary to amend the description of the Property, as set forth in the Site and Facility Lease, the Lease Agreement and the Assignment Agreement to release the existing Property and to substitute other real property and improvements therefor; and

WHEREAS, Section 7.6 of the Lease Agreement authorizes amendment of the Site and the Facility Lease, the Lease Agreement and the Assignment Agreement to substitute the Property, subject to certain conditions precedent set forth therein;

WHEREAS, the City and the Agency deem it necessary and desirable that the Site and Facility Lease, the Lease Agreement and the Assignment Agreement be so amended;

WHEREAS, any such substitution of the Property requires that:

(a) the City file with the Agency and the Assignee an amended Exhibit A to the Site and Facility Lease which adds thereto a description of such substitute site and deletes therefrom the description of the former site;

- (b) the City file with the Agency and the Assignee an amended Exhibit A to the Lease Agreement which adds thereto a description of such substitute site and deletes therefrom the description of the former site;
- (c) the City file with the Agency and the Assignee an amended Exhibit B to the Site and Facility Lease which adds thereto a description of such substitute facility and deletes therefrom the description of the former facility;
- (d) the City file with the Agency and the Assignee an amended Exhibit B to the Lease Agreement which adds thereto a description of such substitute facility and deletes therefrom the description of the former facility;
- (e) the City certify in writing to the Agency and the Assignee that the City holds fee title to the substitute Property which serves the purposes of the City, constitutes property that is unencumbered, and constitutes property which the City is permitted to lease under the laws of the State of California;
- (f) the City deliver to the Agency and the Assignee evidence (which may be insurance values or any other reasonable basis of valuation and need not require an appraisal) that the value of the Property following such substitution is equal to or greater than the unpaid principal amount of the Lease Agreement;
- (g) the substitute Property shall not cause the City to violate any of its covenants, representations and warranties made in the Lease Agreement; and
- (h) the City certify in writing to the Agency and the Assignee that the substitute Property is essential to the City as was the former Property,

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

#### SECTION 1. Amendment of the Lease Agreement.

- (a) The description of the Site contained in Exhibit A to the Lease Agreement is hereby amended by releasing and terminating from the Lease Agreement all property described in Exhibit A attached thereto. The resulting description of the Site shall be as described in Exhibit B attached hereto which shall modify and replace in its entirety Exhibit A attached to the Lease Agreement.
- (b) The description of the Facility contained in Exhibit B to the Lease Agreement is hereby amended by releasing and terminating from the Lease Agreement all improvements described in Exhibit C attached hereto. The resulting description of the Facility shall be as described in Exhibit D attached hereto which shall modify and replace in its entirety Exhibit B attached to the Lease Agreement.
- (c) By virtue of such substitutions, the Agency hereby leases to the City and the City hereby leases from the Agency, the Site, as now described in Exhibit B attached hereto, and the Facility, as now described in Exhibit D attached hereto.

## SECTION 2. Other Conditions Satisfied. The City hereby certifies that:

- (a) the City has filed with the Agency and the Assignee an amended Exhibit A to the Site and Facility Lease which adds thereto a description of such substitute site and deletes therefrom the description of the former site;
- (b) the City has filed with the Agency and the Assignee an amended Exhibit A to the Lease Agreement which adds thereto a description of such substitute site and deletes therefrom the description of the former site;
- (c) the City has filed with the Agency and the Assignee an amended Exhibit B to the Site and Facility Lease which adds thereto a description of such substitute facility and deletes therefrom the description of the former facility;
- (d) the City has filed with the Agency and the Assignee an amended Exhibit B to the Lease Agreement which adds thereto a description of such substitute facility and deletes therefrom the description of the former facility;
- (e) the City has certified to the Agency and the Assignee that the City holds fee title to the substitute Property which serves the purposes of the City, constitutes property that is unencumbered, and constitutes property which the City is permitted to lease under the laws of the State of California;
- (f) the City has delivered to the Agency and the Assignee evidence that the value of the Property following such substitution is equal to or greater than the unpaid principal amount of the Lease Agreement;
- (g) the substitute Property will not cause the City to violate any of its covenants, representations and warranties made in the Lease Agreement; and
- (h) the City has certified to the Agency and the Assignee that the substitute Property is essential to the City as was the former Property,
- SECTION 3. <u>Lease Agreement</u> in Full Force and Effect. Except as amended by this First Amendment to Lease Agreement, the Lease Agreement remains in full force and effect.
- SECTION 4. <u>Execution in Counterparts</u>. This First Amendment to Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- SECTION 5. <u>Applicable Law</u>. This First Amendment to Lease Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Agency and the City have caused this First Amendment to Lease Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

|  | CITY OF GARDENA FINANCING<br>AGENCY                |
|--|--|
|  | ByClint Osorio Executive Director  CITY OF GARDENA |
|  |  |
| APPROVED:  | By<br>Clint Osorio<br>City Manager                 |
| ZIONDS BANCORPORATIOIN (formerly known as ZB, National Association), as Assignee |  |
| By<br>Name<br>Title  |  |

# [NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

## **EXHIBIT A**

## **RELEASED SITE**

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

Those portions of Block 18 of Broadacres, in the City of Gardena, as per map recorded in Book 30 Page 42 of Miscellaneous Records, in the Office of the County of Los Angeles, described as follows:

Lots 1 and 2 of said Block 18, except the Westerly 142.5 feet of Lots 1 and 2. also excepting the South 44.04 of Lot 2.

#### **EXHIBIT B**

#### DESCRIPTION OF THE RESULTING SITE

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

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF GARDENA, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHWEST CORNER OF THE ROWLEY PARK PROPERTY IN THE CITY OF GARDENA, CALIFORNIA, SAID PROPERTY HAVING ASSESSOR NUMBER 4061-022-901, AND BEING THE POINT OF BEGINNING, THEN GOING NORTH 629.0 FEET, THEN EAST 18.5 FEET TO THE SOUTHWEST CORNER OF BUILDING NUMBER ONE. FROM SAID POINT THE OUTLINE OF THE BUILDING IS DEFINED BY TRAVERSING NORTH 97.8 FEET, THEN EAST 60.2 FEET, THEN SOUTH 97.8 FEET, THEN WEST 60.2 FEET TO THE SOUTHWEST CORNER OF BUILDING ONE. THE BUILDING FOOTPRINT IS APPROXIMATELY 5,888 SOUARE FEET.

EXCEPT ALL OIL, GAS, AND/OR OTHER HYDROCARBON SUBSTANCES LYING UNDER AND WITHIN SAID LAND, WHICH RESERVATION IS SUBJECT TO THE FOLLOWING CONDITIONS, TOWIT: THAT THE DEFENDANTS SHALL NEVER HAVE ANY RIGHT OF ENTRY UPON THE PARCEL OF LAND BEING CONDEMNED FOR THE PURPOSE OF DEVELOPING OIL, GAS, OR OTHER HYDROCARBON SUBSTANCES, BUT THAT DEVELOPMENT THEREOF MAY BE MADE BY MEANS OF WELLS UNTO ADJACENT LANDS OWNED BY THE DEFENDANTS; NO SUCH WELL, HOWEVER, TO BE DRILLED NEARER THAN 150 FEET TO THE BOUNDARIES OF SAID PARCEL OF LAND, BEING CONDEMNED, AS RESERVED IN THE FINAL DECREE OF CONDEMNATION ENTERED IN SUPERIOR COURT LOS ANGELES COUNTY, CASE NO. 534017; A CERTIFIED COPY OF SAID DECREE BEING RECORDED OCTOBER 1, 1947 IN BOOK 25246 PAGE 176 OF OFFICIAL RECORDS.

PORTION OF APN: 4061-022-901

## **EXHIBIT C**

## **RELEASED FACILITY**

The Facility is the City's **Fire Department Headquarters** located on the Site at 1650 West 162nd Street in the City of Gardena. The station was built in 1964, contains 17,915 square feet of space, houses a an engine, a paramedic unit and a utility truck and is staffed by eight sworn personnel and three civilians.

## **EXHIBIT D**

## **DESCRIPTION OF THE RESULTING FACILITY**

**Rowley Park** Recreation Center is located at 13220 South Van Ness Avenue within the 18.17-acre Rowley Park. The facility has a kitchen, two classrooms and a large meeting room. The space is currently used for the City's senior lunch program, dance classes, summer camp, neighborhood watch meetings, and other City related meetings and activities. The facility was recently updated with audio visual equipment to continue to serve the Gardena community.

Quint & Thimmig LLP 07/15/21 07/22/21

#### AFTER RECORDATION PLEASE RETURN TO:

Quint & Thimmig LLP 900 Larkspur Landing Circle, Suite 270 Larkspur, CA 94939-1726 Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

#### FIRST AMENDMENT TO ASSIGNMENT AGREEMENT

(Amending that Assignment Agreement, dated as of June 1, 2017, by and between the City of Gardena Financing Agency and ZB, National Association)

Dated as of August 1, 2021

by and between the

CITY OF GARDENA FINANCING AGENCY,

and

ZIONS BANCORPORATION, N.A., as Assignee

## FIRST AMENDMENT TO ASSIGNMENT AGREEMENT

THIS FIRST AMENDMENT TO ASSIGNMENT AGREEMENT, dated as of August 1, 2021, is by and between the CITY OF GARDENA FINANCING AGENCY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California (the "Corporation"), and ZIONS BANCORPORATRION, N.A., formerly known as ZB, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as assignee (the "Assignee"), amending that certain Assignment Agreement, dated as of June 1, 2017, by and between the Corporation and the Assignee, and recorded on June 29, 2017, as document number 20170728412, in the Official Records of Los Angeles County, California (the "Assignment Agreement");

#### WITNESSETH:

WHEREAS, the City of Gardena (the "City") and the Corporation have heretofore entered into the Site and Facility Lease, dated as of June 1, 2017, recorded on June 29, 2017, as document number 20170728410, in the Official Records of Los Angeles County, California, a first amendment thereto being recorded concurrently herewith (the "Site and Facility Lease"), pursuant to which the City leased certain real property, described in Exhibits A and B thereto (the "Property") to the Corporation and the Corporation leased the Property from the City;

WHEREAS, the Corporation and the City have heretofore entered into a Lease Agreement, dated as of June 1, 2017, recorded by memorandum on June 29, 2017, as document number 20170728411, in the Official Records of Los Angeles County, California, a first amendment thereto being recorded concurrently herewith (the "Lease Agreement"), pursuant to which the Corporation leased the Property to the City and the City leased the Property from the Corporation;

WHEREAS, the Corporation and the Assignee have heretofore entered into the Assignment Agreement pursuant to which the Corporation assigned to the Assignee its right to receive lease payments made by the City under the Lease Agreement (the "Lease Payments");

WHEREAS, the City has determined that it is necessary to amend the description of the Property, as set forth in the Site and Facility Lease, the Lease Agreement and the Assignment Agreement to release the existing Site and Facility and to substitute other real property and improvements therefor;

WHEREAS, Section 7.6 of the Lease Agreement authorizes amendment of the Site and the Facility Lease, the Lease Agreement and the Assignment Agreement to substitute the Site and/or the Facility, subject to certain conditions precedent set forth therein; and

WHEREAS, the City and the Corporation deem it necessary and desirable that the Assignment Agreement be so amended;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

## SECTION 1. Amendment of the Assignment Agreement.

(a) The description of the Site contained in Exhibit A to the Assignment Agreement is hereby amended by releasing and terminating from the Assignment Agreement all property

described in Exhibit A attached thereto. The resulting description of the Site shall be as described in Exhibit B attached hereto which shall modify and replace in its entirety Exhibit A attached to the Assignment Agreement.

- (b) The description of the Facility contained in Exhibit B to the Assignment Agreement is hereby amended by releasing and terminating from the Assignment Agreement all improvements described in Exhibit C attached hereto. The resulting description of the Facility shall be as described in Exhibit D attached hereto which shall modify and replace in its entirety Exhibit B attached to the Assignment Agreement.
- SECTION 2. <u>Assignment Agreement in</u> Full Force and Effect. Except as amended by this First Amendment to Assignment Agreement, the Assignment Agreement remains in full force and effect.
- SECTION 3. <u>Execution in Counterparts</u>. This First Amendment to Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- SECTION 4. <u>Applicable Law</u>. This First Amendment to Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Corporation and the Assignee have caused this First Amendment to Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

| CITY OF GARDENA FINANCING<br>AGENCY     |
|---|
| Ву                                      |
| Clint Osorio                            |
| Executive Director                      |
| ZIONS BANCORPORATION, N.A., as Assignee |
| By                                      |
| Name                                    |
| Title                                   |

# [NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

## **EXHIBIT A**

## **RELEASED SITE**

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

THOSE PORTIONS OF BLOCK 18 OF BROADACRES, IN THE CITY OF GARDENA, AS PER MAP RECORDED IN BOOK 30 PAGE 42 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

LOTS 1 AND 2 OF SAID BLOCK 18, EXCEPT THE WESTERLY 142.5 FEET OF LOTS 1 AND 2. ALSO EXCEPTING THE SOUTH 44.04 OF LOT 2.

#### **EXHIBIT B**

#### DESCRIPTION OF THE RESULTING SITE

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

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BEGINNING AT THE SOUTHWEST CORNER OF THE ROWLEY PARK PROPERTY IN THE CITY OF GARDENA, CALIFORNIA, SAID PROPERTY HAVING ASSESSOR NUMBER 4061-022-901, AND BEING THE POINT OF BEGINNING, THEN GOING NORTH 629.0 FEET, THEN EAST 18.5 FEET TO THE SOUTHWEST CORNER OF BUILDING NUMBER ONE. FROM SAID POINT THE OUTLINE OF THE BUILDING IS DEFINED BY TRAVERSING NORTH 97.8 FEET, THEN EAST 60.2 FEET, THEN SOUTH 97.8 FEET, THEN WEST 60.2 FEET TO THE SOUTHWEST CORNER OF BUILDING ONE. THE BUILDING FOOTPRINT IS APPROXIMATELY 5,888 SQUARE FEET.

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PORTION OF APN: 4061-022-901

## **EXHIBIT C**

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**Fire Department Headquarters** located on the Site at 1650 West 162nd Street in the City of Gardena. The station was built in 1964, contains 17,915 square feet of space, houses a an engine, a paramedic unit and a utility truck and is staffed by eight sworn personnel and three civilians.

## **EXHIBIT D**

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Agenda Item No. 11.C Section: DEPARTMENTAL ITEMS - ADMINISTRATIVE

**SERVICES** 

Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: <u>PUBLIC HEARING:</u> COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PLANS AND REPORTS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)&NBSP;

- a. FIVE-YEAR CONSOLIDATED PLAN 2021-2025 AND ACTION PLAN FOR FY 2021-2022
- b. ACTION PLAN FOR FY 2020-2021

## **COUNCIL ACTION REQUIRED:**

Staff Recommendation: Conduct Public Hearing and Approve Five-Year Consolidated Plan 2021-2025 and Action Plan FY 2021-2022; and Approve Action Plan FY 2020-2021

## **RECOMMENDATION AND STAFF SUMMARY:**

The U.S. Department of Housing and Urban Development (HUD) requires Gardena to complete a Five-Year Consolidated Plan (Con Plan) to receive HUD's formula grant programs. Additionally, HUD requires the City to prepare a One-Year Action Plan for each of the 5 years covered by the Con Plan.

The Con Plan identifies the City's 5-year strategies related to priority needs in housing, homelessness, community development, and economic development. It also identifies short-and long-term goals and objectives, strategies, and timetables for achieving its goals. Developed with the input of citizens and community groups, the Con Plan serves four basic functions:

- 1. It is a planning document for the community built upon public participation and input.
- 2. It is the application for funds under the CDBG Program.
- 3. It articulates local priorities.
- 4. It is a five-year strategy the jurisdiction will follow in implementing HUD programs.

The Action Plan identifies programs, projects and CDBG funding levels undertaken during any given year. The CDBG programs detailed in the plans are currently underway. The Action Plan also identifies the period in which an aggregate of 70% of CDBG funds will be expended on low and moderate-income activities. These regulatory documents are required by the US Department of Housing to accept the City's CDBG and CDBG-CV funding and staff therefore

recommends approval of the plans.

## **FINANCIAL IMPACT/COST:**

| Funding Type  | Amount    |
|---|-----------|
| CDBG FY 2020-2021 Entitlement Allocation                            | \$629,756 |
| CDBG-CV1 Coronavirus Aid, Relief, and Economic Security (CARES) Act | \$370,465 |
| CDBG-CV3 Coronavirus Aid, Relief, and Economic Security (CARES) Act | \$531,519 |
| CDBG FY 2021-2022 Entitlement Allocation                            | \$637,637 |

## **ATTACHMENTS:**

Agenda Staff Report - CDBG.doc 2021-2025 CP (Gardena) DRAFT CC 8-10-2021.docx Action Plan 2020-2021 draft.docx

Cleuroms.

APPROVED:

Clint Osorio, City Manager

# CITY COUNCIL MEETING AGENDA STAFF REPORT

Agenda Item No.: 413

Department: Administrative Services

Meeting Date: 08/10/2021

AGENDA TITLE: PUBLIC HEARING: Community Development Block Grant (CDBG) Plans and Reports to the U.S. Department of Housing and Urban Development (HUD)

- a) Five-Year Consolidated Plan 2021-2025 and Action Plan for FY 2021-2022
- b) Action Plan for FY 2020-2021

## **RECOMMENDATION:**

Staff respectfully recommends that Council approve:

- c) Five-Year Consolidated Plan 2021-2025 and Action Plan for FY 2021-2022
- d) Action Plan for FY 2020-2021

#### **BACKGROUND:**

The U.S. Department of Housing and Urban Development provides funding to states, counties and cities in the form of Community Development Block Grant (CDBG) funds. As an entitlement city, the City is eligible to receive CDBG funds which it has for many years. In addition, Congress appropriated additional CDBG funds under the CARES Act to address the impacts of the coronavirus pandemic. The coronavirus related CDBG funds are referred to as CDBG-CV.

Before Gardena can receive the CDBG or CDBG-CV funds, federal regulations require that a Consolidated Plan (i.e., five-year plan) be adopted by the City that serves as the federal planning document for the use of the Community Development Block Grant (CDBG) funds over a five-year period. The federal regulations also require the adoption of an Annual Action Plan to the Consolidated Plan that identifies the activities and programs that are funded each of the five fiscal years (i.e., July 1, 2020, through June 30, 2021. As required, the City will submit the 2020-2021 and 2021-2022 One Year Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD), as well as the Five-Year Consolidated Plan after today's meeting. The statutory submittal deadline for the Annual Action Plan is August 16, 2021.

The City of Gardena views the Annual Action Plan requirements as an opportunity to reassess its housing needs and priorities, as well as its programs and resources in a manner that will best meet the affordable housing and community development challenges of the Gardena community. The City's CDBG entitlement and CDBG-CV funds, respectively, for FY 2020-2021 are \$629,756 and \$901,984 CDBG-CV funds and for FY 2021-2022 \$637,637.

A public notice was published on July 3, 2021, in the Daily Breeze newspaper to inform the public of a July 27, 2021 public hearing for discussions on the 2020-2021 Annual Action Plan. However, the public hearing was moved to August 10, 2021. A notice was published July 27<sup>th</sup> 2021 notifying the public of the August 10, 2021 public hearing. Both public notices contained

information encouraging those seeking further information to contact the City. The Action Plan was available for public review from July 3, 2021 through August 10, 2021.

Before the City can receive the funds, HUD requires that a public hearing be held to solicit public input before the final Action Plan is adopted and submitted to HUD. At the time of preparing this staff report, City staff has not received any written comments concerning the Annual Action Plan.

Each activity assisted with CDBG must be an eligible use and must meet one of the three national objectives of the CDBG program: 1) benefit low and moderate-income persons; 2) aid in the prevention or elimination of slums or blight; or 3) meet an urgent community need.

| CDBG – Entitlement FY 20-21 Administration and Planning Handyworker Fix-up and Rebate Health and Safety Code Enforcement Youth and Family Services Total | \$125,950<br>\$280,000<br>\$133,806<br>\$90,000<br><b>\$629,756</b> |
|--|---|
| CDBG-CV1 Administration and Planning Business Assistance Total   | \$20,465<br>\$350,000<br><b>\$370,465</b>                           |
| CDBG-CV3 Administration and Planning Rental Assistance Sustenance Assistance Total   | \$0<br>\$331,519<br>\$200,000<br><b>\$531,519</b>                   |
| CDBG – Entitlement FY 21-22 Administration and Planning Handyworker Fix-up and Rebate Health and Safety Code Enforcement Youth and Family Services Total | \$127,527<br>\$186,000<br>\$229,110<br>\$95,000<br><b>\$637,637</b> |

#### IN CONCLUSION,

Staff recommends that the City Council approve the Five-Year Consolidated Plan 2021-2025, the Fiscal Year 2020-2021 Action Plan and the Fiscal Year 2021-2022 Action Plan.



# **Executive Summary**

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

#### 1. Introduction

The Consolidated Plan is a document required to be submitted to the U.S. Department of Housing and Urban Development (HUD) by recipients of federal Community Planning and Development (CPD) funds including:

• Community Development Block Grant (CDBG)

The City of Gardena receives federal funding through the programs listed above and has prepared a Five- Year Consolidated Plan covering fiscal years 2021-2025.

The Consolidated Plan serves as a planning document for the City of Gardena, an application for federal funds under HUD's CDBG formula grant programs, and a five-year strategy for addressing community needs. The purpose of the Consolidated Plan is to create a vision to carry out activities consistent in meeting HUD national objectives, which are to:

Provide decent housing;

- Provide a suitable living environment, and
- Expand economic opportunities

The Consolidated Plan is a statement of how the City intends to spend its HUD Entitlement funds in the areas of housing and community development. The Five-Year Consolidated Plan provides an assessment of housing, homeless, and community development needs, a strategic plan for addressing needs, and an Annual Action Plan outlining specific objectives and outcomes for the use of HUD funds in 2021. The Consolidated Plan will identify housing and community development needs in the City of Gardena and illustrate how the City will address these issues. Components of the Consolidated Plan include the:

- Housing and Homeless;
- Needs Assessment;
- Housing Market Analysis;
- Five-Year Strategic Plan; and
- Annual Action Plan.

The 2021 Annual Action Plan provides a detailed report of the activities the City will undertake to address housing and community development needs for the first year of the 2021-2025 Consolidated Plan period.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

HUD requires that all activities and programs carried out with CDBG funds satisfy one of following three objectives; to create a suitable living environment, to provide decent housing, or to create economic opportunities. HUD also prescribes three outcome categories to describe the result of the activity or project, these outcomes are: availability/accessibility, affordability, and sustainability. Therefore, each of the goals and priorities identified in this ConPlan must have a corresponding housing funds and such funds may be combined as a leveraging tool for new housing development.

Individual projects and activities carried out to achieve the objectives and outcomes identified in the ConPlan, will be funded based on the availability of annual CDBG funding. The City of Gardena received an average of \$631,937 over the last five-year period. It is anticipated that the City will receive approximately \$637,637 per year over the next 5-year ConPlan period. The figures proposed for each project are estimates based on the assumptions that CDBG funding, entitlement funding distribution formulas and/or the number of communities eligible to receive entitlement grants will remain constant. If any of these conditions change, projected activities and accomplishments are also subject to change.

HUD's Community Planning and Development (CPD) Outcome Performance Measurement Framework classifies objectives in three (3) categories: decent housing, a suitable living environment, and economic opportunity. Based on the Needs Assessment and Market Analysis, the Strategic Plan identifies eight high

priority needs to be addressed through the implementation of activities aligned with eight Strategic Plan goals.

The high priority needs include:

- Planning and Administration
- Fair Housing Services
- Public Services to Help Low-Income Residents
- Preservation of Supply of Affordable Housing
- Neighborhood Preservation & Improvement
- Expand the Supply of affordable housing
- Economic Development
- Prevent and Eliminate Homelessness

The following goals are identified in the Strategic Plan:

- Planning and Administration
- Fair Housing Services
- Services for Low & Moderate Income Persons
- Public Infrastructure Improvements
- Public Facilities Improvements
- Code Enforcement
- Owner-Occupied Rehabilitation
- Rental Housing Rehabilitation
- Economic Development
- Housing Assistance Vouchers

#### 3. Evaluation of past performance

In the implementation of its CDBG programs, the City of Gardena takes various initiatives to ensure success in meeting Consolidated Plan objectives and addressing community need. The City expended almost 89% of its allocation on activities benefiting low and moderate income persons. The City involves the public in its programs by conducting extensive public outreach and complying with citizen participation requirements. Additionally, the City coordinates with various non-profit and other local organizations in the implementation of its programs to ensure funding has the greatest impact in addressing needs. During Planning Period 2016-2021 ("PP 2016"), Gardena expended \$3,150,635 on activities meeting its strategic plan objectives of providing decent housing, providing a suitable living environment, and creating economic opportunity. Lack of funding makes it difficult to address all strategic plan objectives in one program year. As a result, Gardena funds high priority projects to the extent possible.

In PP 2016, Gardena was able to funds projects that directly addressed specific strategic plan objectives including:

Housing - \$1,175,000

#### 2016-2021 Projects:

- Owner Occupied Housing Rehabilitation Loan Program
- Residential Rebate Program
- Handy-worker Fix-Up Program
- Multi-Family Residential Code Correction Program

#### Strategic Plan Objectives Addressed

- Sustain existing housing stock through rehabilitation and necessary improvements
- Increase the number of new affordable housing units
- Increase homeownership opportunities

Suitable Living Environment - \$808,660

#### 2016-2021 Projects:

- Code Enforcement
- Public Facilities/Recreation Improvements
- Accessibility Improvements

#### Strategic Plan Objectives Addressed

- Improve and stabilize city neighborhoods
- Enhance and encourage resident involvement
- Promote safe neighborhoods

#### 2016-2021 Projects:

- Youth and Family Services Bureau
- Senior Citizen Day Care Center
- 4. Summary of citizen participation process and consultation process

The City's Administrative Services Department is the lead agency for the 2021-2025 Consolidated Plan. The Administrative Services Department urges citizens to voice their concerns, share their ideas concerning federal programming, and welcomes comments and suggestions.

The Consolidated Plan Development section describes how residents and local organizations participated in the development of the Consolidated Plan. The Administrative Services Department offered numerous opportunities for public input, comment, and review including the following:

- A Needs Assessment Resident Survey that was distributed online and advertised through three
  community engagement meetings. The survey provided an opportunity for residents to
  communicate their opinions and comments on housing, public facilities, public improvements,
  public services, and economic development needs. In addition to the survey, an engagement
  activity was conducted at the community engagement meetings and community fair allowing
  community members to select one priority activity among the various need categories.
- Community Engagement Meetings
- Two community workshop/public hearing to garner citizen comments on the needs, strategies, actions, and projects in the Consolidated Plan.
- Distribution of the draft Consolidated Plan combined with a minimum 30-day public comment period.

The Citizen Participation Plan (CP) encourages public participation, emphasizing involvement by low and moderate-income persons, particularly those living in areas targeted for revitalization and areas where funding is proposed. In addition, it encourages the participation of all its citizens, including minorities, non-English speaking persons, and persons with disabilities. Written materials can be provided in Spanish, and the City makes all reasonable accommodations for persons with special needs that request assistance.

The City provides the public with reasonable and timely access to information and records relating to the data or content of all federally required documents and publications. The City of Gardena also provides full and timely disclosure of program records and information for the preceding five years consistent with applicable Federal, State and local laws regarding personal privacy and confidentiality.

Action Plans and recommended uses of funding are posted for public review and comment for the requisite 30 days. The City posted display advertisements in the local newspaper. Information is also posted on the City website in accordance with the Citizen Participation Plan.

## 5. Summary of public comments

No comments were received during the development of the Consolidated Plan.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments were received during the development of the Consolidated Plan.

## 7. Summary

The 2021-2025 Consolidated Plan has been prepared by the City of Gardena in order to continue to receive CDBG funds over the next five-year period. In order to determine how the City will use these funds, a community-based public input process has been utilized. This process included solicitation of information regarding priority housing and non-housing community needs from State and County agencies, City

departments, local service providers, and residents representing the community as a whole. All residents of the City were invited to review and provide direct input during the development of the Consolidated Plan.

The objectives and goals of the Consolidated Plan are also based on an analysis of data. Data was provided by HUD. Like most Los Angeles cities, Gardena housing is expensive, especially for lower income households. HUD data shows among Gardena several renters and homeowners are using a larger percentage of their income for housing (i.e., housing cost burden). HUD data indicates there is a shortage of housing units that are affordable to these lower income households; however, as the City is considered to be built out, opportunities for the development of new housing is limited. The City's Housing Element has identified actions the City can take to accommodate the development of new housing. The Consolidated Plan has incorporates the strategies delineated in the Housing Element to meet the housing needs of Gardena residents. Non housing needs were also identified with the assistance of local service providers.

Fiscal Year 2021-2022 CDBG entitlement funds will be utilized to address the majority of priority needs identified in the Consolidated Plan throughout the 5 year planning period. However, in addition to the City's CDBG entitlement allocation, the City has received funding through the CARES Act to address the impact of the Coronavirus Pandemic. These funds will be used to address the needs of impacted businesses and households that have experience a financial hardship due to the pandemic. Moreover, the City has been notified that it will be receiving HOME-ARP funds that are to be used to address various aspects of homelessness being experienced by Gardena residents. The City has not identified any additional income funds for the FY 2021-2022. The City will continue to fund its Handworker grant program that works hand-in-hand with its Code Enforcement Division to address health and safety repair needs for income qualified homeowners. Additionally, rental assistance for an estimated 632 Gardena households will be provided by the Los Angeles County Housing Authority. Finally, CDBG funds will be utilized to support code enforcement and public service programs including a senior day care program.

# The Process

# PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role        | Name    | Department/Agency       |
|--------------------|---------|-------------------------|
|                    |         |                         |
| CDBG Administrator | GARDENA | Administrative Services |
|                    |         | Department              |

Table 1 – Responsible Agencies

#### Narrative

The City of Gardena Administrative Services Department is the lead agency for overseeing the development of the Consolidated Plan and for administration of the CBDG program, including the preparation of the required Action Plan, and CAPER. The City will at times, utilize the services of a specialized consultant to assist the City in carrying out the activities during each program year.

Consolidated Plan Public Contact Information

Mary Simonell, Administrative Analyst III, City of Gardena - Finance Department, 1700 W. 162nd Street, Gardena, CA 90247 (310) 217-9655.

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l)

#### 1. Introduction

Consultation and coordination of the Consolidated Plan ensures a unified vision for housing and community development activities in the City of Gardena. The City of Gardena developed this plan as a collaborative process to shape its programs into effective, coordinated strategies. This process also facilitates the opportunity for planning and citizen participation to take place in a comprehensive context, to reduce duplication of effort at the local level.

In the development of the 2021-2025 Consolidated Plan, the City was sure to include all relevant stakeholders including public, private, and nonprofit organizations. Nonprofit organizations may include, but are not limited to, service providers and community housing development organizations, developers, and local businesses. The City works closely with its partners to design programs that address identified needs.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

The City recognizes the importance of careful coordination and alignment among various service providers to maximize the effectiveness of their programs. As a result, during the development of this Consolidated Plan, the City consulted closely with organizations that provide assisted housing, health services and other community-focused agencies. Outreach efforts included surveys including specific questions associated with coordination, invitations to community meetings and follow-up in-person interviews where appropriate.

The City further recognizes the importance of continued coordination and alignment during the upcoming five (5) year planning period with these organizations and agencies. The City will work on strengthening relationships and alignment among these organizations.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

Los Angeles County's homeless Continuum of Care (CoC) is comprised of a network of public, private, faith-based, for-profit, and non-profit service providers who utilize several federal, state and local resources to provide services for homeless people. The region's municipalities, including the City of Gardena, also provide resources for services that assist the homeless and those at risk of becoming homeless. The non-profit and faith-based community plays a key role in the current CoC system.

Hundreds of agencies throughout the County provide programs ranging from feeding the homeless on the street to creating permanent supportive housing opportunities. These services are available to homeless families with children, and single men and women. The non-profit and faith-based community also serves special needs populations, such as victims of domestic violence, veterans, the disabled and youth.

The CoC guides the development of homeless strategies and the implementation of programs to end homelessness throughout the region. The City provided a detailed questionnaire to the CoC to identify the CoC's perceived needs in the county and its objectives to address the needs of different homeless persons populations, specifically chronically homeless families and individuals, families with children, veterans, unaccompanied youth and persons at risk of homelessness. Following the delivery and response to this questionnaire, the City followed up with the CoC to clarify existing needs and objectives and understand opportunities for collaboration and coordination during the five-year planning process.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City and the COC will continue to work together to develop performance standards that provide a measure to evaluate each ESG subrecipients effectiveness, such as how well the service provider succeeded at 1) targeting those who need the assistance most; 2) reducing the number of people living on the streets or emergency shelters; 3) shortening the time people spend homeless; and 4) reducing each program participant's housing barriers or housing stability risks. These performance standards will be incorporated into the City's Subrecipient Agreement, and to the extent possible, will be tracked and measured in HMIS. Table 2 on the following page provides a listing of the entities consulted as part of this planning process.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

| rabi | e 2 – Agencies, groups, organizations who participated  |  |
|------|---|--|
| 1    | Agency/Group/Organization   | LAHSA  |
|      | Agency/Group/Organization Type  | Services-homeless  |
|      | What section of the Plan was addressed by Consultation?   | Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth |
|      | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | E-mail and survey;<br>homeless count<br>participation  |
| 2    | Agency/Group/Organization   | HOUSING AUTHORITY COUNTY OF LOS ANGELES  |
|      | Agency/Group/Organization Type  | РНА  |
|      | What section of the Plan was addressed by Consultation?   | Public Housing Needs   |
|      | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | Survey and email   |
| 3    | Agency/Group/Organization   | County Public Health Department  |
|      | Agency/Group/Organization Type  | Services-Persons with HIV/AIDS Services-Health Health Agency   |
|      | What section of the Plan was addressed by Consultation?   | Lead-based Paint Strategy  |
|      | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | Survey and email   |
| 4    | Agency/Group/Organization   | LEGAL AID FOUNDATION OF LOS ANGELES  |
|      | Agency/Group/Organization Type  | Services - Victims   |
|      | What section of the Plan was addressed by Consultation?   | Public Service (General)   |

|   | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | Survey and email  |
|---|---|---|
| 5 | Agency/Group/Organization   | Youth and Family Service<br>Bureau  |
|   | Agency/Group/Organization Type  | Other government - Local<br>Grantee Department  |
|   | What section of the Plan was addressed by Consultation?   | Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy |
|   | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | Survey and email  |
| 6 | Agency/Group/Organization   | South Bay Family Health Care Center   |
|   | Agency/Group/Organization Type  | Services-Children Services-Elderly Persons Services-Health  |
|   | What section of the Plan was addressed by Consultation?   | Health Care Services for Low Income   |
|   | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | Survey  |
| 7 | Agency/Group/Organization   | Gardena Senior Citizens<br>Bureau   |
|   | Agency/Group/Organization Type  | Services-Elderly Persons  |

|   | What section of the Plan was addressed by Consultation?   | Non-Homeless Special<br>Needs<br>Anti-poverty Strategy      |
|---|---|---|
|   | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | In-person discussions                                       |
| 8 | Agency/Group/Organization   | Gardena Retirement<br>Center                                |
|   | Agency/Group/Organization Type  | Housing<br>Services-Elderly Persons<br>Private Elderly Care |
|   | What section of the Plan was addressed by Consultation?   | Housing Need Assessment<br>Non-Homeless Special<br>Needs    |
|   | How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination? | Survey  |

Table 2

Identify any Agency Types not consulted and provide rationale for not consulting

The City consulted with all public, private, and nonprofit organizations whose services directly relate to the goals and objectives of the Consolidated Plan and comprehensive planning efforts of the community. Governmental agencies related to children, welfare, and workforce services were contacted but not consulted. Information was obtained through organizational websites or other public reporting documents.

Other local/regional/state/federal planning efforts considered when preparing the Plan

| Name of Plan      | Lead Organization    | How do the goals of your Strategic Plan overlap with     |
|-------------------|----------------------|--|
|                   |                      | the goals of each plan?                                  |
| Continuum of Care | Los Angeles Homeless | The Emergency Shelter/Homeless Prevention / Rapid        |
|                   | Services Authority   | Re-Housing goal of the Strategic Plan is consistent with |
|                   | (LAHSA)              | the County of Los Angeles 10-Year Strategy to End        |
|                   |                      | Homelessness.  |
| City of Gardena   | City of Gardena      | The goals included in the Strategic Plan are consistent  |
| 2014-2021         | Community            | with the City of Gardena's Housing Element               |
| Housing Element   | Development Division |  |

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

In the development of the 2021-2025 Consolidated Plan, the City afforded the following other public entities with the opportunity to provide input on the Consolidated Plan and welcomes their input concerning the future implementation of projects to address the Strategic Plan goals:

- City of Hawthorne
- City of Torrance
- City of Carson
- County of Los Angeles
- Housing Authority of the County of Los Angeles
- State of California Employment Development Department

## Narrative (optional):

In the development of the 2021-2025 Consolidated Plan, the City made great efforts to encourage citizen participation. Although, the COVID-19 pandemic made it more difficult for community involvement. Due to dangers of spreading the coronavirus, the city held multiple zoom meeting to help engage resident involvement.

# PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Community participation is a key component to the Consolidated Plan process. To solicit public feedback regarding the needs of Gardena low to moderate income residents in the development of the FY 2021-2025 Consolidated Plan, the City utilized multiple outreach methods, including community meetings via zoom, stakeholder focus groups, one-on-one interviews via zoom, a survey, and a public hearing via zoom. However even with the extensive outreach by the City, resident's participation was extremely limited due to COVID-19. Therefore, the development of the Consolidated Plan relied heavily on Census data.

The City held two (2) public workshop meetings/public hearings were held via Zoom on May 27, 2021 and June 3, 2021. Residents were encouraged to attend the meetings. Flyers in both English and Spanish (See Appendix B) were distributed to local markets and grocery stores and published on the City's website. Public, private, and social service organizations and residents were encouraged to attend and provide input on the City's Five-Year Strategic Plan and the City's proposed Consolidated Plan activities. Direct invitations were given to all City employees, public officials, community board members and the general public. Public input was also solicited through an online survey posted to the City website.

During the preparation of the Consolidated Plan, a Community Needs Survey was created to facilitate public input. The survey was available from June 4, 2021, to June 24, 2021. A total of 0 individuals participated in the survey. A copy of the survey can be seen in Appendix A.

Opportunity for public review and comment was available through a 30-day comment period from July 3, 2021, to August 10, 2021. After proper public outreach and compliance with HUD citizen participation requirements, the Consolidated Plan was adopted by City Council on August 10, 2021.

The City of Gardena's Administrative Services Department serves as the lead entity in carrying out the Consolidated Plan however, the Consolidated Plan is prepared through collaborative efforts between the City and other public and private agencies including:

- Division of Planning.
- Division of Economic Development.
- Division of Public Works.
- Division of Code Enforcement.
- Division of Parks and Recreation
- Los Angeles County Department of Social Services.
- Los Angeles County Department of Public Health.
- Gardena Youth and Family Services Bureau.

- Gardena Senior Citizen Bureau
- Gardena One-Stop.
- Los Angeles Homeless Service Authority (LAHSA).
- Los Angeles County Community Development Commission.
- Housing Authority of Los Angeles County.

# Citizen Participation Outreach

| Sort Or<br>der | Mode of Out reach | Target of Out reach | Summary of response/atten | Summary of comments rec | Summary of co<br>mments not | URL (If applicable) |
|----------------|-------------------|---------------------|---------------------------|-------------------------|-----------------------------|---------------------|
|                |                   |                     | dance                     | eived                   | accepted                    |                     |
|                |                   |                     |                           |                         | and reasons                 |                     |
| 1              | Public            | Minorities          | The City                  | No comments             | Not applicable              |                     |
|                | Meeting           |                     | actively                  | received.               |                             |                     |
|                |                   |                     | encouraged                |                         |                             |                     |
|                |                   |                     | residents,                |                         |                             |                     |
|                |                   |                     | including low-            |                         |                             |                     |
|                |                   |                     | and moderate-             |                         |                             |                     |
|                |                   |                     | income                    |                         |                             |                     |
|                |                   |                     | residents, to             |                         |                             |                     |
|                |                   |                     | attend                    |                         |                             |                     |
|                |                   |                     | community                 |                         |                             |                     |
|                |                   |                     | meetings and              |                         |                             |                     |
|                |                   |                     | hearings. One             |                         |                             |                     |
|                |                   |                     | community                 |                         |                             |                     |
|                |                   |                     | member                    |                         |                             |                     |
|                |                   |                     | attended.                 |                         |                             |                     |
| 2              | Public            | Minorities          | There were 5              | No comments             | No applicable.              |                     |
|                | Meeting/hea       |                     | persons in                | received.               |                             |                     |
|                | ring              | non-                | attendance.               |                         |                             |                     |
|                |                   | targeted/bro        |                           |                         |                             |                     |
|                |                   | ad                  |                           |                         |                             |                     |
|                |                   | community           |                           |                         |                             |                     |

| Sort Or | Mode of Out  | Target of Out | Summary of               | Summary of              | Summary of co  | URL (If     |
|---------|--------------|---------------|--------------------------|-------------------------|----------------|-------------|
| der     | reach        | reach         | response/atten           | comments rec            | mments not     | applicable) |
|         |              |               | dance                    | eived                   | accepted       |             |
|         |              |               |                          |                         | and reasons    |             |
| 3       | Newspaper    | Non-          | Residents were           | X comments              | Not applicable |             |
|         | Ad           | targeted/bro  | invited to a             | <mark>received</mark> . |                |             |
|         |              | ad            | public hearing           |                         |                |             |
|         |              | community     | to provide oral          |                         |                |             |
|         |              |               | comments                 |                         |                |             |
|         |              |               | before the               |                         |                |             |
|         |              |               | Gardena                  |                         |                |             |
|         |              |               | Council on               |                         |                |             |
|         |              |               | August                   |                         |                |             |
|         |              |               | 10,2021 <mark>. X</mark> |                         |                |             |
|         |              |               | <mark>residents</mark>   |                         |                |             |
|         |              |               | attended for             |                         |                |             |
|         |              |               | this item.               |                         |                |             |
| 6       | Internet     | Non-          | N/A                      | No comments             | N/A            | ci.gardena. |
|         | Outreach/Sur | targeted/bro  |                          | received.               |                | ca.us       |
|         | vey          | ad            |                          |                         |                |             |
|         |              | community     |                          |                         |                |             |

Table 4 – Citizen Participation Outreach

## Needs Assessment

## NA-05 Overview

#### **Needs Assessment Overview**

The Needs Assessment section of the Consolidated Plan examines housing, homelessness, non-homeless special needs, and non-housing community development needs. The housing needs assessment section evaluates household income, tenure (renter or owner), housing cost as a function of household income, disproportionate need amongst racial and ethnic groups and public housing needs. The homeless needs assessment examines the sheltered and unsheltered homeless population in Los Angeles County to inform the City's strategy to address homelessness during the next five years. The non-homeless special needs assessment section evaluates the needs of people who are not homeless but due to various reasons need services including but not limited to elderly, frail elderly, severe mentally ill, developmentally disabled, physically disabled, persons with alcohol or other drug addictions, persons with HIV/AIDS and victims of domestic violence. The non-housing community development needs assessment section discusses the need for public facilities, public infrastructure improvements and public services to benefit low- and moderate-income residents.

#### Methodology

To assess community needs, the City examined data, held community meetings, conducted a Consolidated Plan Survey and consulted with local stakeholders. The Needs Assessment primarily relies on the following sources of data:

- American Community Survey (2016-2020 5-year estimates)
- Comprehensive Housing Affordability Strategy (2016-2020 5-year estimates)
- 2021-2029 Gardena Housing Element

Consolidated Plan Survey for Residents to Rate City Needs

Gardena residents had the opportunity to respond to the 2021-2025 Consolidated Plan Survey to rate the need in Gardena for housing facilities, housing services, community services, services for special needs populations, neighborhood services, community facilities, infrastructure and business and jobs services. The highest priorities as a result of the survey were senior services, rental assistance and neighborhood preservation.

# NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

## Summary of Housing Needs

The Needs Assessment of the Consolidated Plan developed in conjunction with information gathered through consultations and the citizen participation process, will provide a clear picture of the City of Gardena' needs related to affordable housing, community development, and homelessness. From this Needs Assessment, the City identified those needs with the highest priority, which will form the basis for the Strategic Plan and the programs and projects to be administered. Given the limited annual resources available to the City through CDBG not all of the identified needs and priorities will be funded during this period.

Primary data sources for this section include the U.S Census, Five-Year American Community Survey, Southern California Association of Governments (SCAG) Regional Council (SCAG), Comprehensive Affordable Housing Strategy (CHAS), Los Angeles Homeless Services Authority (LAHSA), Data Quick, and the South Bay Association of Realtors.

As defined by HUD, in the Comprehensive Housing Affordability Strategy (CHAS) housing problems include:

- Units with physical defects (lacking a complete kitchen or plumbing facilities);
- Housing cost burden exceeding 30 percent of the household income (for renters, housing costs include rent paid by the tenant plus utilities and for owners, housing costs include mortgage payments, taxes, insurance, and utilities);
- Severe housing cost burden (including utilities) of more than 50 percent of gross income; and
- Overcrowding which is defined as more than one person per room, not including bathrooms, porches, foyers, halls, or half-rooms.

| Demographics  | Base Year: 2009 | Most Recent Year: 2015 | % Change |
|---------------|-----------------|------------------------|----------|
| Population    | 58,829          | 59,930                 | 2%       |
| Households    | 20,385          | 20,895                 | 3%       |
| Median Income | \$45,901.00     | \$47,674.00            | 4%       |

Table 5 - Housing Needs Assessment Demographics

Data Source: 2005-2009 ACS (Base Year), 2016-2015 ACS (Most Recent Year)

#### Most Reported Housing Problems

Based on the data presented in the tables below, there are 59,930 people residing in the City of Gardena comprising 20,895 households. Of these households, 8,175 households (or 39.1 percent) are considered "low- and very low-income" per HUD definitions. The most prevalent housing problem among all households in Gardena, as displayed in Table 35 bel, is housing affordability. 2,405 Renter Households

(22.6 %) and 1,350 Owner Households (13.9%) are paying more than 30 percent of Household Income to housing costs. When comparing housing affordability within the low- and moderate-income household subset of 12,445 households, the cost burden affects a greater proportion of Renter Households at 36.9% whereas Owner Households is only 19%. Overcrowding and substandard units are reported by fewer number of Renter and Owner Households a problem as compared to cost burden, according to the Census data.

#### Number of Households Table

|                                 | 0-30% | >30-50% | >50-80% | >80-100% | >100% |
|---------------------------------|-------|---------|---------|----------|-------|
|                                 | HAMFI | HAMFI   | HAMFI   | HAMFI    | HAMFI |
| Total Households                | 4,205 | 3,970   | 4,280   | 2,235    | 6,205 |
| Small Family Households         | 1,325 | 1,815   | 1,845   | 1,030    | 3,405 |
| Large Family Households         | 395   | 460     | 495     | 345      | 630   |
| Household contains at least one |       |         |         |          |       |
| person 62-74 years of age       | 945   | 825     | 835     | 450      | 1,355 |
| Household contains at least one |       |         |         |          |       |
| person age 75 or older          | 965   | 720     | 540     | 295      | 635   |
| Households with one or more     |       |         |         |          |       |
| children 6 years old or younger | 735   | 650     | 645     | 415      | 344   |

Table 6 - Total Households Table

Data 2011-2015 CHAS

Source:

# **Housing Needs Summary Tables**

# 1. Housing Problems (Households with one of the listed needs)

|                |         |          | Renter |      |       | Owner |      |      |      |       |
|----------------|---------|----------|--------|------|-------|-------|------|------|------|-------|
|                | 0-30%   | >30-     | >50-   | >80- | Total | 0-30% | >30- | >50- | >80- | Total |
|                | AMI     | 50%      | 80%    | 100% |       | AMI   | 50%  | 80%  | 100% |       |
| NUMBER OF HOL  | ISEHOLD | AMI<br>c | AMI    | AMI  |       |       | AMI  | AMI  | AMI  |       |
| Substandard    | JSEHOLD | <u> </u> |        |      |       |       |      |      |      |       |
| Housing -      |         |          |        |      |       |       |      |      |      |       |
| Lacking        |         |          |        |      |       |       |      |      |      |       |
| complete       |         |          |        |      |       |       |      |      |      |       |
| plumbing or    |         |          |        |      |       |       |      |      |      |       |
| kitchen        |         |          |        |      |       |       |      |      |      |       |
| facilities     | 50      | 205      | 70     | 0    | 325   | 25    | 10   | 30   | 0    | 65    |
|                | 50      | 205      | 70     | U    | 323   | 25    | 10   | 30   | U    | 05    |
| Severely       |         |          |        |      |       |       |      |      |      |       |
| Overcrowded -  |         |          |        |      |       |       |      |      |      |       |
| With >1.51     |         |          |        |      |       |       |      |      |      |       |
| people per     |         |          |        |      |       |       |      |      |      |       |
| room (and      |         |          |        |      |       |       |      |      |      |       |
| complete       |         |          |        |      |       |       |      |      |      |       |
| kitchen and    |         |          |        |      |       |       |      |      |      |       |
| plumbing)      | 315     | 205      | 160    | 15   | 695   | 10    | 30   | 30   | 30   | 100   |
| Overcrowded -  |         |          |        |      |       |       |      |      |      |       |
| With 1.01-1.5  |         |          |        |      |       |       |      |      |      |       |
| people per     |         |          |        |      |       |       |      |      |      |       |
| room (and      |         |          |        |      |       |       |      |      |      |       |
| none of the    |         |          |        |      |       |       |      |      |      |       |
| above          |         |          |        |      |       |       |      |      |      |       |
| problems)      | 220     | 260      | 155    | 75   | 710   | 135   | 130  | 130  | 50   | 445   |
| Housing cost   |         |          |        |      |       |       |      |      |      |       |
| burden greater |         |          |        |      |       |       |      |      |      |       |
| than 50% of    |         |          |        |      |       |       |      |      |      |       |
| income (and    |         |          |        |      |       |       |      |      |      |       |
| none of the    |         |          |        |      |       |       |      |      |      |       |
| above          |         |          |        |      |       |       |      |      |      |       |
| problems)      | 1,475   | 795      | 100    | 0    | 2,370 | 990   | 520  | 520  | 95   | 2,125 |

|                |       |      | Renter |      |       |       |      | Owner |      |       |
|----------------|-------|------|--------|------|-------|-------|------|-------|------|-------|
|                | 0-30% | >30- | >50-   | >80- | Total | 0-30% | >30- | >50-  | >80- | Total |
|                | AMI   | 50%  | 80%    | 100% |       | AMI   | 50%  | 80%   | 100% |       |
|                |       | AMI  | AMI    | AMI  |       |       | AMI  | AMI   | AMI  |       |
| Housing cost   |       |      |        |      |       |       |      |       |      |       |
| burden greater |       |      |        |      |       |       |      |       |      |       |
| than 30% of    |       |      |        |      |       |       |      |       |      |       |
| income (and    |       |      |        |      |       |       |      |       |      |       |
| none of the    |       |      |        |      |       |       |      |       |      |       |
| above          |       |      |        |      |       |       |      |       |      |       |
| problems)      | 130   | 745  | 940    | 160  | 1,975 | 95    | 270  | 440   | 410  | 1,215 |
| Zero/negative  |       |      |        |      |       |       |      |       |      |       |
| Income (and    |       |      |        |      |       |       |      |       |      |       |
| none of the    |       |      |        |      |       |       |      |       |      |       |
| above          |       |      |        |      |       |       |      |       |      |       |
| problems)      | 215   | 0    | 0      | 0    | 215   | 95    | 0    | 0     | 0    | 95    |

Table 7 – Housing Problems Table

Data

2011-2015 CHAS

Source:

# 2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

|                  |       |       | Renter |      |       |       |      | Owner |       |       |
|------------------|-------|-------|--------|------|-------|-------|------|-------|-------|-------|
|                  | 0-30% | >30-  | >50-   | >80- | Total | 0-30% | >30- | >50-  | >80-  | Total |
|                  | AMI   | 50%   | 80%    | 100% |       | AMI   | 50%  | 80%   | 100%  |       |
|                  |       | AMI   | AMI    | AMI  |       |       | AMI  | AMI   | AMI   |       |
| NUMBER OF HOUSE  | HOLDS |       |        |      |       |       |      |       |       |       |
| Having 1 or more |       |       |        |      |       |       |      |       |       |       |
| of four housing  |       |       |        |      |       |       |      |       |       |       |
| problems         | 2,055 | 1,465 | 480    | 90   | 4,090 | 1,160 | 690  | 710   | 175   | 2,735 |
| Having none of   |       |       |        |      |       |       |      |       |       |       |
| four housing     |       |       |        |      |       |       |      |       |       |       |
| problems         | 235   | 965   | 1,905  | 965  | 4,070 | 440   | 855  | 1,185 | 1,005 | 3,485 |
| Household has    |       |       |        |      |       |       |      |       |       |       |
| negative income, |       |       |        |      |       |       |      |       |       |       |
| but none of the  |       |       |        |      |       |       |      |       |       |       |
| other housing    |       |       |        |      |       |       |      |       |       |       |
| problems         | 215   | 0     | 0      | 0    | 215   | 95    | 0    | 0     | 0     | 95    |

Table 8 – Housing Problems 2

Data

2011-2015 CHAS

Source:

#### Severe Housing Problems

Table 8 summarizes the number of households with more than one or more severe housing problems by income. Severe housing problems are inadequate housing; severe overcrowding (1.51 persons or more per room); and housing cost burden greater than 50 percent of household income. As Table 8 shows, 6,825 (or 30.8%) of all Households within the City report at least one severe housing problem. This table also illustrates that the greatest number of both renter and owner households that report at least one severe housing problem are those in the lowest income range of 0-30% AMI ("very extremely low-income households"). However, Renter Households within income of 0-30% AMI have a significant greater number of households of 2,055 reporting at least one severe housing problem compared to only 1,160 Owner Households in the same income range. Overall, more than twice as many Renter Households (26.3%) report at least one severe housing problem compared to 12.5% of Owner Households.

#### 3. Cost Burden > 30%

|               |          | Rer     | nter    |       | Owner |      |         |       |  |
|---------------|----------|---------|---------|-------|-------|------|---------|-------|--|
|               | 0-30%    | >30-50% | >50-80% | Total | 0-30% | >30- | >50-80% | Total |  |
|               | AMI      | AMI     | AMI     |       | AMI   | 50%  | AMI     |       |  |
|               |          |         |         |       |       | AMI  |         |       |  |
| NUMBER OF HO  | USEHOLDS | ;       |         |       |       |      |         |       |  |
| Small Related | 850      | 1,100   | 500     | 2,450 | 260   | 315  | 515     | 1,090 |  |
| Large Related | 280      | 225     | 15      | 520   | 55    | 115  | 225     | 395   |  |
| Elderly       | 455      | 365     | 144     | 964   | 609   | 385  | 175     | 1,169 |  |
| Other         | 510      | 385     | 475     | 1,370 | 250   | 70   | 145     | 465   |  |
| Total need by | 2,095    | 2,075   | 1,134   | 5,304 | 1,174 | 885  | 1,060   | 3,119 |  |
| income        |          |         |         |       |       |      |         |       |  |

Table 9 - Cost Burden > 30%

Data Source: 2011 - 2015 CHAS

Households with Cost Burden Greater than 30%

Table 9 identifies those households with housing cost burden of over 30 percent (including those with cost burden of over 50 percent) by income and tenure (Renter or Owner). The table illustrates that 2,450 low- and moderate-income Renter households (26.3% of all households) and 1,090 low- and moderate-income Owner households (12.5% of all households) are experiencing housing affordability problems.

#### Small Related Households

42% (or 3,540) of City's households are Small Related Households. 50.3% of these households are low and moderate income. 34.6% of Small Related Renter Households are experiencing cost burden greater than 30%. This is significantly higher than Small Related Owner Households where only 23.8% are reporting cost burden of over 30%. As Table 9 illustrates, of all Small Related low- and moderate-income

Renter Households, those with incomes between 0-30% AMI are the most impacted by cost burden of over 30%.

#### <u>Large Related Households</u>

Large Related households represent 520 (or 2.4%) of the City's total households. Of these Large Related households, 280 (or 53.8%) are low and moderate income. Large Related Renter Households and Owner Households are experiencing cost burden of great than 30%. fairly evenly at 38.1% and 34%, respectively. Interestingly, when comparing the Owner and Renter subsets by themselves, a greater number of Large Related Owner households are experiencing cost burden over 30% the higher the income level, whereas, in the Renter category, Large Related households is the opposite wherein they are experiencing cost burden at a higher rate the lower the income level.

According to the Census, 4.6% (or 964) of the City's households are considered Elderly. Of these Elderly Households, 67.4% are low and moderate income. 455 (or 47.1%) of low- and moderate-income Elderly Households report a cost burden of more than 30%. The greatest concentration of Elderly Households experience housing cost burden greater than 30% are both renter and Owner Elderly Household with income at 0-30% AMI.

#### 4. Cost Burden > 50%

|               | Renter   |      |      | Owner |       |      |      |       |
|---------------|----------|------|------|-------|-------|------|------|-------|
|               | 0-30%    | >30- | >50- | Total | 0-30% | >30- | >50- | Total |
|               | AMI      | 50%  | 80%  |       | AMI   | 50%  | 80%  |       |
|               |          | AMI  | AMI  |       |       | AMI  | AMI  |       |
| NUMBER OF HOL | JSEHOLDS |      |      |       |       |      |      |       |
| Small Related | 770      | 445  | 35   | 1,250 | 215   | 225  | 330  | 770   |
| Large Related | 185      | 45   | 0    | 230   | 55    | 100  | 70   | 225   |
| Elderly       | 420      | 180  | 14   | 614   | 565   | 235  | 45   | 845   |
| Other         | 445      | 220  | 50   | 715   | 240   | 35   | 80   | 355   |
| Total need by | 1,820    | 890  | 99   | 2,809 | 1,075 | 595  | 525  | 2,195 |
| income        |          |      |      |       |       |      |      |       |

Table 10 - Cost Burden > 50%

Data 2011-2015 CHAS

Source:

Households with Cost Burden Greater than 50%

Table 10 further isolates those households with cost burden of over 50 percent, which dramatically impacts households living expenses. There are 2,809 low- and moderate-income Renter households (13.4% of all households) and 2,195 low- and moderate-income Owner households (10.5% of all households) that are greatly impacted by housing costs. Within the Renter category, the 0-30 percent AMI category is heavily comprised of Small Related Renter and Elderly Renter households experiencing cost

burden greater than 50%. Within the Owner category, the concentrations are more diffused, although it is still quite noticeable within the Owner 0-30 percent AMI.

#### 5. Crowding (More than one person per room)

|                   | Renter |      |      |      | Owner |     |      |      |      |       |
|-------------------|--------|------|------|------|-------|-----|------|------|------|-------|
|                   | 0-     | >30- | >50- | >80- | Total | 0-  | >30- | >50- | >80- | Total |
|                   | 30%    | 50%  | 80%  | 100% |       | 30% | 50%  | 80%  | 100% |       |
|                   | AMI    | AMI  | AMI  | AMI  |       | AMI | AMI  | AMI  | AMI  |       |
| NUMBER OF HOUSE   | HOLDS  |      |      |      |       |     |      |      |      |       |
| Single family     |        |      |      |      |       |     |      |      |      |       |
| households        | 470    | 465  | 285  | 80   | 1,300 | 145 | 140  | 80   | 19   | 384   |
| Multiple,         |        |      |      |      |       |     |      |      |      |       |
| unrelated family  |        |      |      |      |       |     |      |      |      |       |
| households        | 60     | 50   | 35   | 10   | 155   | 0   | 15   | 95   | 65   | 175   |
| Other, non-family |        |      |      |      |       |     |      |      |      |       |
| households        | 4      | 0    | 10   | 0    | 14    | 0   | 0    | 0    | 0    | 0     |
| Total need by     | 534    | 515  | 330  | 90   | 1,469 | 145 | 155  | 175  | 84   | 559   |
| income            |        |      |      |      |       |     |      |      |      |       |

Table 11 – Crowding Information – 1/2

Data Source: 2011-2015 CHAS

#### Overcrowded Households

Table 11 displays overcrowding by household type and income. Overcrowding stands out for both Renter and Owner Single Family households consistently across all low- and moderate-income categories (0-80 percent AMI). Overcrowding was not as prevalent within the 80+percent AMI income categories in both the Renter and Owner groups. When comparing overcrowding within each of the income groupings, regardless of whether Renter or Owner, Overcrowding represented between 30-35 percent of each income group. Distinctions occur between Renter and Owner categories. Overcrowding is more prevalent within the Renter category: 1,469 Renter households (10% of all low- and moderate-income households) and 559 Owner households (3.8% of all low- and moderate-income households). Approximately 2.1 percent of overcrowded low- and moderate-income renter-households were comprised of "multiple, unrelated families" living together in the same home. Overcrowding was significantly greater for "single family households, which accounted for approximately 35.8 percent of overcrowded low- and moderateincome renter-households. This may indicate that multiple families need to pool their resources as well as single families occupying smaller houses in order to afford housing in Gardena. However, Code Enforcement staff is noticing illegal conversions of single-family housing units into multiple-unit properties. The number of Other-Non-Family Households- Renter (3 percent) and Owner (0 percent) were numerically few. It should be noted that in the Renter category there were not households in the lowest income range of 0-30% of AMI reporting overcrowding. The income range was between 30-80% of AMI. This may mean that the households living together are combining resources such as income.

|               | Renter |      |      |       | Owner |      |      |       |
|---------------|--------|------|------|-------|-------|------|------|-------|
|               | 0-30%  | >30- | >50- | Total | 0-30% | >30- | >50- | Total |
|               | AMI    | 50%  | 80%  |       | AMI   | 50%  | 80%  |       |
|               |        | AMI  | AMI  |       |       | AMI  | AMI  |       |
| Households    |        |      |      |       |       |      |      |       |
| with Children |        |      |      |       |       |      |      |       |
| Present       |        |      |      |       |       |      |      |       |

Table 12 – Crowding Information – 2/2

Data Source Comments:

There is no available data for these figures.

Describe the number and type of single person households in need of housing assistance.

Single-parent households require special consideration and assistance because of their greater need for day care, health care, and other services. Female-headed households with children in particular tend to have lower incomes, thus limiting housing availability for this group. Female-headed households numbered 4,085 as of 2010, representing 19.8 percent of total households in the city. There were 2,005 female heads-of-households with children under 18 years of age, representing 9.8 percent of the total households. Of the households under the poverty level, 845 total female head of households in the city lived below the federal poverty line. In 2016 this level was \$22,350 for a family of four. This figure represents 4.1 percent of the total households, but accounts for more than one half of the households in the City living below the poverty line.

American Fact Finder, nor other data resources, provides the number and types of single person households, therefore there is limited information available on this topic. Gardena can only estimate that there is small need for single person housing assistance. The need seems to be directed more for single-parent households with a female head of household living with children under 18. City housing programs are available to all eligible low-income persons whether single person households or more than two-person households.

Assistance for female-headed households includes the Gardena Family Child Care Program (GFCC), which was established in 1976 to provide quality child-care and child-development services to school-age children whose parents live or work in the City. The GFCC Program is provided at low or no cost, depending on family income, and is available to low-income and high-risk families with children 12 years of age or younger. Child care services are also provided in licensed private Family Child Care Homes within the City.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

The State of California Department of Justice maintains statistics on domestic violence statewide by jurisdiction. In 2019, the Gardena Police Department responded to a total of 142 calls related to domestic violence. Of these calls:

2 of these domestic incidents did not involve a weapon35 calls involved a weapon

Therefore, there were at least 140 households during the period of a year who needed some type of domestic violence services. In households were physical violence occurred, it is likely that at least one member of the household will need to relocate within the next 5 years. If 75 percent need to move, approximately 143 individuals—possibly with minor children—may require temporary housing assistance.

The form of assistance needed is twofold. First, the City recognizes that it is crucial to prioritize the creation of additional rental housing opportunities for low- and moderate-income households in general because Los Angeles County is a "high-cost area" as defined by the U.S. Department of Housing and Urban Development in the HUD Mortgagee Letter dated July 7, 2014. Second, it is important to ensure that both new and existing affordable housing opportunities are accessible to special needs populations such as victims of domestic violence, persons with disabilities, single heads of household, seniors, and transition age youth. To address special needs populations, the City will also prioritize the provision of public services to remove barriers to accessing affordable housing.

What are the most common housing problems?

The most common housing problem in the City is Cost Burden. Numerically, a total of 8,255 households (or 38.9% of all households) are experiencing financial difficulties with cost burdens greater than 30 percent of income. The housing cost burden was greater among renter-households (67.7 percent) than owner-households (32.3 percent).

The second most common housing problem is overcrowding. Numerically, a total of 2,003 households are experiencing overcrowding. Overcrowding was greater among renter-households (78.1 percent) than owner-households (21.9 percent).

Are any populations/household types more affected than others by these problems?

Overall, renters experienced housing problems to a greater extent than homeowners. Please refer to discussions above. This point is further illustrated in Table 10, which indicates that Small Households in Gardena were also more likely than other household types to experience a housing cost burden. Within the Small Households category, Renters (72.3 percent) were more than twice as likely to experience this issue than Owners (22.7 percent).

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The leading indicators of risk for homelessness include extremely low income and housing cost burden. Tables 5 and 6 indicate the number of currently housed households with housing cost burdens more than 30 percent and 50 percent, respectively, by household type, tenancy, and household income. Based on the data in Table 10, 8,255 (64.8 percent) of households earning 0-80 percent of AMI in the City experience a cost burden. Of these households, 5,590 (67.7 percent) are renters and 2,665 (32.3 percent) are owners. Of the cost-burdened renter households, the majority are small, related households (37.1 percent). Cost-burdened renter households are distributed relatively evenly amongst extremely low- and low-income categories.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The assessment of at-risk populations is based on ACS and CHAS data in the Consolidated Plan using HUD definitions for household types and housing problems.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

The leading indicators of risk for homelessness include extremely low income and housing cost burden. As indicated previously, 12,740 (60 percent) of the 21,242 households in Gardena earn less than 30 percent of AMI. 8,385 (39.5percent) earn between 30 and 50 percent of AMI and 4,355 (20.5 percent) earn between 50 and 80 percent of AMI and are considered low- and moderate-income households who are the most at risk of housing instability resulting from cost burden and a lack of supply of affordable housing, thus making these households more susceptible to homelessness.

#### Discussion

Based on the data presented in Tables 1-12, the most significant housing needs exist for an estimated 4,945 low- and moderate-income households paying more than 50 percent of their income for housing costs, particularly renter households that account for the majority of severely cost burdened households. Of those severely cost burdened renter households, the 3,215 households earning less than 30 percent of AMI are the most at-risk of homelessness.

# NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

#### Introduction

HUD requires all grantees to compare and assess the need for housing for any racial or ethnic group present in the community. A disproportionately greater need exists when the members of racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole. For example, when evaluating 0-30% of AMI households, if 50% of the households experience a housing problem, but 60% or more of a particular racial or ethnic group of households experience housing problems, that racial or ethnic group has a disproportionately greater need.

The housing problems identified in Tables 9-12 below are defined as:

- Lacks complete kitchen facilities: Household lacks a sink with piped water, a range or stove, or a refrigerator
- 2. Lacks complete plumbing facilities: Household lacks hot and cold piped water, a flush toilet and a bathtub or shower
- 3. Overcrowding: A household is considered to be overcrowded if there are more than 1.01 people per room.

<u>Cost burden:</u> A household is considered cost burdened if the household pays more than 30% of its total gross income for housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

#### 0%-30% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 3,255                                    | 435                                   | 255  |
| White                          | 255                                      | 115                                   | 40   |
| Black / African American       | 700                                      | 25                                    | 110  |
| Asian                          | 725                                      | 220                                   | 70   |
| American Indian, Alaska Native | 0  | 0                                     | 0  |
| Pacific Islander               | 25                                       | 0                                     | 0  |
| Hispanic                       | 1,495                                    | 80                                    | 35   |

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data

2011-2015 CHAS

Source:

#### \*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

#### 30%-50% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has<br>no/negative<br>income, but none of<br>the other housing<br>problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 2,735                                    | 855                                   | 0  |
| White                          | 120                                      | 150                                   | 0  |
| Black / African American       | 810                                      | 120                                   | 0  |
| Asian                          | 865                                      | 295                                   | 0  |
| American Indian, Alaska Native | 0  | 0                                     | 0  |
| Pacific Islander               | 0  | 0                                     | 0  |
| Hispanic                       | 905                                      | 290                                   | 0  |

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data

2011-2015 CHAS

Source:

## \*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

#### 50%-80% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has<br>no/negative<br>income, but none of<br>the other housing<br>problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 2,495                                    | 2,015                                 | 0  |
| White                          | 205                                      | 285                                   | 0  |
| Black / African American       | 780                                      | 405                                   | 0  |
| Asian                          | 550                                      | 885                                   | 0  |
| American Indian, Alaska Native | 10                                       | 0                                     | 0  |
| Pacific Islander               | 20                                       | 0                                     | 0  |
| Hispanic                       | 895                                      | 395                                   | 0  |

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2011-2015 CHAS

## \*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

## 80%-100% of Area Median Income

| Housing Problems               | Has one or more of four housing | Has none of the four housing problems | Household has no/negative |
|--------------------------------|---------------------------------|---------------------------------------|---------------------------|
|                                | problems                        | Tiousing problems                     | income, but none of       |
|                                | p. 0.0.101110                   |                                       | the other housing         |
|                                |                                 |                                       | problems                  |
| Jurisdiction as a whole        | 1,150                           | 1,410                                 | 0                         |
| White                          | 85                              | 100                                   | 0                         |
| Black / African American       | 375                             | 435                                   | 0                         |
| Asian                          | 285                             | 430                                   | 0                         |
| American Indian, Alaska Native | 0                               | 4                                     | 0                         |
| Pacific Islander               | 34                              | 30                                    | 0                         |
| Hispanic                       | 375                             | 380                                   | 0                         |

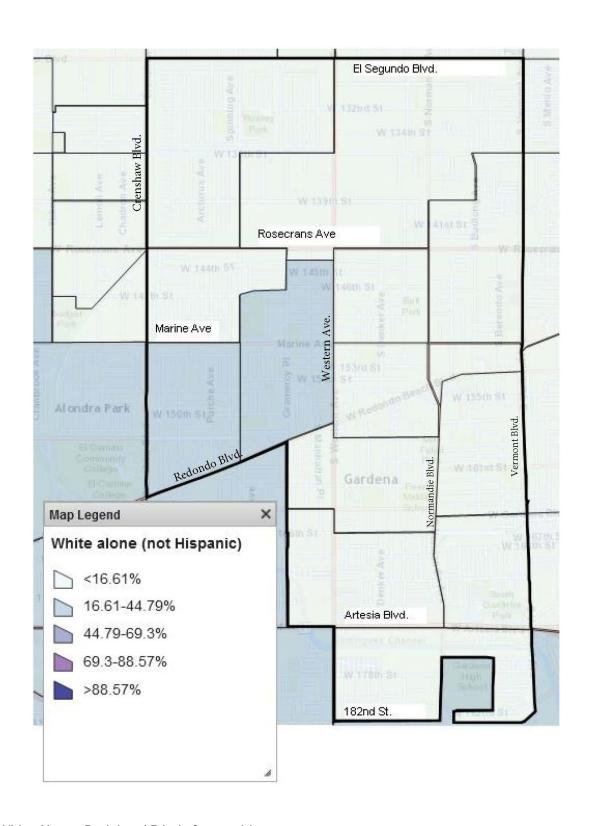
Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2011-2015 CHAS

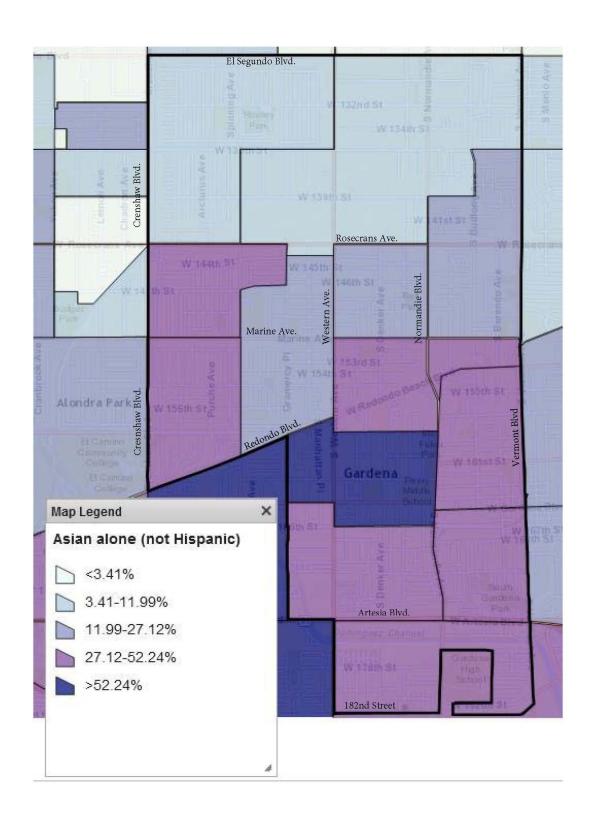
Source:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

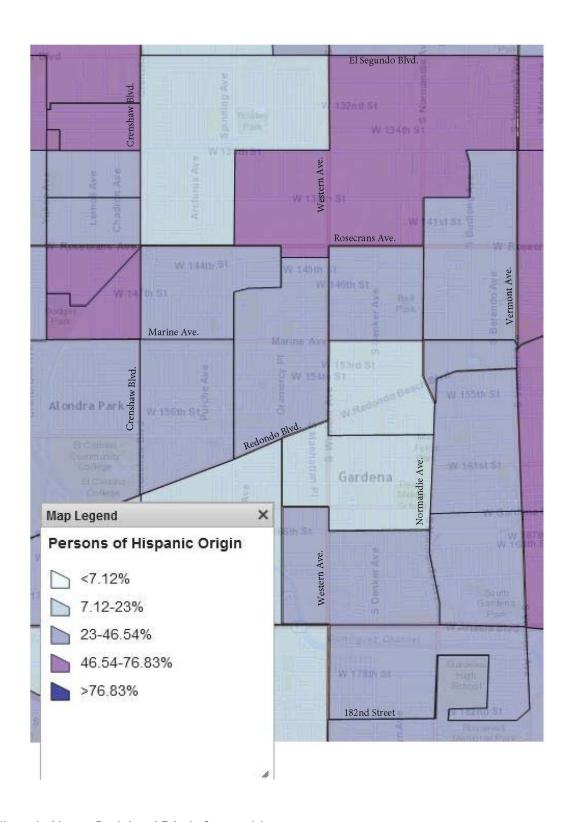
<sup>\*</sup>The four housing problems are:



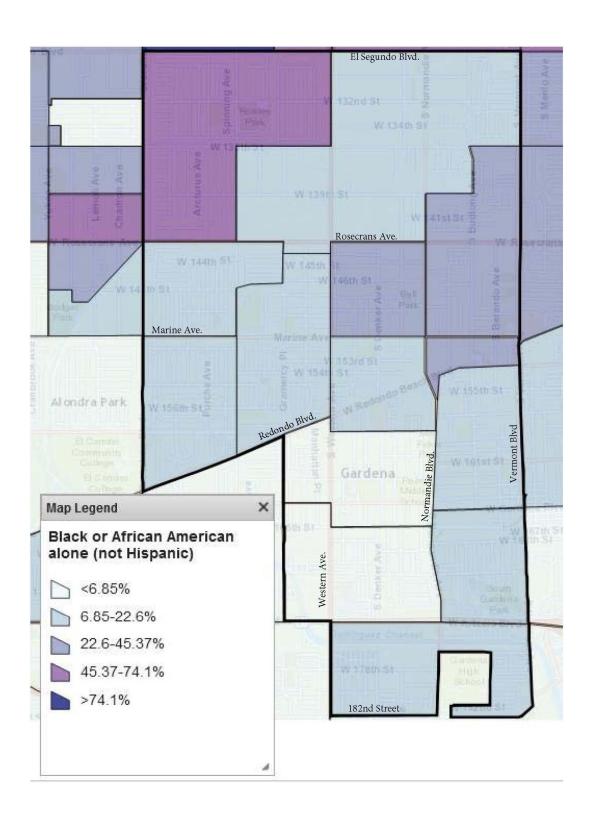
White Alone - Racial and Ethnic Composition



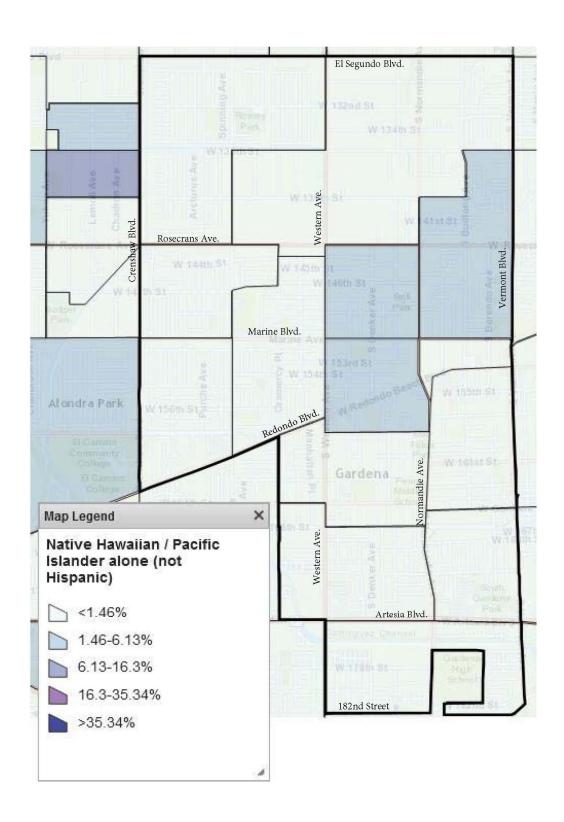
Asian - Racial and Ethnic Composition



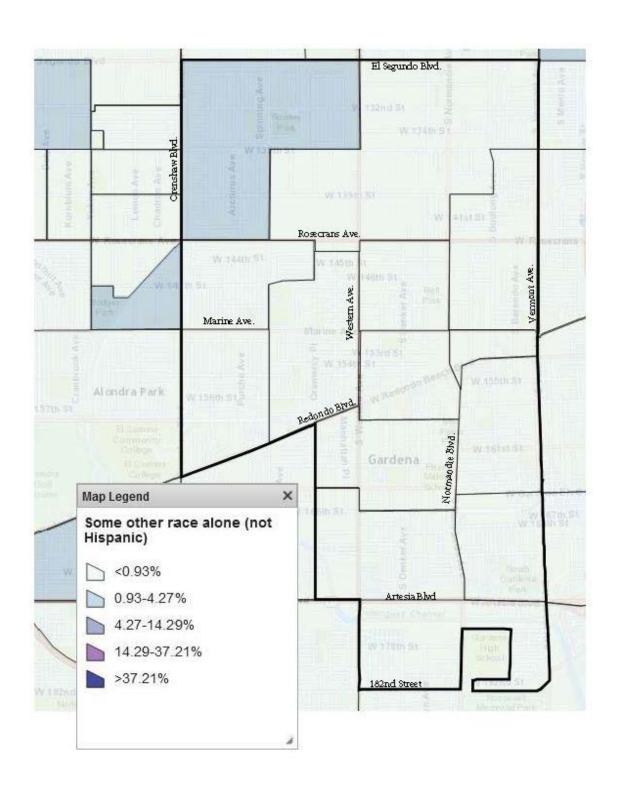
Hispanic Alone - Racial and Ethnic Composition



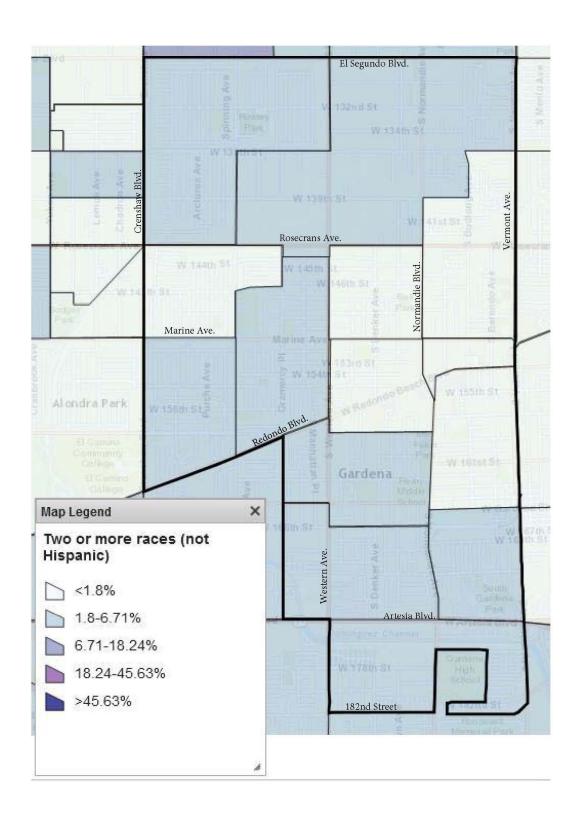
Black/ African American - Racial and Ethnic Composition



Pacific Islander - Racial and Ethnic Composition



Some Other Race Alone - Racial and Ethnic Composition



Two or More Races - Racial and Ethnic Composition

Discussion

**HUD Community Planning and Development Maps (CPD Maps)** 

The maps on the previous pages illustrate the racial and ethnic composition of the City by Census Tract as reported in the 2016-2015 American Community Survey estimates.

Based on information contained in the tables, above, the following racial or ethnic groups were found to have a disproportionately greater level of housing problems relative to the percentage of all households in the given income category experiencing housing problems:

- Hispanic households at all low- and moderate-income levels
- Black/African American at all low- and moderate-income level
- Asian at all American at all low- and moderate-income level

Low and moderate income Hispanic households totaling 4,850 with incomes between 0-80% of AMI with housing problems represent 39.9 percent of all households with housing problems. Black/African American totaling 3,760 with incomes between 0-80% of AMI with housing problems represent 27.1 percent of all households of similar income with housing problems. Asian households totaling 4,325 with incomes between 0-80% of AMI with housing problems represent 23.2 percent of all households of similar income with housing problems.

# NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need.

#### Introduction

Similar to the previous section, Tables 17-20 below provide data to determine if disproportionate housing needs exist for any racial or ethnic group present in the community that experience severe housing problems, which are defined as:

- 1. Lacks complete kitchen facilities: Household does not have a stove/oven and refrigerator.
- 2. Lacks complete plumbing facilities: Household does not have running water or modern toilets.
- 3. Severe overcrowding: A household is considered severely overcrowded if there are more than 1.5 people per room.
- 4. Severe cost burden: A household is considered severely cost burdened if the household pays more than 50% of its total income for housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

#### 0%-30% of Area Median Income

| Severe Housing Problems*       | Has one or more | Has none of the | Household has    |
|--------------------------------|-----------------|-----------------|------------------|
|                                | of four housing | four housing    | no/negative      |
|                                | problems        | problems        | income, but none |
|                                |                 |                 | of the other     |
|                                |                 |                 | housing problems |
| Jurisdiction as a whole        | 2,985           | 705             | 255              |
| White                          | 240             | 125             | 40               |
| Black / African American       | 665             | 60              | 110              |
| Asian                          | 640             | 300             | 70               |
| American Indian, Alaska Native | 0               | 0               | 0                |
| Pacific Islander               | 25              | 0               | 0                |
| Hispanic                       | 1,385           | 190             | 35               |

Table 17 – Severe Housing Problems 0 - 30% AMI

Data

2011-2015 CHAS

Source:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

<sup>\*</sup>The four severe housing problems are:

## 30%-50% of Area Median Income

| Severe Housing Problems*       | Has one or more | Has none of the | Household has    |
|--------------------------------|-----------------|-----------------|------------------|
|                                | of four housing | four housing    | no/negative      |
|                                | problems        | problems        | income, but none |
|                                |                 |                 | of the other     |
|                                |                 |                 | housing problems |
| Jurisdiction as a whole        | 1,650           | 1,940           | 0                |
| White                          | 45              | 220             | 0                |
| Black / African American       | 495             | 435             | 0                |
| Asian                          | 515             | 650             | 0                |
| American Indian, Alaska Native | 0               | 0               | 0                |
| Pacific Islander               | 0               | 0               | 0                |
| Hispanic                       | 580             | 615             | 0                |

Table 18 – Severe Housing Problems 30 - 50% AMI

Data

2011-2015 CHAS

Source:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

## 50%-80% of Area Median Income

| Severe Housing Problems*       | Has one or more of four housing problems | Has none of the four housing problems | Household has<br>no/negative<br>income, but none |
|--------------------------------|--|---------------------------------------|--|
|                                |  |                                       | of the other                                     |
|                                |  |                                       | housing problems                                 |
| Jurisdiction as a whole        | 1,320                                    | 3,185                                 | 0  |
| White                          | 110                                      | 385                                   | 0  |
| Black / African American       | 275                                      | 915                                   | 0  |
| Asian                          | 320                                      | 1,120                                 | 0  |
| American Indian, Alaska Native | 0  | 10                                    | 0  |
| Pacific Islander               | 0  | 20                                    | 0  |
| Hispanic                       | 595                                      | 700                                   | 0  |

Table 19 – Severe Housing Problems 50 - 80% AMI

Data Source: 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

<sup>\*</sup>The four severe housing problems are:

#### 80%-100% of Area Median Income

| Severe Housing Problems*       | Has one or more | Has none of the | Household has    |
|--------------------------------|-----------------|-----------------|------------------|
|                                | of four housing | four housing    | no/negative      |
|                                | problems        | problems        | income, but none |
|                                |                 |                 | of the other     |
|                                |                 |                 | housing problems |
| Jurisdiction as a whole        | 510             | 2,045           | 0                |
| White                          | 10              | 175             | 0                |
| Black / African American       | 135             | 675             | 0                |
| Asian                          | 130             | 585             | 0                |
| American Indian, Alaska Native | 0               | 4               | 0                |
| Pacific Islander               | 30              | 34              | 0                |
| Hispanic                       | 205             | 550             | 0                |

Table 20 – Severe Housing Problems 80 - 100% AMI

Data

2011-2015 CHAS

Source:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

## Discussion

Based on this analysis, the following racial or ethnic groups were found to have a disproportionately greater level of severe housing problems relative to the percentage of all households in the given income category experiencing severe housing problems:

- Black / African American households with incomes 0-30% of AMI
- Hispanic households with incomes 0-30% of AMI
- Hispanic households with incomes 50-80% of AMI

Black / African American households with income 0-30% of AMI represent 16.9% of all households of similar income with severe housing problems.

Hispanic households with incomes 0-30% of AMI represent disability chg35.1% of all households of similar income with severe housing problems.

<sup>\*</sup>The four severe housing problems are:

# NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

#### Introduction:

HUD defines cost burden as the extent to which gross housing costs, including utility costs, exceeds 30% of a given household's gross income. A household is considered severely cost burdened if gross housing costs, including utility costs, exceeds 50% of a household's gross income.

## Housing Cost Burden

| Housing Cost Burden     | <=30%  | 30-50% | >50%  | No / negative |
|-------------------------|--------|--------|-------|---------------|
|                         |        |        |       | income (not   |
|                         |        |        |       | computed)     |
| Jurisdiction as a whole | 10,955 | 4,600  | 5,050 | 360           |
| White                   | 1,600  | 455    | 415   | 40            |
| Black / African         |        |        |       |               |
| American                | 2,575  | 1,430  | 1,385 | 110           |
| Asian                   | 3,885  | 1,120  | 1,435 | 95            |
| American Indian,        |        |        |       |               |
| Alaska Native           | 4      | 10     | 0     | 0             |
| Pacific Islander        | 70     | 25     | 25    | 0             |
| Hispanic                | 2,595  | 1,475  | 1,725 | 110           |

Table 21 – Greater Need: Housing Cost Burdens AMI

Data

2011-2015 CHAS

Source:

## Discussion:

The map above illustrates the areas of the City where residents report housing cost burden greater than 30%. Please refer to discussion under N-30 on the following page.

# NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

CHAS data demonstrates that none of the groups represented in the tables above show disproportionately greater needs that are at least 10 percentage points higher than the percentage of persons in the category.

The race/ethnicity with the highest percentage of housing problems and severe housing problems at all income level of 0-80% of AMI is Hispanic followed by Black/African American and then Asian households.

For housing cost burden at all ranges, the race/ethnicity with the highest percentage was Hispanic followed by Black/African American.

If they have needs not identified above, what are those needs?

Housing needs of low- and moderate-income minority households have been previously identified.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

Please refer to MA-50 for additional analysis.

- 1. <u>Areas with concentration of Black/African American families</u> Census Tract 6026 located in the northeastern portion of the City.
- 2. <u>Areas with concentration of Asians families</u> Census Tract 6033.01 located in the central part of the City.
- 3. <u>Areas with concentration of Hispanic families</u> Census Tract 6029 located in the northwestern section of the City.

Gardena prides itself on being a racially, ethnically and culturally diverse community. Since 2000, the fastest growing racial/ethnic group in the City was Hispanic. In 2015, the Asian ethnic group represented the largest share of the City's ethnic population at 31.2 percent, which was lower than the countywide share of 26.3 percent. The second largest ethnic/racial group was the Hispanic population category at 28.2 percent, followed by African American/Black population at 26.2 percent. The most noticeable shift has occurred with the Non-Hispanic White population, which decreased from 10.4 percent in 2016 to 8.7 percent in 2015.

# NA-35 Public Housing – 91.205(b)

#### Introduction

There are no public housing complexes within the City of Gardena. However, the City has assisted in the development of residential units that are restricted to low- and moderate-income residents. The County of Los Angeles Housing Authority, as of April 6, 2021, provided 722 Section 8 Housing Choice Vouchers to Gardena residents.

The Section 8 Housing Choice Voucher program currently assists approximately 20,550 families Countywide through a partnership with over 13,000 property owners. The Public Housing program manages 3,136 units of public and other affordable housing throughout Los Angeles County. The Housing Authority programs are targeted toward LMI households. To be eligible for the Section 8 program, a family's gross annual income must be below 50% of the AMI in Los Angeles County. 75% of new admissions must have gross annual incomes at or below 30% of the AMI.

#### Totals in Use

| Program Type |             |       |         |          |         |        |                         |             |          |  |  |
|--------------|-------------|-------|---------|----------|---------|--------|-------------------------|-------------|----------|--|--|
|              | Certificate | Mod-  | Public  | Vouchers |         |        |                         |             |          |  |  |
|              |             | Rehab | Housing | Total    | Project | Tenant | Special Purpose Voucher |             |          |  |  |
|              |             |       |         |          | -based  | -based | Veterans                | Family      | Disabled |  |  |
|              |             |       |         |          |         |        | Affairs                 | Unification | *        |  |  |
|              |             |       |         |          |         |        | Supportive              | Program     |          |  |  |
|              |             |       |         |          |         |        | Housing                 |             |          |  |  |
| # of         |             |       |         |          |         |        |                         |             |          |  |  |
| units        |             |       |         |          |         |        |                         |             |          |  |  |
| vouchers     |             |       |         |          |         |        |                         |             |          |  |  |
| in use       | 0           | 253   | 2,883   | 21,087   | 47      | 20,550 | 268                     | 163         | 59       |  |  |

Table 22 - Public Housing by Program Type

Data PIC (PIH Information Center)

Source:

<sup>\*</sup>includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

# **Characteristics of Residents**

| Program Type   |                                  |        |         |        |         |        |                         |                       |  |
|----------------|----------------------------------|--------|---------|--------|---------|--------|-------------------------|-----------------------|--|
|                | Certificate Mod- Public Vouchers |        |         |        |         |        |                         |                       |  |
|                |                                  | Rehab  | Housing | Total  | Project | Tenant | Special Purpose Voucher |                       |  |
|                |                                  |        |         |        | -based  | -based | Veterans<br>Affairs     | Family<br>Unification |  |
|                |                                  |        |         |        |         |        | Supportive              | Program               |  |
|                |                                  |        |         |        |         |        | Housing                 |                       |  |
| Average        |                                  |        |         |        |         |        |                         |                       |  |
| Annual         |                                  |        |         |        |         |        |                         |                       |  |
| Income         | 0                                | 14,341 | 13,522  | 14,839 | 15,746  | 14,816 | 14,829                  | 17,842                |  |
| Average        |                                  |        |         |        |         |        |                         |                       |  |
| length of stay | 0                                | 6      | 8       | 8      | 0       | 8      | 0                       | 6                     |  |
| Average        |                                  |        |         |        |         |        |                         |                       |  |
| Household      |                                  |        |         |        |         |        |                         |                       |  |
| size           | 0                                | 3      | 2       | 2      | 2       | 2      | 1                       | 4                     |  |
| # Homeless at  |                                  |        |         |        |         |        |                         |                       |  |
| admission      | 0                                | 0      | 0       | 184    | 0       | 42     | 142                     | 0                     |  |
| # of Elderly   |                                  |        |         |        |         |        |                         |                       |  |
| Program        |                                  |        |         |        |         |        |                         |                       |  |
| Participants   |                                  |        |         |        |         |        |                         |                       |  |
| (>62)          | 0                                | 48     | 1,138   | 6,753  | 15      | 6,670  | 38                      | 2                     |  |
| # of Disabled  |                                  |        |         |        |         |        |                         |                       |  |
| Families       | 0                                | 40     | 534     | 4,416  | 17      | 4,269  | 83                      | 16                    |  |
| # of Families  |                                  |        |         |        |         |        |                         |                       |  |
| requesting     |                                  |        |         |        |         |        |                         |                       |  |
| accessibility  |                                  |        |         |        |         |        |                         |                       |  |
| features       | 0                                | 253    | 2,883   | 21,087 | 47      | 20,550 | 268                     | 163                   |  |
| # of HIV/AIDS  |                                  |        |         |        |         |        |                         |                       |  |
| program        |                                  |        |         |        |         |        |                         |                       |  |
| participants   | 0                                | 0      | 0       | 0      | 0       | 0      | 0                       | 0                     |  |
| # of DV        |                                  |        |         |        |         |        |                         |                       |  |
| victims        | 0 Table 22 C                     | 0      | 0       | 0      | 0       | 0      | 0                       | 0                     |  |

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

### Race of Residents

|               | Program Type |       |         |         |          |        |            |               |          |
|---------------|--------------|-------|---------|---------|----------|--------|------------|---------------|----------|
| Race          | Certificate  | Mod-  | Public  | Voucher | Vouchers |        |            |               |          |
|               |              | Rehab | Housing | Total   | Project  | Tenant | Specia     | l Purpose Vou | cher     |
|               |              |       |         |         | -based   | -based | Veterans   | Family        | Disabled |
|               |              |       |         |         |          |        | Affairs    | Unification   | *        |
|               |              |       |         |         |          |        | Supportive | Program       |          |
|               |              |       |         |         |          |        | Housing    |               |          |
| White         | 0            | 148   | 1,710   | 10,344  | 33       | 10,071 | 80         | 120           | 40       |
| Black/African |              |       |         |         |          |        |            |               |          |
| American      | 0            | 60    | 1,035   | 8,432   | 12       | 8,188  | 179        | 38            | 15       |
| Asian         | 0            | 8     | 120     | 2,181   | 1        | 2,173  | 3          | 1             | 3        |
| American      |              |       |         |         |          |        |            |               |          |
| Indian/Alaska |              |       |         |         |          |        |            |               |          |
| Native        | 0            | 0     | 11      | 76      | 1        | 67     | 6          | 2             | 0        |
| Pacific       |              |       |         |         |          |        |            |               |          |
| Islander      | 0            | 37    | 7       | 54      | 0        | 51     | 0          | 2             | 1        |
| Other         | 0            | 0     | 0       | 0       | 0        | 0      | 0          | 0             | 0        |

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

# **Ethnicity of Residents**

|           | Program Type |       |         |          |         |        |            |               |          |
|-----------|--------------|-------|---------|----------|---------|--------|------------|---------------|----------|
| Ethnicity | Certificate  | Mod-  | Public  | Vouchers | S       |        |            |               |          |
|           |              | Rehab | Housing | Total    | Project | Tenant | Specia     | l Purpose Vou | cher     |
|           |              |       |         |          | -based  | -based | Veterans   | Family        | Disabled |
|           |              |       |         |          |         |        | Affairs    | Unification   | *        |
|           |              |       |         |          |         |        | Supportive | Program       |          |
|           |              |       |         |          |         |        | Housing    |               |          |
| Hispanic  | 0            | 124   | 1,121   | 7,293    | 11      | 7,122  | 40         | 105           | 15       |
| Not       |              |       |         |          |         |        |            |               |          |
| Hispanic  | 0            | 129   | 1,762   | 13,794   | 36      | 13,428 | 228        | 58            | 44       |

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination based on disability in any program or activity that is conducted by federal agencies or that receives financial assistance from a federal agency. A housing provider may not deny or refuse to sell or rent to a person with a disability and may not impose application or qualification criteria, rental fees, or sales prices and rental or sales terms or conditions that are different than those required of or provided to persons who are not disabled. Further, housing providers may not require persons with disabilities to live only on certain floors, or to all live in one section of the housing. Housing providers may not refuse to make repairs and may not limit or deny someone with a disability access to recreational and other public and common use facilities, parking privileges, cleaning or janitorial services or any services which are made available to other residents.

County-wide HACoLA has 59 accessible public housing units available for disabled residents, representing 4.7% of the total units in public housing developments. HACoLA has policies and procedures in place that are designed to provide assurances that all persons with disabilities, including applicants and current residents are provided with reasonable accommodations so that they may fully access and utilize HACoLA's housing programs related services.

The County run Housing Choice Voucher program gives families the flexibility to search for rental units on the open market that meet their disability related needs. For County public housing, HACoLA estimates that 534 of the 4,416 households receiving a voucher have at least one member with a disability. HACoLA provides resources through its website and at all offices on services available to households with disabilities.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

HACoLA's primary goal is to fulfill the immediate needs of public housing residents: living in safe, decent and sanitary housing; and achieving self-sufficiency. The most pressing needs of residents include:

- Education support for youth
- Adult learning
- English as a Second language services
- Supportive services to special needs populations
- Workforce development
- Resident empowerment
- Public safety
- Social services

How do these needs compare to the housing needs of the population at large

The needs of public housing residents in Los Angeles County are very similar to the needs of very low-income and low-income households in Gardena as they are both requiring affordable housing and seeking similar services.

### Discussion

The City will continue refer its residents to the County Housing Authority Housing Choice Voucher Program (Section 8 vouchers) the County of Los Angeles through their portability provisions.

# NA-40 Homeless Needs Assessment – 91.205(c) Introduction:

There are four federally defined categories under which individuals and families may qualify as homeless:

1) literally homeless; 2) imminent risk of homelessness; 3) homeless under other Federal statues; and 4) fleeing/attempting to flee domestic violence.

Los Angeles County has more than 10 million residents and a geographic area of 4,081 square miles that includes 88 cities. Homelessness is addressed regionally through the Continuum of Care (CoC) led by the Los Angeles Homeless Services Authority (LAHSA), a joint powers authority of the City and County of Los Angeles that coordinates and manages over \$70 million annually in federal, state, county and city funds for programs providing shelter, housing and services to men, women and children experiencing homelessness. The Los Angeles County Continuum of Care includes the entire county with the exception of the cities of Glendale, Pasadena and Long Beach, who administer and operate their own CoC systems. To facilitate planning and administration of services, LAHSA adopted eight regional Service Planning Areas (SPAs). The City of Gardena is part of SPA 8 – South Bay / Harbor.

Nature and Extent of Homelessness in Los Angeles County vs. the National Average

To better understand the nature and extent of homelessness, every two years during the last 10 days of January, HUD requires communities across the country to conduct a comprehensive count of their homeless population. The most recent available data as of this writing is from the Point in Time Homeless Count (PIT Count) held on January 29-31, 2021. The 2021 PIT Count was unique from previous PIT Counts because it 1) was the nation's largest count of homeless individuals and families, covering approximately 4,000 square miles; 2) for the first time, it collected data on people who were literally homeless (i.e. living unsheltered on the streets, in a vehicle or other place not fit for human habitation, or in and emergency shelter or transitional housing program; and 3) it collected data on Los Angeles County's "Hidden Homeless", a subpopulation of homeless persons who were not counted during the street and shelter count.

#### 2021 PIT Count Results

The 2021 PIT Count reported that 66,436 men, women and children are homeless in Los Angeles County on any given night, and has doubled since the last count in 2020. Overall, 2021 PIT Count illustrates a 15 percent increase in homelessness when compared to the 2013 PIT Count. The City of Gardena is part of Service Planning Area (SPA) 8 – South Bay / Harbor. While data specific to the City of Gardena is unavailable, the 2021 PIT Count reported that 6,956 people are homeless on any given night in SPA 8.

Although no additional data is available, the PIT survey conducted in January 2021 identified a total of 50 unsheltered homeless persons in the City of Gardena.

# **Homeless Needs Assessment**

| Population     | Estimate the # of    |             | Estimate the | Estimate  | Estimate the | Estimate the |
|----------------|----------------------|-------------|--------------|-----------|--------------|--------------|
|                | persons experiencing |             | #            | the#      | # exiting    | # of days    |
|                | homelessness on a    |             | experiencing | becoming  | homelessness | persons      |
|                | give                 | n night     | homelessness | homeless  | each year    | experience   |
|                | <u> </u>             |             | each year    | each year |              | homelessness |
|                | Sheltered            | Unsheltered |              |           |              |              |
| Persons in     |                      |             |              |           |              |              |
| Households     |                      |             |              |           |              |              |
| with Adult(s)  |                      |             |              |           |              |              |
| and Child(ren) | 684                  | 1,589       | 684          | 0         | 0            | 0            |
| Persons in     |                      |             |              |           |              |              |
| Households     |                      |             |              |           |              |              |
| with Only      |                      |             |              |           |              |              |
| Children       | 716                  | 101         | 716          | 0         | 0            | 0            |
| Persons in     |                      |             |              |           |              |              |
| Households     |                      |             |              |           |              |              |
| with Only      |                      |             |              |           |              |              |
| Adults         | 19,803               | 8,226       | 19,803       | 0         | 0            | 0            |
| Chronically    |                      |             |              |           |              |              |
| Homeless       |                      |             |              |           |              |              |
| Individuals    | 6,652                | 823         | 6,652        | 0         | 0            | 0            |
| Chronically    |                      |             |              |           |              |              |
| Homeless       |                      |             |              |           |              |              |
| Families       | 859                  | 368         | 859          | 0         | 0            | 0            |
| Veterans       | 2,557                | 1,450       | 2,557        | 0         | 0            | 0            |
| Unaccompanied  |                      |             |              |           |              |              |
| Child          | 716                  | 101         | 716          | 0         | 0            | 0            |
| Persons with   |                      |             |              |           |              |              |
| HIV            | 185                  | 164         | 185          | 0         | 0            | 0            |

Table 26 - Homeless Needs Assessment

Data Source

Comments: Source: South Bay Coalition to End Homelessness

Indicate if the homeless

Has No Rural Homeless

population is:

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

A chronically homeless individual is an unaccompanied homeless individual (living in an emergency shelter or in an unsheltered location) with a disabling condition that has been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years. Of the 6,652 homeless individuals that were reported as chronically homeless in SPA 8, 6,652 individuals were sheltered, and 823 individuals were unsheltered.

Families with children include at least one household member age 18 or over and at least one household member under the age of 18. According to the 2021 PIT Count, there were 95 homeless families (684 people) with at least one adult and one child, comprised of 11 families (50 people) living in emergency or transitional shelters and 24 unsheltered families (93 people) in need of housing assistance.

Veterans are persons who have served on active duty in the Armed Forces of the United States. This does not include inactive military reserves or the National Guard unless the person was called up to active duty. The 2021 PIT Count revealed 2,557 sheltered veterans and 1,450 unsheltered veterans in SPA 8.

Unaccompanied youth are individuals under the age of 18 years old, who are presumed to be emancipated if they are unsheltered without an adult. According to the HUD's 2021 Continuum of Care Homeless Assistance Programs – Homeless Populations and Subpopulations report dates October 1, 2021, there were 716 unaccompanied youth who were sheltered and 101 unaccompanied youth who were unsheltered in SPA 8.

The 2021 PIT Count indicates that 1,936 homeless individuals in SPA 8 are severely mentally ill, meaning that they have mental health problems that are expected to be of long-continued and indefinite in duration and will substantially impair their ability to live independently. Of the 1,936 homeless individuals in SPA 8 that were reported as severely mentally ill, 161 individuals were sheltered, and 1,711 individuals remained unsheltered.

The 2021 PIT Count indicates that there were 183 homeless people with HIV/AIDS in SPA 8. Of these, 185 people were sheltered, and 164 people were unsheltered.

Nature and Extent of Homelessness: (Optional)

| Race:                     | Sheltered: | Unsheltered (optional) |
|---------------------------|------------|------------------------|
|                           |            |                        |
| White                     | 19,691     | 0                      |
| Black or African American | 20,450     | 0                      |
| Asian                     | 621        | 0                      |
| American Indian or Alaska |            |                        |
| Native                    | 692        | 0                      |
| Pacific Islander          | 0          | 0                      |
| Ethnicity:                | Sheltered: | Unsheltered (optional) |
| Hispanic                  | 11,753     | 0                      |
| Not Hispanic              | 0          | 0                      |

Data Source

Comments:

South Bay Coalition to End Homelessness

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

According to the 2021 PIT Count results for SPA 8, there were 36 homeless families (124 people) with at least one adult and one child, comprised of 14 families (56 people) living in emergency or transitional shelters and 684 unsheltered families in need of housing assistance.

Veterans are persons who have served on active duty in the Armed Forces of the United States. This does not include inactive military reserves or the National Guard unless the person was called up to active duty. The 2021 PIT Count revealed 87 sheltered veterans and 737 unsheltered veterans in SPA 8. Of these homeless veterans, data shows that 44 of them were female.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The homeless population in Los Angeles County is generally comparable to national averages. The majority of homeless people nationally identified themselves as Black or White in terms of race. Of the 1,578 respondents who reported a race as compared to the distribution of races among the countywide population, 38 percent of the respondents identified themselves as White and 38 percent as Black/African American. People of Hispanic/Latino origin comprised 22 percent of the unsheltered homeless population.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Los Angeles County's homeless people were unsheltered and living in uninhabitable living environments including living on the streets, in vehicles or in tents. The proportion of sheltered and unsheltered homelessness in SPA 8 is comparable to countywide statistics.

Of the 749 people who were sheltered in SPA 8, 196 percent were in emergency shelters and 614 were in transitional housing. In contrast to the countywide breakdown that includes 6,891 or 48.3 percent in emergency shelters, 6,658 or 50.8 percent in transitional housing including haven shelters—a form of supportive housing that serves hard-to-reach homeless persons with severe mental illness who come primarily from the streets and have been unable or unwilling to participate in housing or supportive services.

LAHSA's 2019 Greater Los Angeles Homeless Count identified approximately 59 Unsheltered Chronically Homeless Family in the City of Gardena.

#### Discussion:

The lack of affordable housing continues to be the primary factor of homelessness within the County and has led to high rent burdens, overcrowding, and substandard housing, which has not only forced many people to become homeless but has also put a growing number of people at risk of becoming homeless.

Due to COVID- 19, a three-year program proposed by the Los Angeles Homeless Services Authority would employ a combination of bridge housing, rental subsidies and rehousing services, all leading to permanent placements for over 15,000 people who are considered most vulnerable to COVID-19 because of their age or health conditions.

For the next five years, the new plan recommends the following strategies to reduce homelessness throughout Los Angeles County:

- Know who is homeless and what they need: Conduct a count of every person living on the streets, shelters, or other places not fit for human habitation to understand the scope of homelessness in each community.
- Create the housing and the services to help people thrive: Create affordable housing units through new construction or rehabilitation of existing buildings and provide supportive services in permanent supportive housing that are critical to housing retention.
- Shift to a Housing First System: Housing First is a system through which homeless people are back in permanent housing in less than 30 days and there are few requirements for housing.
- Get involved and get other involved: Encourage others (individual of agency) to commit to partnering with other leaders to end chronic and veteran homelessness by 2021 and volunteer at local organizations.

# NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d) Introduction:

The special needs population consists of persons who are not homeless but due to various reasons are in need of services and supportive housing. Persons with special needs include the elderly, frail elderly, severe mentally ill, developmentally disabled, physically disabled, persons with alcohol or other drug addictions, persons with HIV/AIDS and victims of domestic violence. The City of Gardena will consider allocating CDBG public service funding to various programs that provide services to special needs populations, including but not limited to those serving the elderly, frail elderly, developmentally disabled, physically disabled, mentally disabled, persons with HIV/AIDS and victims of domestic violence.

Describe the characteristics of special needs populations in your community:

Elderly and Frail Elderly: The U.S. Department of Housing and Urban Development (HUD) defines elderly as a person who is 62 years of age or older. A frail elderly person is an elderly person who is unable to perform at least three activities of daily living including eating, bathing, or home management activities. Based on 2016-2015 CHAS data, of the 8,165 (37.3% of all households) households containing at least one elderly person, of these elderly households, 77.1 percent (5,900) earn less than 80 percent of the Area Median Income in Gardena.

Persons with Disabilities: HUD defines a disabled person as having a physical or mental impairment that substantially limits major life activities. Additionally, persons with disabilities have high dependency on supportive services and may require accessibility modifications to accommodate their unique conditions. Based on ACS data, of the total Civilian Noninstitutionalized Population (58,907) in Gardena, 7,200 persons have a disability. Of these 6,551 disabled persons, 3,124 are between the ages of 18-64 years of age and 3,577 are over the age of 65.

Alcohol and Other Drug Addictions: Drug abuse or substance abuse is defined as the use of chemical substances that lead to an increased risk of problems and an inability to control the use of the substance. According to the Indicators of Alcohol and Other Drug Abuse Report for Los Angeles California, Center for Applied Research Solutions, there were 620 admissions to alcohol and other drug treatment per 100,000 people in the County compared to the state average of 679 admissions in 2015. There were also 987 arrests for felony and misdemeanor drug offenses and 864 alcohol related arrests per 100,000 people in comparison to the state's 943 drug arrests and 1,333 alcohol arrests in 2015.

HIV/AIDS: Human immunodeficiency virus infection (HIV) is a virus that weakens one's immune system by destroying important cells that fight diseases and infection. Acquired Immune Deficiency Syndrome (AIDS) is the final stage of the HIV infection. According to the 2018 Annual HIV Surveillance Report for Los Angeles County, there were 49,449 persons living with HIV and 1,690 people were newly diagnosed with HIV.

Victims of Domestic Violence: Domestic Violence includes, but is not limited to felony or misdemeanor crimes of violence committed by a current or former spouse of the victim or by a person who is cohabitating with or has cohabited with the victim as a spouse. In 2019, the Gardena Police Department responded to a total of 201 calls related to domestic violence. Of these calls, 167 of these domestic incidents did not involve a weapon and only 48 calls involved a weapon of which 1 involved a firearm, 4 involved a knife or cutting instrument, 17 involved other dangerous weapons and 21 involved personal weapons such as feet or hands.

What are the housing and supportive service needs of these populations and how are these needs determined?

To determine the level of need and types of services needed by special needs populations, the City conducted surveys, consulted with local service providers, and reviewed ACS data. Supportive services required for special needs populations include case management, medical or psychological counseling and supervision, childcare, transportation, and job training provided for the purpose of facilitating a person's stability and independence.

For persons with special needs, the high cost of living in Los Angeles County makes it very difficult for to maintain a stable residence. Often these segments of the population rely on support services from various Los Angeles's non-profit organizations to avoid becoming homeless or institutionalized.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

There were 49,449 persons living with HIV and 1,690 people were newly diagnosed in Los Angeles County at the end of 2018. The number of persons living with HIV/AIDS in the County has increased steadily since 2013. Males currently represent about seven out of eight (88%) persons living with HIV/AIDS in Los Angeles County. Three quarters (75%) of persons living with HIV/AIDS are 40 years or older. The median age of persons living with HIV/AIDS in Los Angeles County is 48 years. About 44% of persons living with HIV/AIDS in the County are Latino, 33% White, 20% African American, and 7% Asian/Pacific Islander.

At year-end 2019, a total of 52,004 persons were living with diagnosed HIV (PLWDH) in LAC, and 99.9% of these were aged  $\geq$  13 years. Among children aged <13 years, newly diagnosed HIV remains low but not within target for elimination of mother-to-child transmission of HIV. Latest estimates approximate that there were approximately 1,700 persons aged  $\geq$  13 years newly infected with HIV in 2022. These infections represented new HIV infections acquired that year that may or may not have been diagnosed. In 2018, 1,660 persons aged  $\geq$  13 years were newly diagnosed with HIV infection, and approximately one-third of these were identified early in HIV disease progression based on CD4 counts within 1 month of HIV diagnosis. These findings suggest that a substantial number of newly infected persons remain undiagnosed and at high risk of transmitting to others due to high levels of HIV viral load. Among the estimated 57,700 persons aged  $\geq$  13 years living with HIV at year end 2022, approximately 11% or 6,400 persons were unaware of their infection.

### Discussion:

Gardena residents with special needs include, but are not limited to the elderly, frail elderly, severe mentally ill, developmentally disabled, physically disabled, persons with alcohol and other drug addictions, persons with HIV/AIDS and victims of domestic violence. Challenges these special needs populations face includes low income and high housing cost. This segment of the population also struggles for a decent quality of life that includes basic necessities, adequate food and clothing and medical care.

The City of Gardena has historically provided CDBG public service funds for activities including those support services for the special needs population and has used its General funds to supplement the various programs including its Youth and Family Services Bureau and Senior Citizen's Bureau.

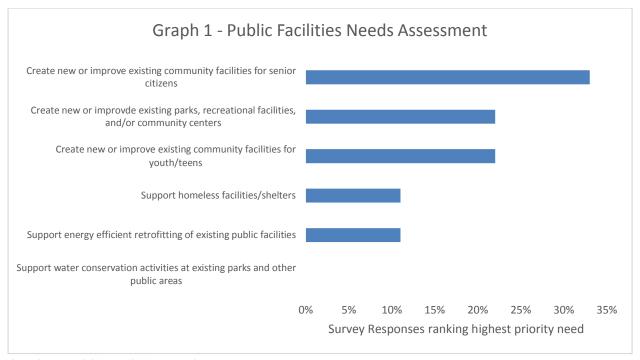
## NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

Public facilities such as health, recreation, and children's facilities are provided in the City. For lower income households, the need for these public facilities is great. Often these households require access to free or affordable rate facilities that are in their neighborhoods, especially for children and senior citizens, whose mobility is limited. The Needs Assessment – Resident Survey ranked community facilities for senior citizens the highest, followed by community facilities for youths/teens and improvements to existing parks, recreational facilities, and community centers. Graph 1 illustrates the percentage of high priority score for public facility needs on the survey. In addition to the Needs Assessment – Resident Survey, staff also consulted with the City of Gardena facilities staff and community services staff to determine where needs existed at current public facilities.

#### How were these needs determined?

The City of Gardena utilized an on-line tool to conduct a survey of needs. The survey consisted of ranking questions to determine the highest need. The ranking questions were sorted, and high and low priorities were established. In addition to the survey tool, City staff were consulted regarding needs at public facilities.



Graph 1 - Public Facilities Needs Assessment

Describe the jurisdiction's need for Public Improvements:

The City shares the responsibility for providing infrastructure services with several public agencies. The following list indicates which agencies provide services to eligible census tracts located with the City:

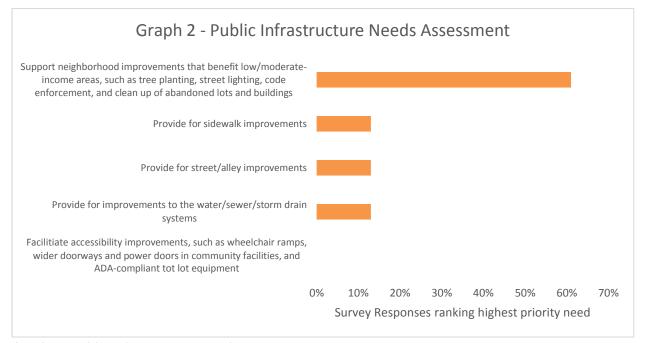
- City of Gardena Public Works Department (streets, sidewalks, curbs, gutters, and local storm drains)
- Los Angeles County Flood Control District (regional flood control facilities)
- Golden State Water Company (domestic water service)
- Waste Resources of Gardena (local sewage collection and treatment)

The Needs Assessment – Resident Survey respondents rated neighborhood improvements that benefit low- and moderate-income areas, such as tree planting, street lighting, code enforcement, and cleanup of abandoned lots and buildings the highest of the public improvement categories. Graph 2 illustrates the percentage of high priority score for the public improvement needs on the survey.

In addition to the Needs Assessment – Resident Survey, staff also consulted with the City of Gardena Public Works Department staff to determine where needs exist with the public infrastructure systems.

How were these needs determined?

The City of Gardena utilized an on-line tool to conduct a survey of needs. The survey consisted of ranking questions to determine the highest need. The ranking questions were sorted and high and low priorities were established. In addition to the survey tool, City staff were consulted regarding infrastructure needs.



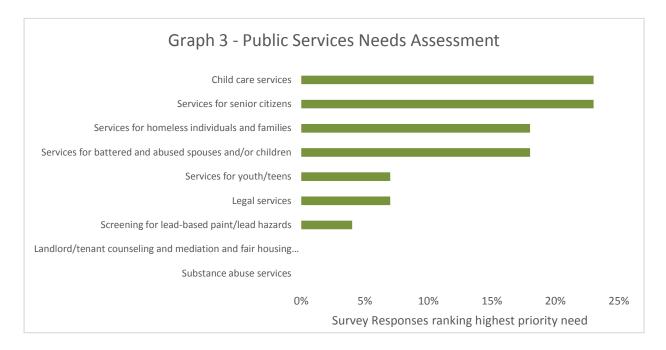
Graph 2 - Public Infrastructure Needs Assessment

Describe the jurisdiction's need for Public Services:

The Needs Assessment – Resident Survey ranked services for childcare services and services for senior citizens the highest, followed by services for battered and abused spouses and/or children and services for homeless individuals and families. Graph 3 illustrate the average score for public service needs on the survey.

How were these needs determined?

The City of Gardena utilized an on-line tool to conduct a survey of needs. The survey consisted of ranking questions to determine the highest need. The ranking questions were sorted and high and low priorities were established.



Graph 3 - Public Services Needs Assessment

Describe the jurisdiction's need for Public Services:

Public service activities are consistently ranked as a high priority by residents and other stakeholders. Pursuant to CDBG regulations, only 15 percent of the City's annual grant allocation (plus 15 percent of prior year program income) can be used for public service-type activities. The City proposes to focus funds on lower-income households in order to establish, improve, and expand existing public services, such as: crime prevention, youth programs to include childcare for working families.

Pursuant to CDBG regulations, only 15% of the City's annual grant allocation (plus 15 percent of prior year program income) can be used for public service activities. There is a tremendous need for public services in Gardena According to 2015 American Community Survey 5-Year Estimates data, there are

4,455 low- and moderate-income Gardena households earning less than 80 percent of AMI. Data further indicates that 9,678 residents are below the poverty level, of which:

- 3,249 are under 18 years of age
- 5,352 are between 18 and 64 years of age
- 1,231 are 65 years of age or older

The highest demand for CDBG funding comes from organizations competing for CDBG Public Service Capacity Building Grants to provide services including but not limited to those focused on youth and senior services, transportation, substance abuse services, employment training, childcare, health and community services, services for domestic violence victims and services for the homeless and persons with special needs.

Gardena residents rated anti-crime programs as a high priority in the Consolidated Plan Survey. Crime against persons or property is a concern for residents. The Gardena Police Department operates several crime prevention programs that are adapted to particular community needs, one of which provides youth (Juvenile Justice Intervention Program or GJJIP). The purpose of the GJJIP is to identify and improve areas of a youth's life that may be contributing to delinquent behavior. There are multiple variables, such as individual attitudes, peer relationships, school, family, and community factors, which contribute to juvenile delinquency.

How were these needs determined?

Public service needs are based on the City's desire to ensure that high quality services are provided to residents to maintain a high quality of life and to promote the well-being of all Gardena residents—particularly low- and moderate-income residents. As a result of the citizen participation and consultation process and in consideration of the local nonprofits and City Departments offering services, the City considers public services benefitting low- and moderate-income residents a high priority in the Strategic Plan.

# Housing Market Analysis

## MA-05 Overview

Housing Market Analysis Overview:

The housing market analysis will evaluate a variety of housing characteristics including tenure, cost, affordability, age, condition, and vacancy rates. As required, this analysis will also analyze the City's public/assisted housing, housing resources for homeless (and those at risk of becoming homeless), and special needs populations (e.g., frail elderly, disabled, substance addicted, and persons with HIV/AIDS), as applicable. This housing analysis will also examine barriers to affordable housing.

# MA-10 Number of Housing Units – 91.210(a)&(b)(2)

#### Introduction

According to 2007-2016 ACS data, 53 percent of the City's housing stock is comprised of single-family housing (1-4 units). Multifamily housing (5+ units) accounts for 30 percent of total housing units in the City and a majority of these dwelling units are in larger multifamily structures containing more than 12 units. Mobile homes comprise the smallest portion of the housing stock in the City (6 percent).

The majority of the City's ownership housing (70 percent) is comprised of larger units containing three or more bedrooms. In comparison, only 15 percent of the City's rental housing is comprised of larger units. The tables below indicate the number of residential properties in the City by property type, unit size and tenure.

## All residential properties by number of units

| Property Type                    | Number | %    |
|----------------------------------|--------|------|
| 1-unit detached structure        | 10,250 | 47%  |
| 1-unit, attached structure       | 1,675  | 8%   |
| 2-4 units                        | 2,360  | 11%  |
| 5-19 units                       | 3,830  | 18%  |
| 20 or more units                 | 2,590  | 12%  |
| Mobile Home, boat, RV, van, etc. | 1,155  | 5%   |
| Total                            | 21,860 | 100% |

Table 27 – Residential Properties by Unit Number

Data Source: 2011-2015 ACS

# Unit Size by Tenure

|                    | Owne   | ers  | Renters |      |  |
|--------------------|--------|------|---------|------|--|
|                    | Number | %    | Number  | %    |  |
| No bedroom         | 80     | 1%   | 580     | 6%   |  |
| 1 bedroom          | 450    | 4%   | 2,660   | 26%  |  |
| 2 bedrooms         | 2,455  | 23%  | 5,280   | 52%  |  |
| 3 or more bedrooms | 7,720  | 72%  | 1,675   | 16%  |  |
| Total              | 10,705 | 100% | 10,195  | 100% |  |

Table 28 – Unit Size by Tenure

Data Source: 2011-2015 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

As a recipient of CDBG funds, the City is limited as to how funds can be used for the development of new housing. (In general, CDBG funds may not be used for the construction of housing.). The City was able to provide financial incentives to developers to include affordable housing units by submitting a joint application to the State of California HOME Investment Partnerships Program (State HOME Program). With limited funding opportunities, the City has focused on creating other incentives for the development of affordable housing such as density bonus, reduced impact fees, and streamline the permit review process.

Use restrictions, as defined by State law, means any federal, state, or local statute, regulation, ordinance or contract which as a condition of receipt of any housing assistance, including a rental subsidy, mortgage subsidy, or mortgage insurance, to an assisted housing development, establishes maximum limitations on tenant income as a condition of eligibility for occupancy.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

As of February 2021, the four assisted rental projects are located in the City consisting of a total of 337 affordable housing units that are not at risk of conversion to market rate housing. All four projects are restricted to low- and moderate-income senior households. The four housing projects include:

Gardena Valley Towers: Gardena Valley Towers is an 80-unit project built for seniors, with all units assisted. The project was finance under the HUD Section 202 program. The affordability controls under Section 202 extend until 2038, but are contingent upon the continued availability of Section 8 funding.

South Park Manor: South Park Manor is a 126 unit senior housing project. This project was also financed under the HUD Section 202 program. The affordability controls extend until 2026, but are contingent upon the continued renewal of Section 8 funding.

Meadowlark Manor: Meadowlark Manor is a 73-unit project restricted to seniors. Similar to the other two projects, Meadowlark Manor was financed under the HUD Section 202 program. The affordability controls extend until 2031 but are contingent upon the continued renewal of Section 8 funding.

Spring Park Villa: Spring Park Villa is a 37-unit project restricted to seniors. Similar to the other three projects, Spring Park Villa was financed under the HUD Section 202 program. It was also financed with State HOME program funds. The project was completed in 2015 and the affordability controls extend until 2065 but are contingent upon the continued renewal of Section 8 funding.

According to the inventory, the four projects contain 337 assisted rental units. All four were financed under the HUD Section 202 funds and maintain Section 8 contracts. These projects are housing for the elderly and are owned and operated by non-profit corporations. The long-term affordability of the projects is secure based on their non-profit status and, therefore, the risk levels are considered low.

The four assisted projects maintain Section 8 contracts with HUD. In the short-term, these units are likely to remain affordable. However, due to the uncertainty surrounding the future of Section 8 funding, the long-term affordability is suspect.

Typically, Section 8 projects that receive more than fair market rent are not considered at- risk. These projects are eligible to participate in the Mark to Market Program. Under this program, owners are given favorable federal tax treatment provided that they preserve the units at rents that are affordable to low-income households. Eligible projects include FHA insured projects receiving Section 8 project-based assistance, where rents exceed HUD established fair market rents. According to HUD, two projects are eligible for the Mark to Market Program: South Park Manor and Meadowlark Manor.

Does the availability of housing units meet the needs of the population?

The Southern California Association of Governments (SCAG) undertakes a Regional Housing Needs Assessment (RHNA) to quantify the anticipated need for housing within a five-county region. The current RHNA was adopted by the Southern California Association of Governments (SCAG) in 2012. The future need for new housing was determined by forecasting growth in households in a community for the time period of October 2021, through October 2029. After the total housing need was determined for the SCAG region, RHNA allocations to individual jurisdictions were developed by SCAG based on local input and the state-mandated methodology. The distribution of housing need by income category for each jurisdiction was adjusted to avoid an overconcentration of lower-income households in any community. SCAG has determined the City's regional housing need at 437 housing units.

Describe the need for specific types of housing:

The total housing need for the City of Gardena during the 2021-2025 Housing Element planning period is 437 units. This total is distributed by income category as follows:

#### Discussion

Housing goals have been established in the City's Housing Element. The Housing Element has also established a strategy to meet these goals. HUD funds will be used to support the strategy when available and eligible.

# MA-15 Housing Market Analysis: Cost of Housing - 91.210(a) Introduction

One of the most important factors in evaluating a community's housing market is the cost of housing and, even more significant, whether the housing is affordable to households who live there or would like to live there. Housing problems directly relate to the cost of housing in a community. If housing costs are relatively high in comparison to household income, a correspondingly high prevalence of housing cost burden and overcrowding occurs.

Table 30 indicates the median home value and contract rent (not including utility or other associated costs). These values are self-reported by residents through the U.S. Census American Community Survey.

Based on the reported housing costs, Table 32 indicates the number of units that are currently affordable to households at different levels of the HUD Area Median Family Income (HAMFI). It is important to note, that just because a unit is affordable to residents at that income level, it does not necessarily mean that a household at that income level is occupying the unit.

The following maps illustrate various aspects of the City's cost of housing. One map (Median Home Value) illustrates that the median home price almost City-wide has increased over 78%. Only one area of the City (northern portion of Census Tract 6030.03) shows a lower increase in median home price. The lower increase may be due to the larger number of businesses located in the area as well as mobile home parks. In addition, maps illustrate the areas in which households are paying more than 32% of their income toward housing costs. The darker shaded areas shown on the map where over 47% report this housing cost burden are primarily rental housing and mobile home parks.

As the maps also illustrate, Census Tract 6036 households report the highest contract rent. This is likely since the rental housing located in this area was built within the last 15 years as opposed to the northern areas of the City where the rental housing averages 50 years.

#### Cost of Housing

|                      | Base Year: 2009 | Most Recent Year: 2015 | % Change |
|----------------------|-----------------|------------------------|----------|
| Median Home Value    | 440,900         | 354,900                | (20%)    |
| Median Contract Rent | 891             | 1,082                  | 21%      |

Table 29 – Cost of Housing

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

| Rent Paid       | Number | %     |
|-----------------|--------|-------|
| Less than \$500 | 635    | 6.2%  |
| \$500-999       | 3,630  | 35.6% |
| \$1,000-1,499   | 4,635  | 45.5% |
| \$1,500-1,999   | 1,055  | 10.4% |
| \$2,000 or more | 234    | 2.3%  |
| Total           | 10,189 | 99.9% |

Table 30 - Rent Paid

Data Source: 2011-2015 ACS

## Housing Affordability

| % Units affordable to Households | Renter  | Owner   |
|----------------------------------|---------|---------|
| earning                          |         |         |
| 30% HAMFI                        | 325     | No Data |
| 50% HAMFI                        | 1,275   | 785     |
| 80% HAMFI                        | 6,465   | 1,620   |
| 100% HAMFI                       | No Data | 3,024   |
| Total                            | 8,065   | 5,429   |

Table 31 – Housing Affordability

Data Source: 2011-2015 CHAS

## Monthly Rent

| Monthly Rent (\$) | Efficiency (no bedroom) | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom |
|-------------------|-------------------------|-----------|-----------|-----------|-----------|
| Fair Market Rent  |                         |           |           |           |           |
| High HOME Rent    |                         |           |           |           |           |
| Low HOME Rent     |                         |           |           |           |           |

Table 32 – Monthly Rent

Data Source: HUD FMR and HOME Rents

Is there sufficient housing for households at all income levels?

According to the 2011-2015 ACS data, there are 10,470 low- and moderate-income households in Gardena who earn less than 80 percent of AMI. According to CHAS data in Table 35, above, there are 8,065 housing units in the City that are affordable to low- and moderate-income households. Subtracting the 8,065 units that are affordable to low- and moderate-income households from the 10,470 low- and moderate-income households in the City indicates a need for approximately 2,405 additional housing units that are affordable to households earning less than 80 percent of AMI.

Approximately 5,144 households earning less than 30 percent of AMI reside in the City; however, there are only approximately 501 dwelling units affordable to those at this income level. Similarly, the City has 4,238 households earning between 31 and 50 percent of AMI and only 2,236 housing units affordable to those at this income level. The shortage of affordable units is most prevalent for households with the lowest incomes, unlike households earning between 50 and 80 percent AMI where there is ample housing available. The City is home to 4,875 households earning between 50 and 80 percent AMI with 7,908 housing units being affordable to those at this income level.

Although a housing unit may be considered affordable to a particular income group, this does not necessarily mean that the unit is occupied by a household in that income group. Therefore, the affordability mismatches are likely to be more severe than presented by the CHAS data.

How is affordability of housing likely to change considering changes to home values and/or rents?

The data presented in Tables 30 and 32 was sourced from 2011-2015 during a period of decline in the housing market that temporarily enhanced housing affordability in the City. As the housing market rebounded during the ensuing five years, home values and rents have continued to rise. This continues increase housing cost will further exacerbate housing problems such as cost burden, severe cost burden and overcrowding—particularly for low- and moderate-income households.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The median contract rent according to 2011-2015 ACS data was \$958, which is slightly more than the Fair Market Rent for an efficiency unit. According to data in Table 33, the median contract rent has increased by 21%, between 2011-2015. As previously discussed, 1,895 renter households are overcrowded or severely overcrowded, which can be attributed to high rents as well as the lack of affordable units.

To produce or preserve affordable rental housing units that carry a minimum HOME affordability period of 20 years, significant levels of subsidy are required. Taking only rents into consideration, an owner of a two-bedroom unit would forego \$354,900 of operating income when renting the unit at Low HOME rent levels instead of Fair Market Rent.

The impact of HOME Program rent restrictions would be limited in the City of Gardena because the City is not a recipient of direct entitlement HOME Program funds. The last 10 years, the City has opted to decline HOME Program funds in order to apply for State HOME Program grant funds.

### Discussion

In the decade between 2009 and 2015, HUD's CHAS data shows that the median home price in Gardena decreased by 20 percent from \$440,900 to \$354,900 and the median contract rent increased by 20 percent from \$891 to \$1,082 as median income increased by only 20% percent. However, more recent local data shows that the median home price as of May 2021 had increased to over \$550,000, a 43% increase since 2015. As a result, Gardena households have become increasingly cost-burdened.

Data from 2016-2015 shows that there is an insufficient number of housing units affordable to people with incomes less than 50 percent of AMI and for those between 80 and 100 percent of AMI. In light of scarce land and monetary resources available to create new affordable housing units and the continuing recovery of the Southern California housing market after the recent recession, housing affordability problems will become an increasingly difficult challenge to the community in the next five years.

# MA-20 Housing Market Analysis: Condition of Housing – 91.210(a) Introduction

Assessing housing conditions in the City provides the basis for developing strategies to maintain and preserve the quality of the housing stock. The ACS defines a "selected condition" as owner- or renter-occupied housing units having at least one of the following conditions: 1) lacking complete plumbing facilities; 2) lacking complete kitchen facilities; 3) more than one occupant per room; and 4) selected monthly housing costs greater than 30 percent of household income. Based on the definition of selected conditions, Table 37, below, shows that 44 percent of owner-occupied households in the City have at least one selected condition and 50 percent of all renter-occupied households in the City have at least one selected condition.

#### **Definitions**

A substandard condition is one that affects the health and safety of a resident's habitability. As defined by California Health and Safety Code, a substandard condition exists to the extent that it endangers the health and safety of its occupants or the public. Following is a list of substandard conditions:

- Inadequate sanitation
- Structural hazards
- Any nuisance which endangers the health and safety of the occupants or the public
- All substandard plumbing, wiring, and/or mechanical equipment, unless it conformed to all
  applicable laws in effect at the time of installation and has been maintained in a good and safe
  condition
- Faulty weather protection
- The use of construction materials not allowed or approved by the health and safety code
- Fire, health, and safety hazards (as determined by the appropriate fire or health official)
- Lack of, or inadequate fire-resistive construction or fire-extinguishing systems as required by the health and safety code, unless the construction and/or systems conformed to all applicable laws in effect at the time of construction and/or installation and adequately maintained
- Inadequate structural resistance to horizontal forces
- Buildings or portions thereof occupied for living, sleeping, cooking, or dining purposes which were not designed or intended to be used for such occupancies
- Inadequate maintenance which causes a building or any portion thereof to be declared unsafe

'Standard' housing condition in the City of Gardena is defined as being in conformance with the California State Health and Safety Codes, and State and local building codes for the purposes of the Consolidated Plan grant programs.

## Condition of Units

| Condition of Units             | Owner- | Occupied | Renter-Occupied |      |
|--------------------------------|--------|----------|-----------------|------|
|                                | Number | %        | Number          | %    |
| With one selected Condition    | 4,725  | 44%      | 5,090           | 50%  |
| With two selected Conditions   | 300    | 3%       | 1,045           | 10%  |
| With three selected Conditions | 0      | 0%       | 120             | 1%   |
| With four selected Conditions  | 0      | 0%       | 0               | 0%   |
| No selected Conditions         | 5,675  | 53%      | 3,940           | 39%  |
| Total                          | 10,700 | 100%     | 10,195          | 100% |

Table 33 - Condition of Units

Data Source: 2011-2015 ACS

### Year Unit Built

| Year Unit Built | Owner- | Occupied | Renter-Occupied |      |  |
|-----------------|--------|----------|-----------------|------|--|
|                 | Number | %        | Number          | %    |  |
| 2000 or later   | 640    | 6%       | 134             | 1%   |  |
| 1980-1999       | 1,605  | 15%      | 1,970           | 19%  |  |
| 1950-1979       | 6,195  | 58%      | 6,600           | 65%  |  |
| Before 1950     | 2,265  | 21%      | 1,485           | 15%  |  |
| Total           | 10,705 | 100%     | 10,189          | 100% |  |

Table 34 – Year Unit Built

Data Source: 2011-2015 CHAS

### Risk of Lead-Based Paint Hazard

| Risk of Lead-Based Paint Hazard                       | Owner-Occupied |     | Renter-Occupied |     |
|---|----------------|-----|-----------------|-----|
|   | Number         | %   | Number          | %   |
| Total Number of Units Built Before 1980               | 8,460          | 79% | 8,085           | 79% |
| Housing Units build before 1980 with children present | 754            | 7%  | 345             | 3%  |

Table 35 – Risk of Lead-Based Paint

Data Source: 2011-2015 ACS (Total Units) 2016-2015 CHAS (Units with Children present)

### Vacant Units

|                          | Suitable for   | Suitable for Not Suitable for |  |
|--------------------------|----------------|-------------------------------|--|
|                          | Rehabilitation | Rehabilitation                |  |
| Vacant Units             |                |                               |  |
| Abandoned Vacant Units   |                |                               |  |
| REO Properties           |                |                               |  |
| Abandoned REO Properties |                |                               |  |

Table 36 - Vacant Units

Data Source: 2005-2009 CHAS/Data not Available

#### Need for Owner and Rental Rehabilitation

As the City's housing stock ages, a growing percentage of housing units may need rehabilitation to allow them to remain safe and habitable. The situation is of particular concern for low- and moderate-income home owners who are generally not in a financial position to properly maintain their homes.

The age and condition of Gardena's housing stock is an important indicator of potential rehabilitation needs. Commonly, housing over 30 years of age needs some form of major rehabilitation, such as roof replacement, foundation work and plumbing systems. Housing over 15 years of age will generally exhibit deficiencies in terms of paint, weatherization, heating / air-conditioning systems, hot water heaters and finish plumbing fixtures.

According to CHAS data showing the year that housing units were built categorized by owner and renter tenure:

- 8,177 or 81 percent of the 10,113 owner-occupied housing units in Gardena were built 36 or more years ago (built prior to 1980)
- 1,366 or 14 percent of the 10,113 owner-occupied housing units in Gardena were built between 15 and 34 years ago (built between 1980 and 1999)
- 8,793 or 79 percent of the 11,129 renter-occupied housing units in Gardena were built 34 or more years ago (built prior to 1980)
- 2,177 or 20 percent of the 11,129 renter-occupied housing units in Gardena were built between 15 and 34 years ago (built between 1980 and 1999)

According to CHAS data, 48 percent of Gardena's low- and moderate-income owner-occupied households experience some form of housing problem. HUD defines housing problems as housing overcrowding, housing cost burden, or units that are lacking adequate kitchen or plumbing facilities. Low- and moderate-income households are those households earning less than 80 percent of Area Median Income for Los Angeles County, adjusted for household size as published by HUD annually. In numbers, there are 13,739 low- and moderate-income owner-occupied households, of which 6,670 have a housing problem.

Preservation of the physical and functional integrity of existing housing units occupied by low- and moderate-income households is a cost-effective way to invest limited resources to retain existing housing units that are already affordable to low- and moderate-income households in the community. Addressing substandard housing conditions through housing preservation activities provide that all economic segments of the community have the means to ensure that their property meets local standards and that all Gardena residents have the opportunity to live in decent housing. Housing preservation is rated as a high priority need based on the demand for service reported by the City's Residential Rehabilitation Program staff and responses to the 2021-2025 Consolidated Plan Needs Assessment Survey.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Residents of any housing built before 1978 are considered to be at risk of containing some amount of lead-based paint. Older housing is more likely to have lead-based paint and the amount of lead pigment in the paint tends to increase with the age of the housing. The vast majority of Gardena's housing stock (75.75 percent) was built prior to 1979, putting at risk the residents of these homes from lead-based paint hazards. Lead can cause severe damage in young children. It attacks the central nervous system, the neurological system, and can cause brain damage, IQ reduction, learning disabilities, decreased attention span, hyperactivity, growth inhibition, comas, seizures, and in some cases, death.

The most common source of child lead poisoning is exposure to lead-based paint (and lead-contaminated dust) in the child's home. Housing built before 1978 may contain some lead-based paint since the use of lead-based paint became illegal that year. Since the amount of lead pigment in the paint tends to increase with a home's age, older housing is more likely to have lead-based paint hazards.

There are 16,970 housing units built before 1980 that may contain lead-based paint, of which 8,177 are owner-occupied units and 8,793 are renter-occupied units. There are 690 units built before 1980 with children present, including 270 owner-occupied units and 420 renter-occupied units. As previously discussed, 60 percent of Gardena's households are low- and moderate-income households.

Calculating the number of households below poverty level (4.1% of all households) by the estimated number of units containing lead-based paint determines that an estimated 335 owner-occupied units and 360 rental units occupied by low or moderate-income families may contain lead hazards.

#### Discussion

The City recognizes the importance of addressing the need to remove lead in its older homes. The City offers rehabilitation programs for homeowners as well as apartment owners. The City will continue to provide grants to test and remediate lead containing building materials through its Owner Occupied Housing Rehabilitation Loan Program and Multi-Family Code Correction Program to address the removal of lead containing materials.

# MA-25 Public and Assisted Housing – 91.210(b)

#### Introduction

As indicated in section NA-35, Gardena does not administer Section 8 and does not own HUD Public Housing. Gardena is within the service area of the Housing Authority of the County of Los Angeles (HACoLA) for the purposes of Section 8 and Public Housing. The data presented in the tables below is for Gardena and the narrative responses address the needs for the entire county, with specific references to the City of Gardena.

#### **Totals Number of Units**

| Program Type |             |       |         |          |           |          |                         |             |          |
|--------------|-------------|-------|---------|----------|-----------|----------|-------------------------|-------------|----------|
|              | Certificate | Mod-  | Public  | Vouchers |           |          |                         |             |          |
|              |             | Rehab | Housing | Total    | Project - | Tenant - | Special Purpose Voucher |             | her      |
|              |             |       |         |          | based     | based    | Veterans                | Family      | Disabled |
|              |             |       |         |          |           |          | Affairs                 | Unification | *        |
|              |             |       |         |          |           |          | Supportive<br>Housing   | Program     |          |
| # of units   |             |       |         |          |           |          |                         |             |          |
| vouchers     |             |       |         |          |           |          |                         |             |          |
| available    | 0           | 261   | 2,962   | 21,798   | 1         | 21,797   | 1,264                   | 1,357       | 558      |
| # of         |             |       |         |          |           |          |                         |             |          |
| accessible   |             |       |         |          |           |          |                         |             |          |
| units        |             |       |         |          |           |          |                         |             |          |

Table 37 – Total Number of Units by Program Type

Data PIC (PIH Information Center)

Source:

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

There are no public housing developments within the City of Gardena.

### **Public Housing Condition**

| Public Housing Development | Average Inspection Score |  |  |  |
|----------------------------|--------------------------|--|--|--|
| N/A                        | N/A                      |  |  |  |

Table 38 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

There are no public housing developments within the City of Gardena.

Describe the public housing agency's strategy for improving the living environment of lowand moderate-income families residing in public housing:

HACoLA's primary goal is to fulfill the immediate needs of public housing residents: living in safe, decent, and sanitary housing; and achieving self-sufficiency. The PHAs meets these needs by providing the following services to residents year round.

Educational Partnerships: This program supports the residents in a variety of ways including English as a Second Language instruction, homework assistance, arts, and crafts activities, and more. Students are able to receive real-life experiences in a variety of fields including after-school education, social services, criminal justice, the arts, human resources, information technology, and various fields of research.

Family Learning Centers: Address the need for education, literacy, and after-school programming in public housing. The centers, located at several large public housing developments provide after-school programs, adult education, training, technology, and other classes.

Resident Opportunities and Self-Sufficiency (ROSS): Program grants from HUD have allowed HACoLA to offer several programs including family self-sufficiency grants.

Capital Fund Program (CFP): Provides for rehabilitation, repair, and physical and management improvements of County-owned public housing developments throughout the year. The CFP program requires that a physical and management needs assessment be done every six years, allowing work items to be identified and prioritized. A Five-Year Plan is then developed to identify which projects will be funded in each year.

Community Policing Program (CPP): Provides onsite Community Policing Teams throughout the County of Los Angeles. The CPP ensures that HACoLA's housing developments are safe for our residents. A fulltime Los Angeles Sheriff's Department (LASD) Sergeant, four Deputies, and a part-time Operations Assistant implement the community policing program at all HACoLA sites, along with two fulltime Long Beach Police Department (LBPD) officers. The result has been a 76 percent reduction in crime at the sites and an increase in the quality of life for public housing residents, since program inception.

Family Resource Center (FRC) provides clinical/case management services to public housing residents. Frequent problems at the sites include domestic violence, child abuse, mental illness, aging-related issues, and general crisis intervention. Special support is provided for the homeless and emancipated youth housed at the sites and the clinician is on-call to conduct emergency mental health assessments.

#### Discussion:

Although there is no public housing located within the City of Gardena, the City will continue to support HACoLA efforts to provide housing opportunities to low-income households.

# MA-30 Homeless Facilities and Services – 91.210(c) Introduction

Los Angeles County has implemented policy and program changes aimed at ensuring homeless persons in Los Angeles County are rapidly housed and offered an appropriate level of support services to meet their circumstances and keep them stably housed. Between 2016 and 2021, a total of 36 shelter (e.g. emergency, transitional and seasonal/overflow) beds were removed from the Homeless Inventory Count (HIC). In contrast, 15 permanent supportive housing beds were added to the HIC.

This increase in permanent supportive the housing for the most vulnerable populations is attributed to Los Angeles County homeless service providers re-tooling their programs and shifting their focus to moving people quickly into permanent supportive housing throughout the County, homelessness can be significantly reduces and the quality of life of our residents, especially those precariously housed or homeless can be improved.

### Facilities and Housing Targeted to Homeless Households

|                         | Emergency Shelter Beds |            | Transitional | Permanent Supportive<br>Housing Beds |             |  |
|-------------------------|------------------------|------------|--------------|--------------------------------------|-------------|--|
|                         | Housing Beds           |            |              |                                      |             |  |
|                         | Year Round             | Voucher /  | Current &    | Current &                            | Under       |  |
|                         | Beds                   | Seasonal / | New          | New                                  | Development |  |
|                         | (Current &             | Overflow   |              |                                      |             |  |
|                         | New)                   | Beds       |              |                                      |             |  |
| Households with         |                        |            |              |                                      |             |  |
| Adult(s) and Child(ren) | 0                      | 0          | 0            | 0                                    | 0           |  |
| Households with Only    |                        |            |              |                                      |             |  |
| Adults                  | 0                      | 0          | 0            | 0                                    | 0           |  |
| Chronically Homeless    |                        |            |              |                                      |             |  |
| Households              | 0                      | 0          | 0            | 0                                    | 0           |  |
| Veterans                | 0                      | 0          | 0            | 0                                    | 0           |  |
| Unaccompanied Youth     | 91                     | 0          | 12           | 0                                    | 0           |  |

Table 39 - Facilities and Housing Targeted to Homeless Households

Data Source Comments: Data provided by Los County Coalition to End Homeless

Describe mainstream services, such as health, mental health, and employment services to the extent those services are use to complement services targeted to homeless persons

In California, the primary programs for assisting families in poverty are CalWORKS, CalFresh, and Medi-Cal. Together, these programs provide clients with employment assistance, discounted food, medical care, child care, and cash payments to meet basic needs such as housing and transportation. A short description of each is provided below.

CalWORKs: The California Work Opportunities for Kids (CalWORKs) program provides financial assistance and Welfare-to-Work services to California families with little to no cash. Through this program these needy families may be eligible to receive immediate short-term help with housing, food, utilities, clothing or medical care. Childcare is also available through this program.

CalFresh Program: Formerly the Food Stamp Program, is a nutritional assistance program that provides Electronic Benefit Transfer Cards to people on public assistance to purchase food and other essential items.

Medi-Cal: The Medi-Cal program provides health coverage for people with low income and limited ability to pay for health coverage. People receiving federally funded cash assistance programs, such as CalWORKs, the State Supplementation Program (SSP), foster care, adoption assistance, certain refugee assistance programs, or In-Home Supportive Services (IHSS) are also eligible.

CDBG, HOME, and ESG-Funded Activities: Congress designed the CDBG, HOME and ESG programs to serve low-income people, some of which may meet the federal poverty definition, and at least 54 percent of whom are low- and moderate-income individuals and families. At least 73% of all CDBG funds must be used for activities that are considered under program rules to benefit low- to moderate-income persons. Under the HOME Investment Partnerships Program (HOME), households must earn no more than 80% of the Area Median Income (AMI), adjusted for household size, to be eligible for assistance. The Emergency Solutions Grant (ESG) program provides homeless persons with basic shelter and essential supportive services. The City does not receive HOME or ESG funds which could provide resources for the homeless needs, therefore any resident in need of these services is referred to the County's ESG program which is administered through its Continuum of Care provider Los Angeles Homeless Services Authority (LAHSA).

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

For many Los Angeles County residents, the first entry into the CoC is through an emergency shelter, where individuals and families obtain emergency housing and supportive services directed to getting people off the streets and into a safe environment. The next component of the CoC is transitional housing, designed as short-term housing for up to two years, where persons move into a more stabilized housing arrangement than an emergency shelter. The final component of the CoC is permanent housing, both with and without supportive services. The ultimate goal of the CoC system is to move people toward housing alternatives where they are able to reside permanently in safe and sanitary housing.

Appendix C provides a list of the different facilities and service agencies in Los Angeles County that serve the homeless and those at risk of becoming homeless.

# MA-35 Special Needs Facilities and Services – 91.210(d) Introduction

Special needs populations consist of persons who are not homeless but due to various reasons are in need of services and supportive housing. Persons with special needs include, but are not limited to, the elderly, frail elderly, severe mentally ill, developmentally disabled, physically disabled, persons with alcohol or other drug addictions, persons with HIV/AIDS and victims of domestic violence. The City of Gardena will consider allocating CDBG public service funding to various programs that provide services to special needs populations, including but not limited to those serving the elderly, frail elderly, developmentally disabled, physically disabled, mentally disabled, persons with HIV/AIDS and victims of domestic violence.

Elderly is defined as a person who is 62 years of age or older and frail elderly is defined as an elderly person who is unable to perform at least three "activities of daily living" including eating, bathing, or home management activities. Based on 2011-2015 CHAS data of the 7,354 households containing at least one elderly person, 68.2 percent (5023) households earn less than 80 percent of the Area Median Income in Gardena.

People with disabilities have a physical or mental impairment that substantially limits major life activities. Disabled people generally rely on supportive services to perform activities of daily living. Based on ACS data, of the total Civilian Noninstitutionalized Population (59,329) in Gardena, 6,346 persons have a disability. Of these 6,346 disabled persons, 2,345 are between the ages of 18-64 years of age and 3,479 are over the age of 65.

Drug abuse or substance abuse is defined as the use of chemical substances that lead to an increased risk of problems and an inability to control the use of the substance. According to the Indicators of Alcohol and Other Drug Abuse Report for Los Angeles California, Center for Applied Research Solutions, there were 872 admissions to alcohol and other drug treatment per 100,000 people in the County compared to the state average of 1,273 admissions in 2019.

Human immunodeficiency virus infection (HIV) is a virus that weakens one's immune system by destroying important cells that fight diseases and infection. Acquired Immune Deficiency Syndrome (AIDS) is the final stage of the HIV infection. According to the 2021 Annual HIV Surveillance Report for Los Angeles County, there were 47,148 persons living with HIV and 31,495 persons living with AIDS at the end of 2020.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

Elderly is defined as a person who is 62 years of age or older and frail elderly is defined as an elderly person who is unable to perform at least three "activities of daily living" including eating, bathing, or home

management activities. Based on 2011-2015 CHAS data of the 8,300 households containing at least one elderly person, 68.3 percent (5,253) households earn less than 80 percent of the Area Median Income in Gardena.

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Domestic Violence includes but is not limited to felony or misdemeanor crimes of violence committed by a current or former spouse of the victim or by a person who is cohabitating with or has cohabited with the victim as a spouse. In 2021, the Gardena Police Department responded to a total of 201 calls related to domestic violence. Of these calls, 165 of these domestic incidents did not involve a weapon and only 41 calls involved a weapon of which 0 involved a firearm, 7 involved a knife or cutting instrument, 14 involved other dangerous weapons and 19 involved personal weapons such as feet or hands.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

To determine the level of need and types of services needed by special needs populations, the City conducted surveys, consulted with local service providers, and reviewed ACS data. Supportive services required for special needs populations include case management, medical or psychological counseling and supervision, childcare, transportation, and job training provided for the purpose of facilitating a person's stability and independence.

In housing, accessibility modifications to accommodate persons with mobility disabilities may include, but are not limited to, wider doorways, no step thresholds, installation of ramps, grab bars, lowered countertops, and accessible hardware. The needs of residents with sensory disabilities are different from those with mobility disabilities. Individuals with hearing disabilities require visual adaptations for such items as the telephone ringer, the doorbell and smoke alarms. Residents who are blind may require tactile

marking of changes in floor level and stair edges and braille markings on appliances and controls. People with low vision may require large print markings and displays, contrasting colors to distinguish changes in level or transition from one area to another, proper lighting, and reduced glare from lighting and windows.

For persons with special needs, the high cost of living in Los Angeles County makes it very difficult for to maintain a stable residence. Often these segments of the population rely on support services from various Los Angeles County's non-profit organizations to avoid becoming homeless or institutionalized.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

Several services will continue to be provided in the Gardena to assist those with physical and mental handicaps. The Senior Citizens Bureau operates five days a week out the Nakaoka Community Center offering home-delivered meals, outreach, and cleaning services for elderly and disabled residents that are unable to leave their home. In addition, the Senior Citizen's Day Care Center, one of only 46 Alzheimer's Resource centers in the State, provides care for older adults suffering from Alzheimer's. Several transportation services are available to assist disabled persons in Gardena, including the MTA-sponsored Access Paratransit Service and the Gardena Special Transit Service which provides disabled and senior residents curb-to-curb transit access.

In addition, the City of Gardena's Socialization Center for the Mentally Disabled, under the Human Services Division provides several services to meet the needs of this group. In addition, the Department of Mental Health (550 S. Vermont Ave., 12th Floor, Los Angeles 90020 http://dmh.lacounty.gov) provides a comprehensive array of services at numerous sites throughout the County, which are aimed at serving a diverse, multilingual constituency. Alafia Mental Health located at 555 W Redondo Beach Blvd, #204, Gardena, CA 90248-is a private agency providing similar services.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Not applicable to the City of Gardena.

# MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

Based on information gathered during community meetings, the Consolidated Plan Needs Assessment Survey, the 2014-2021 Housing Element and market analysis, the primary barriers to affordable housing in Gardena are housing affordability and the lack of monetary resources necessary to develop and sustain affordable housing. The two barriers are related in the sense that demand for affordable housing exceeds the supply and insufficient resources are available to increase the supply of affordable housing to meet demand.

For low- and moderate-income households, finding and maintaining decent affordable housing is difficult due to the high cost of housing in Gardena and throughout Southern California in general. Based on evaluation of 2011-2015 ACS and CHAS data, there is a high need for housing units affordable for households earning less than 80 percent of AMI. Of the 13,674 households earning 0-80 percent of AMI in the City, 8,954 are cost burdened households—meaning households paying more than 30 percent of their income for housing. Additionally, 9,023 of the cost burdened households are considered severely cost burdened households—meaning that they pay more than 50 percent of their income for housing. Of the 9,023 severely cost burdened households, 6,289 are renters. Of those severely cost burdened renter households, 3,045 households earn less than 50 percent of AMI and are considered the most at risk of becoming homeless. Consistent with available data, responses to the 2021-2025 Consolidated Plan Needs Assessment Survey indicate a high need for additional affordable housing in Gardena.

In the last five years, federal resources have been diminishing. This has resulted in the significant reduction in City resource for the development and preservation of affordable housing. The City, however, will continue to seek alternate resources as the opportunities arise.

# MA-45 Non-Housing Community Development Assets – 91.215 (f) Introduction

The City places a high priority on non-housing community development needs including those associated with neighborhood services such as code enforcement and public facilities improvements such as park and community center rehabilitation or ADA improvements and infrastructure improvements including sidewalks, curbs, gutters, driveway approaches, alleys and pedestrian crossings. During the implementation of the 2021-2025 Consolidated Plan, the City will use CDBG funds to address some of these needs and provide a suitable living environment for low- and moderate-income people living in the CDBG low- and moderate-income areas.

To expand economic opportunities for low- and moderate-income people and provide a pathway out of poverty, the Strategic Plan and the 2021-2022 Annual Action Plan include public service programs that support family self-sufficiency, such as the senior day care program. This approach fulfills several needs in the community including ensuring that all students have the opportunity to succeed without regard to family economic status.

### **Economic Development Market Analysis**

### **Business Activity**

| Business by Sector                        | Number of<br>Workers | Number of<br>Jobs | Share of<br>Workers<br>% | Share of Jobs<br>% | Jobs less<br>workers<br>% |
|---|----------------------|-------------------|--------------------------|--------------------|---------------------------|
| Agriculture, Mining, Oil & Gas Extraction | 218                  | 61                | 1                        | 0                  | -1                        |
| Arts, Entertainment, Accommodations       | 3,039                | 3,984             | 13                       | 16                 | 3                         |
| Construction                              | 751                  | 1,872             | 3                        | 8                  | 5                         |
| Education and Health Care Services        | 4,166                | 3,527             | 18                       | 15                 | -3                        |
| Finance, Insurance, and Real Estate       | 1,163                | 774               | 5                        | 3                  | -2                        |
| Information                               | 722                  | 107               | 3                        | 0                  | -3                        |
| Manufacturing                             | 2,503                | 4,394             | 11                       | 18                 | 7                         |
| Other Services                            | 894                  | 852               | 4                        | 4                  | 0                         |
| Professional, Scientific, Management      |                      |                   |                          |                    |                           |
| Services                                  | 1,868                | 630               | 8                        | 3                  | -5                        |
| Public Administration                     | 0                    | 0                 | 0                        | 0                  | 0                         |
| Retail Trade                              | 2,733                | 3,225             | 12                       | 13                 | 2                         |
| Transportation and Warehousing            | 1,614                | 1,349             | 7                        | 6                  | -1                        |
| Wholesale Trade                           | 1,517                | 1,740             | 6                        | 7                  | 1                         |
| Total                                     | 21,188               | 22,515            |                          |                    |                           |

Table 40 - Business Activity

Data 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

Source:

### **Labor Force**

| Total Population in the Civilian Labor Force   | 30,475 |
|--|--------|
| Civilian Employed Population 16 years and over | 27,510 |
| Unemployment Rate                              | 9.76   |
| Unemployment Rate for Ages 16-24               | 16.29  |
| Unemployment Rate for Ages 25-65               | 7.38   |

Table 41 - Labor Force

Data Source: 2011-2015 ACS

| Occupations by Sector                            | Number of People |
|--|------------------|
| Management, business and financial               | 5,120            |
| Farming, fisheries and forestry occupations      | 1,835            |
| Service  | 3,225            |
| Sales and office                                 | 7,745            |
| Construction, extraction, maintenance and repair | 1,750            |
| Production, transportation and material moving   | 1,785            |

Table 42 – Occupations by Sector

Data Source: 2011-2015 ACS

### **Travel Time**

| Travel Time        | Number | Percentage |
|--------------------|--------|------------|
| < 30 Minutes       | 14,850 | 57%        |
| 30-59 Minutes      | 9,325  | 36%        |
| 60 or More Minutes | 1,985  | 8%         |
| Total              | 26,160 | 100%       |

Table 43 - Travel Time

Data Source: 2011-2015 ACS

### Education:

# Educational Attainment by Employment Status (Population 16 and Older)

| Educational Attainment             | In Labor Force    |            |                    |
|------------------------------------|-------------------|------------|--------------------|
|                                    | Civilian Employed | Unemployed | Not in Labor Force |
| Less than high school graduate     | 3,375             | 275        | 1,685              |
| High school graduate (includes     |                   |            |                    |
| equivalency)                       | 5,560             | 885        | 1,735              |
| Some college or Associate's degree | 8,120             | 830        | 1,515              |
| Bachelor's degree or higher        | 6,710             | 380        | 1,190              |

Table 44 - Educational Attainment by Employment Status

Data Source: 2011-2015 ACS

### **Educational Attainment by Age**

|                                 |           | Age       |           |           |         |
|---------------------------------|-----------|-----------|-----------|-----------|---------|
|                                 | 18–24 yrs | 25–34 yrs | 35–44 yrs | 45–65 yrs | 65+ yrs |
| Less than 9th grade             | 65        | 385       | 745       | 1,880     | 1,675   |
| 9th to 12th grade, no diploma   | 670       | 470       | 590       | 1,265     | 575     |
| High school graduate, GED, or   |           |           |           |           |         |
| alternative                     | 1,555     | 2,225     | 1,650     | 4,310     | 3,095   |
| Some college, no degree         | 2,115     | 2,305     | 1,840     | 3,480     | 2,110   |
| Associate's degree              | 320       | 770       | 775       | 1,290     | 615     |
| Bachelor's degree               | 335       | 1,785     | 1,590     | 2,880     | 1,105   |
| Graduate or professional degree | 4         | 295       | 765       | 960       | 295     |

Table 45 - Educational Attainment by Age

Data Source: 2011-2015 ACS

### Educational Attainment – Median Earnings in the Past 12 Months

| Educational Attainment                      | Median Earnings in the Past 12 Months |
|---|---------------------------------------|
| Less than high school graduate              | 19,117                                |
| High school graduate (includes equivalency) | 27,539                                |
| Some college or Associate's degree          | 34,099                                |
| Bachelor's degree                           | 45,016                                |
| Graduate or professional degree             | 62,285                                |

Table 46 – Median Earnings in the Past 12 Months

Data Source: 2011-2015 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

According to 2019 Longitudinal Employer Household Dynamics (LEHD) data, the major employment sectors in the City of Gardena include Education and Health Care Services (2,986 jobs), Manufacturing (2,785 jobs), Retail Trade (2,761 jobs), and Arts, Entertainment, Accommodations (1,897 jobs). The maps below illustrate the change in this job sector in the last 10 years.

Describe the workforce and infrastructure needs of the business community:

The business community in Gardena relies on a highly educated workforce, starting with 7 colleges and universities located within a 10-mile radius and over 30 additional colleges and universities in the surrounding region. A diverse group of leading employers in arts and entertainment, retail trade, healthcare, professional services, education and research in Gardena benefit from the ever-growing opportunities and expansion that the City offers. However, it should be noted that based on the number of jobs available far exceeds the number of workers in the City. As a result, residents must go outside of the City for employment opportunities.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The City is currently not aware of any major public or private investments or initiatives that may have an economic impact over the planning period. However, the City of Gardena Economic Development Division promotes community and economic development for the purpose of attracting new industry to the City or by encouraging the development of, or retention of, an industry in the City, and lessening the burdens of government and acting in the public interest.

The City of Gardena offers financial assistance to existing businesses and developers through its Western Avenue Commercial Rebate Program. In addition, the Economic Development Committee (EDC) comprised of five members, was established to encourage, and facilitate the location, development and expansion of businesses in the City of Gardena. The Committee meets on a regular basis to provide guidance to City staff in the development of economic opportunities.

The workforce throughout the region is undergoing changes and as such, there is a need to accommodate the needs of the new workforce. Specific programs need to be rolled out to address the millennial and independent worker. In addition, younger workers are used to social networks and digital communications. Younger workers are project oriented. Younger workers are not used to hierarchical organizations and prefer to work in teams. New workforce training programs need to address the independent workforce – this type of worker prefers to work flexible hours, work from home or in coworking spaces, and prefers to negotiate a rate based on skills and experience in lieu of market dynamics.

In addition, the senior's workforce (ages 60+) is a willing and untapped resource for employers. This workforce is active, reliable, and willing to work in sometimes less than desirable jobs. They are experienced and are often times looking for a way to engage with a community.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

The majority of employees in the civilian labor force have a post-secondary education, which is beneficial considering some of the faster growing occupational sectors offer jobs that require higher education and training. Generally, the skills and education of the current workforce in Gardena correspond to the employment opportunities in the City. Although there are a variety of job opportunities available in the City, 30 percent of the workforce commutes more than 30 minutes to work each day according to Table 48.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

The South Bay One-Stop Employment & Career Center located at 16801 S. Western Avenue, Suite A, Gardena, CA 90247 is committed to providing a convenient resource center for both employers and job seekers. Services include recruiting and pre-screening applicants and providing a space for posting print or online job listings. South Bay One-Stop Employment & Career Centers are a cooperative partnership of business, employment development, education, training, local government, public as well as non-profit organizations, committed to developing job skills, abilities and attitudes essential for participation in today's workplace.

The El Camino College Business Training Center (BTC) contributes to economic vitality by providing training, education, and community-based programs that lead to success, employment and positive growth. The office provides services that includes the Workforce Training Program. BTC is a resource and conduit for businesses who are in need of customized training, assistance with SBA loan information, workforce development and skills upgrade. BTC also assist individuals that would like to start or build a business, or those seeking to improve their career opportunities. The BTC programs are available to assist low- and moderate-income people with regard to business assistance skills and vocational training along with various other forms of assistance.

In addition, El Camino Community College Student Services Center provides students the opportunity to apply for CalWORKs. CalWORKs is the community portion of the California Work Opportunity and Responsibility to Kids Act: the welfare reform program established by Assembly Bill (AB) 1542. CalWORKs funds assist single or two-parent families who are receiving Temporary Assistance for Needy Families (TANF), and those in transition off welfare, to achieve long-term self-sufficiency through coordinated student services. The on campus program offering these services is the CalWORKs Program.

CalWORKs provides support to eligible students to obtain their educational degrees and certificates while gaining work experience leading to sustainable employment. The CalWORKs program works to provide quality career training and degree programs. A wide array of services are offered to help you achieve your goals.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

Yes

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The City of Gardena was included as part of the CEDS prepared by the South Bay Workforce Investment Board (SBWIB) for 2021-2025. The vision of the South Bay Workforce Investment Board (SBWIB) for meeting workforce development challenges within the 11 cities that comprise our local workforce investment area (Carson, El Segundo, Gardena, Hawthorne, Hermosa Beach, Inglewood, Lawndale, Manhattan Beach, Redondo Beach, Lomita and Torrance) is one that embraces comprehensive strategies to meet the needs of business for a skilled workforce. The SBWIB vision creates opportunities for workers to prepare for and enter into well-paid careers. Central to this objective is collaboration among a wide range of stakeholders including business, labor, education, social services, philanthropic organizations and community-based agencies. Translating this vision into a plan that can be set in motion will require that stakeholders work together to identify the workforce needs of businesses in local priority sectors, as well as develop career pathway approaches to address skill level gaps of the local workforce.

With significant input from business and community partners, SBWIB has developed a Five-Year Strategic Local Workforce Plan. The Plan describes the Board's commitment to building and maintaining a comprehensive workforce development system for the greater Gardena area that is sector-focused, business-responsive and fosters the development and delivery of training and services. These trainings and services bridge the gap between skills currently available in the workforce and the needs of growing and emerging sectors of the local economy.

The opportunities provided through SBWIB will be coordinated with the City to meet its community and development goals over this five-year planning period.

### Discussion

Gardena's location to downtown Los Angeles and the Los Angeles Airport makes it a highly desirable location for a wide variety of businesses. In addition, Gardena's bus line transit system provides transportation services to a significant portion of the City's workforce.

# MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Concentration here is defined as more than 70 percent of households reporting a housing problem within a well-defined subsection of the City. Based on a review of CPD Maps, there is no one specific area of the City where multiple housing problems are concentrated. Housing problems in the City appear to be consistently reported in the residential areas of the City. However, a closer look at the different income levels, Census Tract 6030.04 stands out. The CPD Map shows that of the 191 households, 89.36% are experiences one or more housing problems.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

For an area to meet the definition of having a concentration of racial or ethnic minorities or low-income families in a census tract of the City there should be a rate of 20 percent or higher than the jurisdiction as a whole. According to 2015 ACS estimates, the following constitutes the City's minority race/ethnicity population:

- 1. Black/African American (26 percent)
- 2. Asian (31.47 percent)
- 3. Hispanic (39.78 percent)

It should be noted that according to the U.S. Census, Hispanic is categorized as an ethnic group, rather than a race, and as such, people can be counted as both White and Hispanic, or Asian and Hispanic.

The maps in NA-15 reveal that there are concentrations of minorities in three different census tracts. The City's Black/African American populations is concentrated (67.82% of the Census Tract population) in the northeastern section of the City (Census Tract 6026). The City's Asian population is concentrated (59.12% of the Census Tract population) in the central portion of the City (Census Tract 6033.01). Finally, the City's Hispanic population is concentrated (75.9% of the Census Tract population) in the northwestern area of the City (Census Tract 6029).

What are the characteristics of the market in these areas/neighborhoods?

Characteristics of these areas/neighborhoods are as follows:

 Areas with concentration of Black/African American families – Census Tract 6026 located in the north eastern portion f the City is 55% owner-occupied and 45% renter Occupied. 21% of the housing is subsidized ad there is a 12.7% poverty rate. In addition, housing cost burden is reported by 58.63% of the population in this area of the City. Unemployment rate of 17.8%.

- 2. <u>Areas with concentration of Asians families</u> Census Tract 6033.01 located in the central part of the City is 38.2% owner-occupied and 66.43% renter Occupied. Only 4 percent of the housing units are subsidized and there is a 11.53% poverty rate. In addition, housing cost burden is reported by 55.48% of the population in this area of the City. Unemployment rate is 9.08%,
- 3. <u>Areas with concentration of Hispanic families</u> Census Tract 6029 located in the north western section F the City is 58% owner-occupied and 54% renter Occupied. Only 3 percent of the housing units are subsidized ad there is a 28% poverty rate. In addition, housing cost burden is reported by 54.7% of the population in this area of the City. Unemployment rate of 15.7%.

According to demographic data generated through CPD Maps for the Census Tracts noted in the question above, the Census Tracts are considered low- and moderate-income areas in accordance with CDBG requirements. Two of the three Census Tracts with concentrated Black/African American and Hispanic households contain the highest level of unemployment for the City at over 17 percent of the residents in the area. In addition, the poverty rate in the Census Tract with high concentration of Hispanic households is the highest in the City at a level above 28 percent.

Are there any community assets in these areas/neighborhoods?

There are several community assets in the CDBG low- and moderate-income areas, including:

- Rowley Park
- Gardena City Hall
- Gardena Public Library
- Mas Fukai Park

Are there other strategic opportunities in any of these areas?

Strategic opportunities in these areas will primarily rely on the investment of private owners. The City will continue to provide public services and focus its housing rehabilitation programs in these areas.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

Gardena is located in an urban area where broadband is provided by six private companies which allows for competition and competitive rates.

# MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Gardena is not at risk of natural hazards due to climate change.

# Strategic Plan

### SP-05 Overview

## Strategic Plan Overview

The Strategic Plan is a guide for the City of Gardena to establish its housing and community development priorities, objectives and strategies for the investment of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) over the next five years, beginning July 1, 2021 and ending June 30, 2025. The priority needs and goals established in this Strategic Plan (Plan) are based on analysis of information including the results of the City's 2021-2025 Consolidated Plan Needs Assessment Survey and housing and community development data elements required by HUD in the online Consolidated Plan system (the eCon Planning Suite) from the 2016-2015 American Community Survey (ACS) 5-Year Estimates and the Comprehensive Housing Affordability Strategy (CHAS) covering the same time period. Additional sources of information used to identify needs and establish priorities were obtained through consultation with local nonprofit agencies involved in the development of affordable housing and the delivery of public services to children, families, elderly persons and persons with special needs throughout the community.

### HUD requires that the Strategic Plan:

- Describe the basis for assigning priority ranking for needs categories
- Identify accomplishments the City plans to achieve in quantitative and qualitative measures over a five-year period

# SP-10 Geographic Priorities – 91.215 (a)(1)

# Geographic Area

Table 47 - Geographic Priority Areas

|   | Tean to the second principal princip |  |  |  |  |  |
|---|--|--|--|--|--|--|
| 1 | Area Name:   | CDBG Eligible Areas  |  |  |  |  |
|   | Area Type:   | CDBG Eligible Areas  |  |  |  |  |
|   | Other Target Area Description:   | CDBG Eligible Areas  |  |  |  |  |
|   | HUD Approval Date:   |  |  |  |  |  |
|   | % of Low/ Mod:   |  |  |  |  |  |
|   | Revital Type:  |  |  |  |  |  |
|   | Other Revital Description:   |  |  |  |  |  |
|   | Identify the neighborhood boundaries for this target area.   | The boundaries will include all low- and moderate-income census tracts within the City of Gardena.   |  |  |  |  |
|   | Include specific housing and commercial characteristics of this target area.   |  |  |  |  |  |
|   | How did your consultation and citizen participation process help you to identify this neighborhood as a target area?   | Based on census data.  |  |  |  |  |
|   | Identify the needs in this target area.  | Needs in these CDBG-eligible census tracts include public improvements, infrastructure improvements, housing rehabilitation.   |  |  |  |  |
|   | What are the opportunities for improvement in this target area?  | Opportunity is for Investment in these areas may include facilities improvements, infrastructure improvements, housing rehabilitation and commercial rehabilitation. |  |  |  |  |
|   | Are there barriers to improvement in this target area?   | Barriers to improvements in these areas include lack of available financial resources. Investment will rely primarily on private owners.                             |  |  |  |  |
| 2 | Area Name:   | Citywide   |  |  |  |  |
|   | Area Type:   | Citywide   |  |  |  |  |
|   | Other Target Area Description:   | Citywide   |  |  |  |  |
|   | HUD Approval Date:   |  |  |  |  |  |
|   | % of Low/ Mod:   |  |  |  |  |  |
|   | Revital Type:  |  |  |  |  |  |
|   | Other Revital Description:   |  |  |  |  |  |
|   |  |  |  |  |  |  |

| Identify the neighborhood boundaries for this target area.   | Within the boundaries of the City of Gardena. Services will be provided to incomequalified residents on a City-wide basis. |
|--|--|
| Include specific housing and commercial characteristics of this target area.   |  |
| How did your consultation and citizen participation process help you to identify this neighborhood as a target area? |  |
| Identify the needs in this target area.  |  |
| What are the opportunities for improvement in this target area?  |  |
| Are there barriers to improvement in this target area?   |  |

### **General Allocation Priorities**

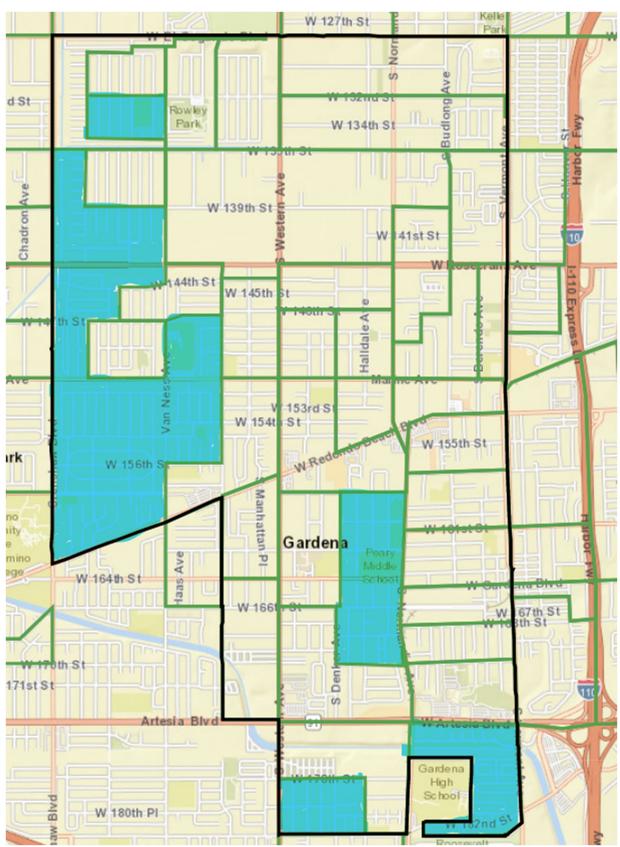
Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

To determine which activities will receive CDBG funding during the Consolidated Plan cycle of 2021-2025, the City utilized a simple priority ranking system to determine which activities will receive CDBG funding to address a priority need. The following priority ranking system has been used:

- High Priority: Activities that address a high priority need will be funded by the City during the five-year period provided adequate resources are available.
- Low Priority: The City may fund low, or not fund, a low priority need activities during the fiveyear period.

The City does not have any special designated areas for investment of CDBG. CDBG funds will be allocated also be allocated on a Citywide basis for activities that are limited clientele in nature. Other activities such as public facilities, infrastructure, and code enforcement, will be limited to eligible area. The City does not receive HOPWA funds.

The City does not have any special designated areas for investment of CDBG. CDBG funds will be allocated also be allocated on a Citywide basis for activities that are limited clientele in nature. Other activities such as public facilities, infrastructure, and code enforcement, will be limited to eligible low- and moderate-income areas. The City does not receive HOPWA funds. The map on the following page identifies the City's low- and moderate-income areas.



Low and Moderate Income Areas

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

# **Priority Needs**

Table 48 – Priority Needs Summary

| rabi | le 48 – Priority N                | eeds Summary   |
|------|-----------------------------------|--|
| 1    | Priority Need<br>Name             | Planning and Administration  |
|      | Priority Level                    | High   |
|      | Population                        | Other  |
|      | Geographic<br>Areas<br>Affected   | Citywide   |
|      | Associated<br>Goals               | Program Administration   |
|      | Description                       | Ensure efficient/effective use of CDBG to address Consolidated Plan priorities, provide oversight and coordination to make certain funds are spent properly and in a timely manner. A maximum of 20 percent of annual funding may be allocated to planning and administrative activities related to the CDBG program.  |
|      | Basis for<br>Relative<br>Priority | Compliance with HUD requirements for CDBG program.   |
| 2    | Priority Need<br>Name             | Fair Housing Services  |
|      | Priority Level                    | High   |
|      | Population                        | Other  |
|      | Geographic<br>Areas<br>Affected   | Citywide   |
|      | Associated<br>Goals               | Fair Housing Services  |
|      | Description                       | Retain the services of a Fair Housing provider, promote fair housing education and outreach within Gardena, and continue to test for discrimination.   |
|      | Basis for<br>Relative<br>Priority | Each year the City must certify to HUD that the Gardena is affirmatively furthering fair housing. The City contracts with a fair housing service provider to provide fair housing outreach, education, investigation, and counseling services. Currently, the Fair Housing Council administers the City's fair housing program. The contract with North County Lifeline assists the City in meeting this CDBG requirement. |
| 3    | Priority Need<br>Name             | Public Services to Help Low-Income Residents   |
|      | Priority Level                    | High   |
|      |                                   |  |

|   | Population     | Extremely Low   |
|---|----------------|---|
|   |                | Low   |
|   |                | Moderate  |
|   |                | Large Families  |
|   |                | Families with Children  |
|   |                | Elderly   |
|   |                | Individuals   |
|   |                | Families with Children  |
|   |                | veterans  |
|   |                | Persons with HIV/AIDS   |
|   |                | Victims of Domestic Violence  |
|   |                | Unaccompanied Youth   |
|   |                | Elderly   |
|   |                | Frail Elderly   |
|   |                | Persons with Physical Disabilities  |
|   |                | Persons with Developmental Disabilities   |
|   |                | Victims of Domestic Violence  |
|   | Geographic     | Citywide  |
|   | Areas          |   |
|   | Affected       |   |
|   | Associated     | Services for Low- & Moderate-Income Persons   |
|   | Goals          |   |
|   | Description    | Support programs for low- and moderate-income residents that provide childcare, direct      |
|   | Description    | services for seniors and frail elderly to maintain their independent living situation, food |
|   |                | pantry, emergency food and shelter services and counseling services.                        |
|   |                |   |
|   | Basis for      | Community Survey results, needs analysis and service provider input.                        |
|   | Relative       |   |
|   | Priority       |   |
| 4 | Priority Need  | Preservation of Supply of Affordable Housing  |
|   | Name           |   |
|   | Priority Level | High  |
|   | Population     | Other   |
|   | Geographic     | CDBG Eligible Areas   |
|   | Areas          | Citywide  |
|   | Affected       | o.c, mac  |
|   |                |   |
|   | Associated     | Code Enforcement  |
|   | Goals          | Owner-Occupied Rehabilitation   |
|   |                | Rental Housing Rehabilitation   |

|   | Description                       | As the City's housing stock ages, a growing percentage of housing units may need rehabilitation to allow them to remain safe and habitable. The situation is of particular concern for low- and moderate-income homeowners who are generally not in a financial position to properly maintain their homes.  Programs to address this priority may include owner-occupied and rental housing rehabilitation programs and code enforcement activities in low-income neighborhoods. |
|---|-----------------------------------|--|
|   | Basis for<br>Relative<br>Priority | Stakeholder input, Community Needs Survey, and 2016-2020 ACS Community data.   |
| 5 | Priority Need<br>Name             | Neighborhood Preservation & Improvement  |
|   | Priority Level                    | High   |
|   | Population                        | Extremely Low Low Moderate   |
|   | Geographic<br>Areas<br>Affected   | CDBG Eligible Areas  |
|   | Associated<br>Goals               | Public Facilities (Park) Improvements Public Infrastructure (Streets) Improvements   |
|   | Description                       | CDBG-eligible projects that improve or upgrade the City's public facilities and infrastructure within low- and moderate-income neighborhoods. Improvements may include but are not limited to repairs, replacement and/or upgrades a neighborhood parks and facilities (including ADA compliance), street, curb and gutter, sewer and other infrastructure improvements.   |
|   | Basis for<br>Relative<br>Priority | Needs analysis and City department consultation. Designated as a Medium priority need because the City has invested significant CDBG funds into public facilities in prior years (e.g., senior center improvements and park facility improvements). However, funding for ADA improvements may be needed over the planning cycle.   |
| 6 | Priority Need<br>Name             | Expand Supply of Affordable Housing  |
|   | Priority Level                    | High   |
|   | Population                        | Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly Other   |

|   | Geographic<br>Areas<br>Affected   | Citywide   |
|---|-----------------------------------|--|
|   | Associated<br>Goals               | Housing Assistance Vouchers  |
|   | Description                       | Assist in the facilitation the creation of new affordable rental and homeownership housing through new construction, and acquisition and rehabilitation.   |
|   | Basis for<br>Relative<br>Priority | Based on 2016-2020 ACS data, community surveys and City staff information.   |
| 7 | Priority Need<br>Name             | Economic Development   |
|   | Priority Level                    | Low  |
|   | Population                        | Other  |
|   | Geographic<br>Areas<br>Affected   | CDBG Eligible Areas<br>Citywide  |
|   | Associated<br>Goals               | Economic Development   |
|   | Description                       | The City will continue to explore opportunities to provide economic opportunities to its residents, workers within the City and local businesses. Programs will be funded as resources permit that may include commercial rebates for signage and/or other improvements. |
|   | Basis for<br>Relative<br>Priority | Community survey and 2016-2020 ACS data.   |
| 8 | Priority Need<br>Name             | Prevent and Eliminate Homelessness   |
|   | Priority Level                    | High   |
|   | Population                        | Individuals Families with Children veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth   |
|   | Geographic<br>Areas<br>Affected   | Citywide   |

| Associated<br>Goals               | Services for Low- & Moderate-Income Persons  |
|-----------------------------------|--|
| Description                       | Support the provision of homeless services, prevention, and shelter, including employment preparation, food assistance, financial literacy, motel vouchers, temporary and permanent shelter, and other programs aimed at providing homeless households with the tools and resources to gain self-sufficient and end or prevent homelessness. |
| Basis for<br>Relative<br>Priority | Community Needs Survey and stakeholder input. According to the Community Needs Survey.   |

# Narrative (Optional)

The City's identified needs are in line with those identified in the public survey process. With limited resources, the City will continue to fund activities that meet the needs of moderate-income households.

# SP-30 Influence of Market Conditions – 91.215 (b)

### Influence of Market Conditions

| Affordable        | Market Characteristics that will influence   |
|-------------------|--|
| Housing Type      | the use of funds available for housing type  |
| Tenant Based      | NA – CDBG may not be used for this type of activity  |
| Rental Assistance |  |
| (TBRA)            |  |
| TBRA for Non-     | NA – CDBG may not be used for this type of activity  |
| Homeless Special  |  |
| Needs             |  |
| New Unit          | NA – CDBG may not be used for this type of activity  |
| Production        |  |
| Rehabilitation    | Housing Market analysis data indicates many lower income homeowners are paying a           |
|                   | significant amount of their income for housing (housing cost burden and severe housing     |
|                   | cost burden). Housing rehabilitation assistance allows these homeowners to address         |
|                   | deferred maintenance improvements on their primary residence without increasing the        |
|                   | amount of income dedicated to housing. As resources are available, rental housing          |
|                   | rehabilitation assistance may be provided.   |
| Acquisition,      | Housing Market analysis data indicates that there is a need for additional housing that is |
| including         | affordable to both renter and owner households; however, the City's CDBG grant is not      |
| preservation      | large enough to significantly reduce project cost. The City will continue to work with     |
|                   | private and non-profit developers when possible in the development of affordable           |
|                   | housing.   |

Table 49 – Influence of Market Conditions

### Most Reported Housing Problems

Based on the data presented in the tables below, there are 59,930 people residing in the City of Gardena comprising 20,895 households. Of these households, 8,175 households (or 39.1 percent) are considered "low- and very low-income" per HUD definitions. The most prevalent housing problem among all households in Gardena, as displayed in Table 35, is housing affordability. 2,405 Renter Households (22.6 %) and 1,350 Owner Households (13.9%) are paying more than 30 percent of Household Income to housing costs. When comparing housing affordability within the low- and moderate-income household subset of 12,445 households, the cost burden affects a greater proportion of Renter Households at 36.9% whereas Owner Households is only 19%. Overcrowding and substandard units are reported by fewer number of Renter and Owner Households a problem as compared to cost burden, according to the Census data.

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

### Introduction

The following chart illustrates the financial resources expected to be available and planned for use during the 2021-2025 Consolidated Plan period. The resources include all funding sources known to be available to the City during this five-year planning cycle for programs and projects that will benefit low and moderate-income households.

# **Anticipated Resources**

| Program | Source       | Uses of Funds        | Expected Amount Available Year 1 |         |            |           | Expected   | Narrative           |
|---------|--------------|----------------------|----------------------------------|---------|------------|-----------|------------|---------------------|
|         | of           |                      | Annual                           | Program | Prior Year | Total:    | Amount     | Description         |
|         | Funds        |                      | Allocation:                      | Income: | Resources: | \$        | Available  |                     |
|         |              |                      | \$                               | \$      | \$         |           | Remainder  |                     |
|         |              |                      |                                  |         |            |           | of ConPlan |                     |
| CDBG    | public       | Acquisition          |                                  |         |            |           | \$         | Based on 2021-      |
| СБВО    | public       | Admin and            |                                  |         |            |           |            | 2022 CDBG           |
|         | -<br>federal |                      |                                  |         |            |           |            | annual allocation   |
|         | rederai      | Planning<br>Economic |                                  |         |            |           |            | projected for an    |
|         |              |                      |                                  |         |            |           |            | additional four     |
|         |              | Development          |                                  |         |            |           |            |                     |
|         |              | Housing              |                                  |         |            |           |            | (4) years.          |
|         |              | Public               |                                  |         |            |           |            |                     |
|         |              | Improvements         | 627.627                          | 4 000   | 4400000    | 700 476   | 2 527 404  |                     |
|         |              | Public Services      | 637,637                          | 1,000   | \$100,000  | 739,476   | 2,527,104  |                     |
| Other   | public       |                      |                                  |         |            |           |            | The activities will |
|         | -            |                      |                                  |         |            |           |            | include street      |
|         | federal      |                      |                                  |         |            |           |            | improvements,       |
|         |              |                      |                                  |         |            |           |            | sidewalk and curb   |
|         |              | Public               |                                  |         |            |           |            | and gutter          |
|         |              | Improvements         | 1,000,000                        | 0       | 0          | 1,000,000 | 800,000    | improvements.       |
| Other   | public       |                      |                                  |         |            |           |            | Repayment of        |
|         | - state      |                      |                                  |         |            |           |            | State of California |
|         |              |                      |                                  |         |            |           |            | CalHome-funded      |
|         |              |                      |                                  |         |            |           |            | loans (\$30,000),   |
|         |              |                      |                                  |         |            |           |            | State HOME          |
|         |              |                      |                                  |         |            |           |            | grant funds         |
|         |              |                      |                                  |         |            |           |            | (\$500,000) and     |
|         |              |                      |                                  |         |            |           |            | State HOME          |
|         |              |                      |                                  |         |            |           |            | program income      |
|         |              |                      |                                  |         |            |           |            | (\$50,000) . Funds  |
|         |              |                      |                                  |         |            |           |            | are to be used to   |
|         |              |                      |                                  |         |            |           |            | assist with single- |
|         |              |                      |                                  |         |            |           |            | family housing      |
|         |              | Housing              | 602,625                          | 0       | 0          | 602,625   | 0          | rehabilitation      |

| Program | Source  | Uses of Funds | Expe        | cted Amour | nt Available Ye | Expected | Narrative  |                  |
|---------|---------|---------------|-------------|------------|-----------------|----------|------------|------------------|
|         | of      |               | Annual      | Program    | Prior Year      | Total:   | Amount     | Description      |
|         | Funds   |               | Allocation: | Income:    | Resources:      | \$       | Available  |                  |
|         |         |               | \$          | \$         | \$              |          | Remainder  |                  |
|         |         |               |             |            |                 |          | of ConPlan |                  |
|         |         |               |             |            |                 |          | \$         |                  |
| Other   | public  |               |             |            |                 |          |            | (1) Park         |
|         | - local |               |             |            |                 |          |            | Improvements,    |
|         |         |               |             |            |                 |          |            | (2) Primm Pool   |
|         |         |               |             |            |                 |          |            | Improvements (3) |
|         |         |               |             |            |                 |          |            | Nakaoka Center   |
|         |         |               |             |            |                 |          |            | Improvements (4) |
|         |         | Public        |             |            |                 |          |            | Rush Gym         |
|         |         | Improvements  | 710,000     | 0          | 0               | 710,000  | 235,000    | Improvements     |

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In past years, the City was able to leverage its entitlement federal funds with State HOME and Cal Home funds. Over the five-year planning period, the City will have approximately \$30,000 in CalHome program income funds and an estimated \$500,000 in State HOME funds and \$50,000 in State HOME program income funds to support housing rehabilitation activity. Both of these State funds are only an estimate for this five 2021-2025 Consolidated Plan cycle. State HOME funds are applied for on a competitive basis and are not guaranteed. The estimate for CalHome funds is based on repaid loans. The City does not anticipate an award of new CalHome grant funds during this five-year planning period.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City does not currently own any land or property suitable for projects identified in this plan.

### Discussion

Funding resources to implement the City's Consolidated Plan are limited. It is anticipated that CDBG funding will continue to be reduced. The City has access to State HOME funds; however, the agreement for these funds will expire by the end of Fiscal Year 2021-2025.

HUD has begun to invest additional resources into housing assistance vouchers and certificates, and LAHSA has aggressively pursued these new resources. The City will continue to support LAHSA's efforts to secure new rental assistance resources. Additionally, for the foreseeable future, the City will continue to support social service programs serving City residents; however, resources to support the development of new housing are limited. As outlined above, Gardena has identified vacant and underutilized land that may be suitable housing development. Combined with incentives such as density bonus, reduced development fees, etc. the City may be able to encourage development of additional housing opportunities for lower income residents.

# SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

| Responsible Entity   | Responsible Entity<br>Type | Role                 | Geographic Area<br>Served |
|----------------------|----------------------------|----------------------|---------------------------|
| GARDENA              | Government                 | Economic             | Jurisdiction              |
|                      |                            | Development          |                           |
|                      |                            | Homelessness         |                           |
|                      |                            | Non-homeless special |                           |
|                      |                            | needs                |                           |
|                      |                            | Ownership            |                           |
|                      |                            | Planning             |                           |
|                      |                            | Rental               |                           |
|                      |                            | neighborhood         |                           |
|                      |                            | improvements         |                           |
|                      |                            | public facilities    |                           |
|                      |                            | public services      |                           |
| LAHSA                | Continuum of care          | Homelessness         | Region                    |
| HOUSING AUTHORITY    | PHA                        | Public Housing       | Region                    |
| LA COUNTY            |                            |                      |                           |
| County Public Health | Government                 | Non-homeless special | Region                    |
| Department           |                            | needs                |                           |
|                      |                            | public services      |                           |

Table 51 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

Gardena has an extensive group of service providers that can deliver a wide variety of services for City residents. Additionally, the City has a diverse economic base that provides a wide range of employment opportunities from a variety of industries. The City continues to work well with LAHSA by supporting their efforts to assist the City's lower income renters with housing assistance vouchers and certificates.

With respect to gaps in the institutional deliver system, there is a need to improve the sharing of information that is mutually beneficial to the City and regional players. For example, Continuum of Care information regarding regional and Gardena homeless was available; however, detailed information was hard to obtain from the Continuum of Care. Persistent follow-up was needed to obtain data.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

| Homelessness Prevention          | Available in the  | Targeted to | Targeted to People |  |  |  |  |
|----------------------------------|-------------------|-------------|--------------------|--|--|--|--|
| Services                         | Community         | Homeless    | with HIV           |  |  |  |  |
| Homelessness Prevention Services |                   |             |                    |  |  |  |  |
| Counseling/Advocacy              | X                 |             |                    |  |  |  |  |
| Legal Assistance                 | X                 |             |                    |  |  |  |  |
| Mortgage Assistance              |                   |             |                    |  |  |  |  |
| Rental Assistance                | Х                 |             |                    |  |  |  |  |
| Utilities Assistance             | Χ                 |             |                    |  |  |  |  |
|                                  | Street Outreach S | Services    |                    |  |  |  |  |
| Law Enforcement                  | Х                 |             |                    |  |  |  |  |
| Mobile Clinics                   |                   |             |                    |  |  |  |  |
| Other Street Outreach Services   | Х                 |             |                    |  |  |  |  |
|                                  | Supportive Ser    | vices       |                    |  |  |  |  |
| Alcohol & Drug Abuse             |                   |             |                    |  |  |  |  |
| Child Care                       | Х                 |             |                    |  |  |  |  |
| Education                        |                   |             |                    |  |  |  |  |
| Employment and Employment        |                   |             |                    |  |  |  |  |
| Training                         | Χ                 |             |                    |  |  |  |  |
| Healthcare                       |                   |             |                    |  |  |  |  |
| HIV/AIDS                         |                   |             |                    |  |  |  |  |
| Life Skills                      |                   |             |                    |  |  |  |  |
| Mental Health Counseling         |                   |             |                    |  |  |  |  |
| Transportation                   | X                 |             |                    |  |  |  |  |
|                                  | Other             |             |                    |  |  |  |  |
|                                  |                   |             |                    |  |  |  |  |

Table 52 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

Several homeless service providers are available to assist the homeless and those that are at risk of becoming homeless. The City's homeless service delivery system is based on the concept that it is less expensive to help someone stay housed than it is to rehouse them. To this end, the City has funded programs that provide lower income households with case management, food, and reduced cost childcare. Safety net services/assistance enables households at risk of homelessness to redirect limited income toward maintaining their housing.

For those who have slipped into homelessness, the City has established relationships with service providers that will accept referrals from the City. These agencies can address immediate housing needs, via emergency housing, and if needed, longer term housing and support services (transitional housing) is also available. Several service providers are also beginning to implement rapid rehousing programs in which households are quickly placed into housing and are provided appropriate services to stabilize the household and accelerate the self-sufficiency process.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above.

The strength of the City's homeless delivery system is that it has several entry points that are prepared to meet the unique needs of most homeless persons, including families, families with children, veterans, and youths.

The City's strategy is also limited by the lack of applicants for City funds to provide housing services. One explanation is that the City simply cannot fund grants large enough for programs that provide deep housing subsidies over a sustained time period (e.g., rapid rehousing). Applicants for these types of programs typically apply directly to HUD for funding.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs.

To overcome gaps the City will continue to make an effort to solicit proposals from local service providers in an effort to ensure residents in need of services/housing are assisted. The City will also continue to cooperate in regional efforts to meet housing and service needs.

# SP-45 Goals Summary – 91.215(a)(4)

# Goals Summary Information

| Sort<br>Order | Goal Name          | Start<br>Year | End<br>Year | Category       | Geographic<br>Area | Needs Addressed    | Funding             | Goal Outcome Indicator               |
|---------------|--------------------|---------------|-------------|----------------|--------------------|--------------------|---------------------|--------------------------------------|
| 1             | Program            | 2021          | 2025        | Planning and   | Citywide           | Planning and       | CDBG: \$537,637     | Other:                               |
|               | Administration     |               |             | Administration |                    | Administration     |                     | 5 Other                              |
| 2             | Fair Housing       | 2021          | 2025        | Affordable     | Citywide           | Fair Housing       | CDBG: \$100,000     | Other:                               |
|               | Services           |               |             | Housing        |                    | Services           |                     | 250 Other                            |
|               |                    |               |             | Non-Homeless   |                    |                    |                     |                                      |
|               |                    |               |             | Special Needs  |                    |                    |                     |                                      |
| 3             | Services for Low & | 2021          | 2025        | Homeless       | Citywide           | Prevent and        | CDBG: \$475,00      | Public service activities other than |
|               | Moderate Income    |               |             | Non-Homeless   |                    | Eliminate          |                     | Low/Moderate Income Housing          |
|               | Persons            |               |             | Special Needs  |                    | Homelessness       | HOME-ARP:           | Benefit:                             |
|               |                    |               |             |                |                    | Public Services to | \$1,040,280         | 50 Persons Assisted                  |
|               |                    |               |             |                |                    | Help Low-Income    |                     |                                      |
|               |                    |               |             |                |                    | Residents          |                     | Homelessness Prevention:             |
|               |                    |               |             |                |                    |                    |                     | 50 Persons Assisted                  |
| 4             | Public             | 2021          | 2025        | Non-Housing    | CDBG               | Neighborhood       | CDBG: \$500,000     | Public Facility or Infrastructure    |
|               | Infrastructure     |               |             | Community      | Eligible           | Preservation &     | CalHome & State     | Activities other than Low/Moderate   |
|               | (Streets)          |               |             | Development    | Areas              | Improvement        | HOME Program        | Income Housing Benefit:              |
|               | Improvements       |               |             |                |                    |                    | Income: \$0         | 3000 Persons Assisted                |
|               |                    |               |             |                |                    |                    | Park Land in Lieu & |                                      |
|               |                    |               |             |                |                    |                    | Proposition A Park  |                                      |
|               |                    |               |             |                |                    |                    | Funds &: \$0        |                                      |
|               |                    |               |             |                |                    |                    | Proposition C&      |                                      |
|               |                    |               |             |                |                    |                    | Other Federal:      |                                      |
|               |                    |               |             |                |                    |                    | \$1,800,000         |                                      |

| Sort<br>Order | Goal Name         | Start<br>Year | End<br>Year | Category    | Geographic<br>Area | Needs Addressed    | Funding             | Goal Outcome Indicator             |
|---------------|-------------------|---------------|-------------|-------------|--------------------|--------------------|---------------------|------------------------------------|
| 5             | Public Facilities | 2021          | 2025        | Non-Housing | CDBG               | Neighborhood       | CDBG: \$500,000     | Public Facility or Infrastructure  |
|               | (Park)            |               |             | Community   | Eligible           | Preservation &     | CalHome & State     | Activities other than Low/Moderate |
|               | Improvements      |               |             | Development | Areas              | Improvement        | HOME Program        | Income Housing Benefit:            |
|               |                   |               |             |             |                    |                    | Income: \$0         | 2000 Persons Assisted              |
|               |                   |               |             |             |                    |                    | Park Land in Lieu & |                                    |
|               |                   |               |             |             |                    |                    | Proposition A Park  |                                    |
|               |                   |               |             |             |                    |                    | Funds &: \$945,000  |                                    |
|               |                   |               |             |             |                    |                    | Proposition C&      |                                    |
|               |                   |               |             |             |                    |                    | Other Federal: \$0  |                                    |
| 6             | Code Enforcement  | 2021          | 2025        | Affordable  | CDBG               | Preservation of    | CDBG: \$1,145,000   | Housing Code                       |
|               |                   |               |             | Housing     | Eligible           | Supply of          |                     | Enforcement/Foreclosed Property    |
|               |                   |               |             |             | Areas              | Affordable Housing |                     | Care:                              |
|               |                   |               |             |             |                    |                    |                     | 500 Household Housing Unit         |
| 7             | Owner-Occupied    | 2021          | 2025        | Affordable  | Citywide           | Preservation of    | CDBG: \$1,175,000   | Homeowner Housing Rehabilitated:   |
|               | Rehabilitation    |               |             | Housing     |                    | Supply of          | CalHome & State     | 125 Household Housing Unit         |
|               |                   |               |             |             |                    | Affordable Housing | HOME Program        |                                    |
|               |                   |               |             |             |                    |                    | Income: \$602,625   |                                    |
|               |                   |               |             |             |                    |                    | Park Land in Lieu & |                                    |
|               |                   |               |             |             |                    |                    | Proposition A Park  |                                    |
|               |                   |               |             |             |                    |                    | Funds &: \$0        |                                    |
|               |                   |               |             |             |                    |                    | Proposition C&      |                                    |
|               |                   |               |             |             |                    |                    | Other Federal: \$0  |                                    |
| 8             | Rental Housing    | 2021          | 2025        | Affordable  | Citywide           | Preservation of    | CDBG: \$50,000      | Rental units rehabilitated:        |
|               | Rehabilitation    |               |             | Housing     |                    | Supply of          |                     | 2 Household Housing Unit           |
|               |                   |               |             |             |                    | Affordable Housing |                     |                                    |
| 9             | Economic          | 2021          | 2025        | Non-Housing | CDBG               | Economic           | CDBG: \$0           | Businesses assisted:               |
|               | Development       |               |             | Community   | Eligible           | Development        | CDBG-CV1 -          | 25 Businesses Assisted             |
|               |                   |               |             | Development | Areas              |                    | \$400,000           |                                    |
|               |                   |               |             |             |                    |                    | CDBG-CV3: \$0       |                                    |

| Sort  | Goal Name          | Start | End  | Category       | Geographic | Needs Addressed    | Funding     | Goal Outcome Indicator       |
|-------|--------------------|-------|------|----------------|------------|--------------------|-------------|------------------------------|
| Order |                    | Year  | Year |                | Area       |                    |             |                              |
| 10    | Housing Assistance | 2021  | 2025 | Affordable     | Citywide   | Preservation of    | CDBG: \$0   | Renter Households assisted:  |
|       |                    |       |      | Housing        |            | Supply of          | CDBG-CV1 -  | 40 Households Assisted       |
|       |                    |       |      |                |            | Affordable Housing | \$400,000   |                              |
|       |                    |       |      |                |            |                    | CDBG-CV3:   |                              |
|       |                    |       |      |                |            |                    | \$500,000   |                              |
| 11    | Homeless           | 2021  | 2025 | Affordable     | Citywide   | Homelessness       | CDBG: \$0   | Persons assisted:            |
|       | Assistance         |       |      | Housing        |            |                    | HOME-ARP:   | 40 Homeless Persons Assisted |
|       |                    |       |      |                |            |                    | \$1,040,280 |                              |
| 12    | Housing Assistance | 2021  | 2025 | Public Housing | Citywide   | Expand Supply of   | CDBG: \$0   | Other:                       |
|       | Vouchers           |       |      |                |            | Affordable         |             | 630 Other                    |

Table 53 – Goals Summary

# **Goal Descriptions**

| 1 | Goal Name           | Program Administration  |
|---|---------------------|---|
|   | Goal<br>Description | Administration of the CDBG program in compliance with HUD regulations over the next five year's based on the City's 2021-2025 CDBG allocation.  |
| 2 | Goal Name           | Fair Housing Services   |
|   | Goal<br>Description | Ensure that housing within the City is available without discrimination on the basis of race, color, religion, sex, national origin, ancestry, marital status, age, household composition, income, size, disability or any other arbitrary factor. The funding allocation over the next five year's is based on the City's 2021-2025 CDBG allocation as well as funding received under the CARES Act CDBG-CV1 and CDBG-CV3 funding allocation.                                      |
| 3 | Goal Name           | Services for Low & Moderate Income Persons  |
|   | Goal<br>Description | Assistance for lower income households and individuals that provide a safety net with access to services such as medical, food bank, case management, and employment services. Supported agencies should provide households with access to programs and services at reduced or no cost. The funding allocation over the next five year's is based on the City's 2021-2025 CDBG allocation as well as funding received under the CARES Act CDBG-CV1 and CDBG-CV3 funding allocation. |

| 4 | Goal Name           | Public Infrastructure (Streets) Improvements  |
|---|---------------------|---|
|   | Goal<br>Description | Infrastructure improvements in the City's lower-income areas. Although funding is needed for this priority, there are limited CDBG funds to allocate of this planning period. The City will use alternate funding sources such as Proposition C funds and other federal funds.  |
| 5 | Goal Name           | Public Facilities (Park) Improvements   |
|   | Goal<br>Description | Public Facilities improvements with an emphasis of the City Park system in lower-income areas. Although improvements are greatly needed, there are insufficient CDBG funds to allocate to this activity at this time. Alternate non-federal funding will be used to address this priority.  |
| 6 | Goal Name           | Code Enforcement  |
|   | Goal<br>Description | Enforcement of housing codes to ensure safe, decent housing. The funding allocation over the next five years is based on the City's 2021-2025 CDBG allocation.  |
| 7 | Goal Name           | Owner-Occupied Rehabilitation   |
|   | Goal<br>Description | Preservation of the City's supply of affordable housing through various grant and loan programs to make health and safety repairs to qualified low- and moderate-income owner-occupants. The funding allocation over the next five years is based on the City's 2021-2025 CDBG allocation and State HOME and CalHome Program income funds on hand. Program income from these funding sources cannot be estimated. |
| 8 | Goal Name           | Rental Housing Rehabilitation   |
|   | Goal<br>Description | Provide assistance to investor-owners whose properties are occupied by at least 51% low- and moderate-income tenants. Financial assistance may include grants to make health and safety repairs to qualified properties. Although this program is greatly needed, there are insufficient CDBG funds to allocate to this activity at this time.  |
| 9 | Goal Name           | Economic Development  |
|   | Goal<br>Description | Provide financial assistance for businesses impacted by the Coronavirus Pandemic. The funding allocation over the next five years is based on the City's CDBG-CV1 and CDBG-CV3 funding allocation.  |

| 10 | Goal Name           | Housing Assistance   |
|----|---------------------|--|
|    | Goal<br>Description | Emergency rental and sustenance assistance to income qualified households impacted by the Coronavirus Pandemic.  |
| 11 | Goal Name           | Homeless Assistance  |
|    | Goal<br>Description | Assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability. |
| 12 | Goal Name           | Housing Assistance Vouchers  |
|    | Goal<br>Description | Housing rental assistance vouchers provided by LAHSA.  |

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City does not receive HOME funds. This does not apply to the City of Gardena.

# SP-50 Public Housing Accessibility and Involvement – 91.215(c) Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement) The City of Gardena does not own or manage any public housing units. Activities to Increase Resident Involvements Not applicable. Is the public housing agency designated as troubled under 24 CFR part 902? N/A Plan to remove the 'troubled' designation.

Not applicable.

# SP-55 Barriers to affordable housing – 91.215(h)

# Barriers to Affordable Housing

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

Based on information gathered during community meetings, the Consolidated Plan Needs Assessment Survey, the 2021-2025 Housing Element and market analysis, the primary barriers to affordable housing in Gardena are housing affordability and the lack of monetary resources necessary to develop and sustain affordable housing. The two barriers are related in the sense that demand for affordable housing exceeds the supply and insufficient resources are available to increase the supply of affordable housing to meet demand.

For low- and moderate-income households, finding and maintaining decent affordable housing is difficult due to the high cost of housing in Gardena and throughout Southern California in general. Based on evaluation of 2011-2015 ACS and CHAS data, there is a high need for housing units affordable for households earning less than 80 percent of AMI. Of the 13,674 households earning 0-80 percent of AMI in the City, 8,954 are cost burdened households—meaning households paying more than 30 percent of their income for housing. Additionally, 9,023 of the cost burdened households are considered severely cost burdened households—meaning that they pay more than 50 percent of their income for housing. Of the 9,023 severely cost burdened households, 6,289 are renters. Of those severely cost burdened renter households, 3,045 households earn less than 50 percent of AMI and are considered the most at risk of becoming homeless. Consistent with available data, responses to the 2021-2025 Consolidated Plan Needs Assessment Survey indicate a high need for additional affordable housing in Gardena.

In the last five years, federal resources have been diminishing. This has resulted in the significant reduction in City resource for the development and preservation of affordable housing. The City, however, will continue to seek alternate resources as the opportunities arise.

### Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The City will implement the following strategy to remove or ameliorate barriers to affordable housing:

- Monitor procedures and codes to ensure streamlined case processing and permit issuance procedures as well as regulations, ordinances, codes and standards to minimize governmental impacts on development costs
- Review ways to provide zoning, land division, and construction incentives to reduce the cost of new and rehabilitated housing.
- Encourage the utilization of innovative construction and design techniques to reduce housing costs
- Encourage the use of special development zones and other mechanisms to allow more flexibility in housing developments
- Encourage the use of the City's Density Bonus Program
- Provide City staff assistance/liaison to the developers through-out the development process

# SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Presently there are no city-funded homeless outreach efforts; however, with the new HOME-ARP funding, the City will investigate the implementation of programs to address homeless outreach over the next 5 years. Most regional homeless service providers that serve the Gardena area have established outreach programs that engage the homeless and assess their needs. The City will seek to work with these existing agencies.

Addressing the emergency and transitional housing needs of homeless persons

The previous 2025-2021 Consolidated Plan cycle listed both emergency shelter and transitional housing as high needs and established five-year goals for both types of housing. Over the course of the five-year cycle, no transitional housing programs or emergency shelter programs approached the City with a funding request. Nonetheless, the City has developed and maintained a good working relationship with these service providers and is able to refer residents for respective services. The City also continues to fund its Youth and Family Services Bureau, provides a comprehensive outreach and assessment program for homeless individuals and families and lower income individuals at-risk for homelessness. This Program offers vouchers for food from restaurants and grocery stores, vouchers for temporary shelter at motels, transportation, food, and other emergency services. In addition, the City refers those in need to a number of emergency day facilities and overnight shelters in the immediate area. The City will also continue to support its food bank, childcare, and direct elderly services. With the new HOME-ARP funding the City will seek to develop programs that assist those persons that are homeless or at risk of losing their permanent housing. This will a high priority in the 2021-2025 Consolidated Plan; If funding resources permit, the City may directly support emergency and transitional housing services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Rapid rehousing has been listed in the Consolidated Plan as a low priority need, mainly because the City has not received a funding request for this type of housing program. In recent years agencies that traditionally provided transitional housing have begun to integrate a rapid rehousing program into their overall agency services. The City will continue to refer individuals to these agencies. An agency's request for rapid rehousing program funding will be considered and evaluated like other funding requests.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The City homeless strategy is based on the proposition that it is less expensive and disruptive for a household to remain housed in their existing home than to be rehoused. To this end, the City will focus its limited CDBG resources with its Youth and Family Services Bureau that provide a variety of safety net services aimed at preventing households from becoming homeless. These services include case management, food, and reduced cost childcare.

## SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City's Housing Rehabilitation program staff will ensure that all housing units that were built prior to 1978, and that receive public-funded rehabilitation assistance, are tested for lead based-paint. If lead is found, additional funds may be allocated to a project for the specific purpose of creating a home free of lead paint hazards.

How are the actions listed above related to the extent of lead poisoning and hazards?

During consultation with the State Department of Public Health, State staff was clear that information provided regarding the number of children with high blood lead values was not solely attributed to lead based paint. One case of lead poisoning was report during the last five years. With this specific information, the City can only address potential lead poisoning and hazards within the programs it funds. The City will mandate lead testing for all properties constructed prior to 1978 that are part of the City's housing programs.

How are the actions listed above integrated into housing policies and procedures?

All of the City's current Housing Rehabilitation Program policies and procedures require all properties constructed prior to 1978 to be tested for lead if areas know to contain lead are to be affected by the work to be performed. If lead is found, it must be removed or encapsulated.

### SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

According to the U.S. Census Bureau, 16.2% of the City's population is living at or below the poverty level. The Census Bureau reports that 14.4% of Gardena residents age 65 and older are living in poverty and 24% 4of residents under 18 years of age are living in poverty.

The City has identified several activities and services that can be implemented to combat poverty:

- 1. Gardena Family Child Care Program (GFCC) The Gardena Family Child Care Program (GFCC) was established in 1976 in response to the unmet childcare needs of the community. The program provides quality childcare and child development services that promote early learning, school readiness and school-age programs to infants, toddlers, preschool, and school-age children whose parents live or work in Gardena. The City of Gardena Family Child Care Program (GFCC) contracts with family childcare providers who offer a quality program and provide a wide variety of learning experiences that promote children's growth and development in a safe, supportive, and stimulating environment. GFCC staff offers technical assistance, information, and assistance with such items as curriculum, childcare environment, behavioral problems, and developmental and age-appropriate practices to providers in the GFCC network.
- 2. Gardena Youth and Family Services Bureau The Youth & Family Services Bureau's Administrative Offices are located in the James Rush Memorial Gymnasium building located at 1651 W. 162nd Street. This program provides services to individuals and families on a walk-in, appointment, and referral basis and continues to provide group and individual services to children and adults, including counseling, emergency food, shelter support to the needy, and resource services to atrisk youth and their families. The Bureau continues to develop a referral system with the Police Department, the School District, and Recreation After School Programs, that has thus far resulted in appropriate counseling and resource services to referrals, self-esteem and counseling programs at the parks, a self-esteem and anti-drug education program in the Gardena schools. The Bureau offers emergency food pantry services three days a week and counseling services five days a week, with extended hours during the week to allow for evening counseling appointments.
- 3. <u>Gardena Senior Citizen's Bureau</u> The Senior Citizens Bureau is under the umbrella of the Human Services Division and provides a variety of services to the community in an effort to allow participants to enhance their quality of their lives and enable them to maintain their independence. This mission is achieved through the administration of S.C.A.M.P., C.A.P.E., home delivered meals, integrated care management including senior citizen outreach and meals programming and care for those suffering from Alzheimer's of mental disease.

- 4. <u>Gardena Food Pantry</u> This is a community-sponsored program made possible by donations from local churches, service organizations, businesses, and individuals. Gardena residents who are in need of assistance with canned goods, crisis counseling, referrals and any other Social Services inquiries can obtain information on a walk-in basis.
- Continued support rental assistance programs provided by the Los Angeles County Housing Authority for very low-income renters, especially senior households, and households with children.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?

The City's anti-poverty strategy calls for assisting lower income households, especially senior households, and households with children. The support for LAHSA's rental assistance programs for very low-income renters is consistent with the City's affordable housing plan. Additionally, safety net programs (e.g., food bank and reduced cost childcare) assist households at risk of becoming homeless by helping them to free up funds for housing. Funds will also be allocated to support housing rehabilitation and code enforcement activities that will help ensure households live in safe and decent housing.

### SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.

The goal of the City's monitoring efforts will be to ensure compliance with CDBG program requirements thus protecting the public's investment in the community.

CDBG funded activities carried out by subrecipients will be required to submit quarterly accomplishment reports to program staff. Public improvement reports will be provided upon request and will include a description of project progress and dates for milestones such as completion date. Public service providers will be required to provide information regarding the number of clients served and the overall progress of their programs. City staff will also undertake on-site monitoring to review subrecipients' performance, quality of services, and grant administration abilities. If and when necessary, corrective actions will be recommended by the City to ensure compliance with applicable federal laws and regulations. For agencies that receive regular funding from the City, and that consistently perform well, monitoring will be undertaken every other year. First-time funded agencies or agencies demonstrating administrative/programmatic issues will be monitored annually until grant management competence is proven. All quarterly report information will be input on a regular basis into IDIS. Year-end accomplishment information will be submitted to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER).

With respect to minority and women owned businesses, the City will continue to solicit the interest of a wide variety of companies and firms to undertake HUD-funded activities.

## **Expected Resources**

## AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The following chart illustrates the financial resources expected to be available and planned for use during the 2021-2025 Consolidated Plan period. The resources include all funding sources known to be available to the City during this five-year planning cycle for programs and projects that will benefit low and moderate-income households.

## **Anticipated Resources**

| Program | Source   | Uses of Funds   | Expe        | cted Amou | nt Available Y | ear 1   | Expected   | Narrative Description                       |
|---------|----------|-----------------|-------------|-----------|----------------|---------|------------|---|
|         | of Funds |                 | Annual      | Program   | Prior Year     | Total:  | Amount     |   |
|         |          |                 | Allocation: | Income:   | Resources:     | \$      | Available  |   |
|         |          |                 | \$          | \$        | \$             |         | Remainder  |   |
|         |          |                 |             |           |                |         | of ConPlan |   |
|         |          |                 |             |           |                |         | \$         |   |
| CDBG    | public - | Acquisition     |             |           |                |         |            | Based on 2021-2025 CDBG annual              |
|         | federal  | Admin and       |             |           |                |         |            | allocation projected for an additional four |
|         |          | Planning        |             |           |                |         |            | (4) years. Includes \$75,000 of prior year  |
|         |          | Economic        |             |           |                |         |            | carryover for Rowley Park Improvements.     |
|         |          | Development     |             |           |                |         |            |   |
|         |          | Housing         |             |           |                |         |            |   |
|         |          | Public          |             |           |                |         |            |   |
|         |          | Improvements    |             |           |                |         |            |   |
|         |          | Public Services | 637,637     | 0         | 75,000         | 712,637 | 2,450,548  |   |
|         |          |                 |             |           |                |         |            |   |

| Program | Source   | Uses of Funds | Expe        | cted Amour | nt Available Y | ear 1     | Expected   | Narrative Description                       |
|---------|----------|---------------|-------------|------------|----------------|-----------|------------|---|
|         | of Funds |               | Annual      | Program    | Prior Year     | Total:    | Amount     | ·   |
|         |          |               | Allocation: | Income:    | Resources:     | \$        | Available  |   |
|         |          |               | \$          | \$         | \$             |           | Remainder  |   |
|         |          |               |             |            |                |           | of ConPlan |   |
| CDBG-   | public - | Admin and     |             |            |                |           | \$         | Activities will included business programs, |
| CV1     | federal  | Planning      |             |            |                |           |            | emergency rental assistance and             |
| CVI     | lederar  | Economic      |             |            |                |           |            | sustenance programs designed assist         |
|         |          |               |             |            |                |           |            |   |
|         |          | Development   |             |            |                |           |            | businesses and households that have         |
|         |          | Housing       |             |            |                |           |            | been impacted by the Coronavirus            |
|         |          | Assistance    |             |            |                |           |            | Pandemic.                                   |
|         |          | Homeless      |             |            |                |           |            |   |
|         |          | Assistance    | 370,465     | 0          | 0              | 370,465   | 0          |   |
| CDBG-   | public - | Admin and     |             |            |                |           |            | Activities will included business programs  |
| CV3     | federal  | Planning      |             |            |                |           |            | , emergency rental assistance and           |
|         |          | Economic      |             |            |                |           |            | sustenance programs designed assist         |
|         |          | Development   |             |            |                |           |            | businesses and households that have         |
|         |          | Housing       |             |            |                |           |            | been impacted by the Coronavirus            |
|         |          | Assistance    |             |            |                |           |            | Pandemic.                                   |
|         |          |               |             |            |                |           |            |   |
|         |          | Homeless      |             |            |                |           |            |   |
|         |          | Assistance    | 531,519     | 0          | 0              | 531,519   | 0          |   |
| Other   | public - | Public        |             |            |                |           |            | The activities will include new asphalt     |
|         | federal  | Improvements  | 1,500,000   | 0          | 0              | 1,500,000 | 800,000    | pavement overlay, and new striping.         |
| Other   | public - | Housing       |             |            |                |           |            | Repayment of State of California HOME-      |
|         | state    |               |             |            |                |           |            | funded loans. Funds are to be used to       |
|         |          |               |             |            |                |           |            | assist with single-family housing           |
|         |          |               | 0           | 30,000     | 20,000         | 50,000    | 50,000     | rehabilitation                              |
| L       | 1        | 1             | I .         |            |                | 1         | 1          |   |

Table 54 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In past years, the City was able to leverage its entitlement federal funds with State HOME and Cal Home funds. Over the five year planning period, the City will have approximately \$10,000 in CalHome program income funds and \$40,000 in State HOME program income funds to support housing rehabilitation activity. Both of these State funds are only an estimate for this five 2021-2025 Consolidated Plan cycle. State HOME funds are applied for on a competitive basis and are not guaranteed. The estimate for CalHome funds is based on repaid loans. The City does not anticipate an award of new CalHome grant funds during this five-year planning period.

Consolidated Plan GARDENA 125

OMB Control No: 2506-0117 (exp. 09/30/2021)

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City does not currently own any land or property suitable for projects identified in this plan.

#### Discussion

Funding resources to implement the City's Consolidated Plan are limited. It is anticipated that CDBG funding will continue funded at the same level each year. However, the additional funding provided to address the impacts of the Coronavirus Pandemic will help to implement COVID-19 specific programs.

HUD has begun to invest additional resources into housing assistance vouchers and certificates, and LAHSA has aggressively pursued these new resources. The City will continue to support LAHSA's efforts to secure new rental assistance resources. Additionally, for the foreseeable future, the City will continue to support social service programs serving City residents; however, resources to support the development of new housing are limited. As outlined above, Gardena has identified vacant and underutilized land that may be suitable housing development. Combined with incentives such as density bonus, reduced development fees, etc. the City may be able to encourage development of additional housing opportunities for lower income residents

## **Annual Goals and Objectives**

## AP-20 Annual Goals and Objectives

## Goals Summary Information

| Sort<br>Order | Goal Name                                  | Start<br>Year | End<br>Year | Category                                      | Geographic<br>Area        | Needs Addressed  | Funding            | Goal Outcome Indicator   |
|---------------|--|---------------|-------------|---|---------------------------|--|--------------------|--|
| 1             | Program Administration                     | 2021          | 2025        | Planning and Administration                   | Citywide                  | Planning and Administration  | CDBG:<br>\$107,527 | Other: 1 Other   |
| 2             | Fair Housing Services                      | 2021          | 2025        | Affordable Housing Non-Homeless Special Needs | Citywide                  | Fair Housing<br>Services   | CDBG:<br>\$20,000  | Other: 100 Other   |
| 3             | Services for Low & Moderate Income Persons | 2021          | 2025        | Homeless<br>Non-Homeless<br>Special Needs     | Citywide                  | Public Services to<br>Help Low-Income<br>Residents                                   | CDBG:<br>\$95,000  | Public service activities other than<br>Low/Moderate Income Housing<br>Benefit: 100 Persons Assisted<br>Homelessness Prevention: 2<br>Persons Assisted |
| 4             | Code Enforcement                           | 2021          | 2025        | Affordable<br>Housing                         | CDBG<br>Eligible<br>Areas | Neighborhood Preservation & Improvement Preservation of Supply of Affordable Housing | CDBG:<br>\$229,110 | Housing Code Enforcement/Foreclosed Property Care: 100 Household Housing Unit  |

| Sort<br>Order | Goal Name        | Start<br>Year | End<br>Year | Category    | Geographic<br>Area | Needs Addressed  | Funding   | Goal Outcome Indicator      |
|---------------|------------------|---------------|-------------|-------------|--------------------|------------------|-----------|-----------------------------|
| 5             | Owner-Occupied   | 2021          | 2025        | Affordable  | Citywide           | Preservation of  | CDBG:     | Homeowner Housing           |
|               | Rehabilitation   |               |             | Housing     |                    | Supply of        | \$186,000 | Rehabilitated: 25 Household |
|               |                  |               |             |             |                    | Affordable       |           | Housing Unit                |
|               |                  |               |             |             |                    | Housing          |           |                             |
| 6             | Housing/Homeless | 2021          | 2025        | Non-Housing | Citywide           | Program          | HOME-     | Other: 1 Other              |
|               | Assistance       |               |             | Community   |                    | Administration & | ARP:      |                             |
|               |                  |               |             | Development |                    | Planning         | \$156,042 |                             |
|               |                  |               |             |             |                    |                  |           |                             |
| 7             | Housing/Homeless | 2021          | 2025        | Non-Housing | Citywide           | Homelessness     | HOME-     | Households                  |
|               | Assistance       |               |             | Community   |                    |                  | ARP:      |                             |
|               |                  |               |             | Development |                    |                  | \$884,238 | Assisted: 100               |
|               |                  |               |             |             |                    |                  |           |                             |

Table 55 – Goals Summary

## **Goal Descriptions**

| 1 | Goal Name           | Program Administration   |
|---|---------------------|--|
|   | Goal<br>Description | Ensure efficient/effective use of CDBG to address Consolidated Plan priorities, provide oversight and coordination to make certain funds are spent properly and in a timely manner. A maximum of 20 percent of annual funding may be allocated to planning and administrative activities related to the CDBG program |
| 2 | Goal Name           | Fair Housing Services  |
|   | Goal<br>Description | Retain the services of a Fair Housing provider, promote fair housing education and outreach within Gardena, and continue to test for discrimination.   |

| 3 | Goal Name           | Services for Low & Moderate Income Persons  |
|---|---------------------|---|
|   | Goal<br>Description | Support programs for low- and moderate-income residents that provide childcare, direct services for seniors and frail elderly to maintain their independent living situation, food pantry, emergency food and shelter services and counseling services. The City will continue to fund its Youth and Family Services Program to facilitate the elimination of homelessness, including childcare services, food bank, temporary housing vouchers, and counseling services. |
| 4 | Goal Name           | Code Enforcement  |
|   | Goal<br>Description | Provide code enforcement activities to ensure a safe living environment for the City's low- and moderate-income households.   |
| 5 | Goal Name           | Owner-Occupied Rehabilitation   |
|   | Goal<br>Description | The City will continue to fund its handy worker and residential rebate program to facilitate the preservation of affordable housing. The City will also fund its Owner-Occupied Housing Rehabilitation Loan Program utilizing State HOME funds and CalHome program income funds.  |
| 6 | Goal Name           | HOME-ARP Housing/Homeless Assistance  |
|   | Goal<br>Description | Assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability.  |
| 7 | Goal Name           | HOME-ARP – Administration and Planning  |
|   | Goal<br>Description | Ensure efficient/effective use of HOME-ARP to address Consolidated Plan priorities, provide oversight and coordination to make certain funds are spent properly and in a timely manner. A maximum of 15 percent of funding may be allocated to planning and administrative activities related to the HOME-ARP program   |

## **Projects**

### AP-35 Projects – 91.220(d)

#### Introduction

To address the high priority needs identified in the Strategic Plan to the 2021-2025 Consolidated Plan, the City of Gardena will invest CDBG funds in projects that preserve affordable housing, provide fair housing services, provide services to low- and moderate-income residents, provide services to residents with special needs, prevent homelessness, preserve neighborhoods, improve public facilities and infrastructure, and facilitate the creation or expansion of small businesses. Together, these projects will address the housing, community and economic development needs of Gardena residents-particularly those residents residing in the low- and moderate-income areas.

#### **Projects**

| # | Project Name   |
|---|--|
| 1 | CDBG - Planning and Administration   |
| 2 | Fair Housing Services  |
| 3 | Youth, Senior and Family Services Bureau (Counselors/Aides)  |
| 4 | Health and Safety Code Enforcement   |
| 5 | Handy worker/ Residential Rebate   |
| 6 | HOME-ARP Planning Administration   |
|   | HOME-ARP – Programs may include rental assistance, supportive services, and non-congregate shelter, to |
| 7 | reduce homelessness and increase housing stability.  |

Table 56 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.

Based on the Strategic Plan, the City is allocating 96.4 percent of its non-administrative CDBG funds for program year 2021-2025 to projects and activities that benefit low- and moderate-income people. Due to the nature of the projects and activities to be undertaken, investments in projects concerning Public Facilities and Infrastructure Improvements are limited to the CDBG low- and moderate-income census tract/block groups while other projects and activities benefit low- and moderate-income limited clientele or to create or expand businesses are available citywide. During this fiscal year, no Public Facilities or Infrastructure Improvement projects are planned.

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG funds through the 2021-2025 Action Plan in programs that provide grants and rebates to low- and moderate-income homeowners for home improvements, code enforcement activities to preserve the current affordable housing supply, programs that provide public and neighborhood services to low- and moderate-income people and those with special needs, and programs that prevent homelessness.

## AP-38 Project Summary

## **Project Summary Information**

| Project Name  | Planning and Administration  |
|---|--|
| Target Area   | Citywide   |
| Goals Supported   | Program Administration   |
| Needs Addressed   | Planning and Administration  |
| Funding   | CDBG: \$107,527  |
| Description   | Administration services of the CDBG program for FY 2021-2022.  |
| Target Date   | 07/01/2021 – 06/30/2022  |
| Estimate the number and type of families that will benefit from the proposed activities | N/A  |
| Location Description  | Citywide   |
| Planned Activities  | Administration services of the CDBG program.   |
| Project Name  | Fair Housing Services  |
| Target Area   | Citywide   |
| Goals Supported   | Fair Housing Services  |
| Needs Addressed   | Fair Housing Services  |
| Funding   | CDBG: \$20,000   |
| Description   | Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination, and landlord-tenant mediation services.  |
| Target Date   | 07/01/2021 – 06/30/2022  |
| Estimate the number and type of families that will benefit from the proposed activities | 25 Households  |
| Location Description  | Citywide   |
| Planned Activities  | Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination, and landlord-tenant mediation services.  |
| Project Name  | Youth, Senior and Family Services Bureau (Counselors/Aides)  |
|   | Target Area Goals Supported Needs Addressed Funding Description Target Date Estimate the number and type of families that will benefit from the proposed activities Location Description Planned Activities Project Name Target Area Goals Supported Needs Addressed Funding Description  Target Date Estimate the number and type of families that will benefit from the proposed activities Location Description |

| 3 | Target Area   | Citywide  |
|---|---|---|
|   | Goals Supported   | Services for Low & Moderate Income Persons  |
|   | Needs Addressed   | Public Services to Help Low-Income Residents Prevent and Eliminate Homelessness   |
|   | Funding   | CDBG: \$95,000  |
|   | Description   | Provide low- and moderate-income families with a range of public services necessary to prevent homelessness and ameliorate the effects of poverty.  |
|   | Target Date   | 07/01/2021 – 06/30/2022   |
|   | Estimate the number and type of families that will benefit from the proposed activities |   |
|   | Location Description  | N/A   |
|   | Planned Activities  | Provide low- and moderate-income families with a range of public services necessary to prevent homelessness and ameliorate the effects of poverty.  |
| 4 | Project Name  | Health and Safety Code Enforcement  |
|   | Target Area   | CDBG Eligible Areas   |
|   | Goals Supported   | Code Enforcement Owner-Occupied Rehabilitation Rental Housing Rehabilitation  |
|   | Needs Addressed   | Preservation of Supply of Affordable Housing Neighborhood Preservation & Improvement  |
|   | Funding   | CDBG: \$229,110   |
|   | Description   | Provide code enforcement located within low and moderate income census tracts in coordinated effort to address code deficiencies in housing occupied by low income households. The code enforcement activities are coordinated with housing rehabilitations staff to ensure the preservation of the City's affordable rental housing through the Handyworker Program. |
|   | Target Date   | 07/01/2021 – 06/30/2022   |

|   | Estimate the number and type of families that will benefit from the proposed activities | 25 Households  |
|---|---|--|
|   | Location Description  | CDBG low mod areas   |
|   | Planned Activities  | Provide code enforcement located within low and moderate income census tracts in coordinated effort to address code deficiencies in housing occupied by low income homeowners and renter households.   |
| 5 | Project Name  | Handy worker/ Residential Rebate   |
|   | Target Area   | Citywide   |
|   | Goals Supported   | Owner-Occupied Rehabilitation  |
|   | Needs Addressed   | Preservation of Supply of Affordable Housing Neighborhood Preservation & Improvement   |
|   | Funding   | CDBG: \$186,000  |
|   | Description   | Continued funding of the City's Handyworker/ Residential Rebate that provides grants and rebates to low and moderate income owner occupants to make necessary repairs to their home. The goal is to preserve the quality of existing owner-occupied dwellings through rehabilitation   |
|   | Target Date   | 07/01/2021 – 06/30/2022  |
|   | Estimate the number and type of families that will benefit from the proposed activities | 25 households  |
|   | Location Description  | Citywide   |
|   | Planned Activities  | Continued funding of the City's Handy-worker/ Residential Rebate that provides grants and rebates to low and moderate income owner occupants to make necessary repairs to their home. The goal is to preserve the quality of existing owner-occupied dwellings through rehabilitation. |
| 6 | Project Name  |  |
|   | Target Area   |  |
|   | Goals Supported   |  |
|   | Needs Addressed   |  |
|   | Funding   |  |

|   | Description   |  |
|---|---|--|
|   | Target Date   |  |
|   | Estimate the number and type of families that will benefit from the proposed activities |  |
|   | Location Description  |  |
|   | Planned Activities  |  |
| 7 | Project Name  |  |
|   | Target Area   |  |
|   | Goals Supported   |  |
|   | Needs Addressed   |  |
|   | Funding   |  |
|   | Description   |  |
|   | Target Date   |  |
|   | Estimate the number and type of families that will benefit from the proposed activities |  |
|   | Location Description  |  |
|   | Planned Activities  |  |

## AP-50 Geographic Distribution - 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Assistance will be primarily directed to the CDBG low- and moderate-income areas are shown on the map included in section SP-10 of the Consolidated Plan. The CDBG low- and moderate-income areas are comprised of low- and moderate-income Census Tract Block Groups as defined by HUD. Residents of the CDBG low- and moderate-income areas have median incomes at or below 80% of the area median income based on family size for the County of Los Angeles.

#### Geographic Distribution

| Target Area         | Percentage of Funds |
|---------------------|---------------------|
| CDBG Eligible Areas | 19                  |
| Citywide            | 81                  |

Table 57 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

For the 2021-2022 program year, the City will invest \$637,637 of CDBG funds and \$0 in CDBG program income funds that will benefit low- and moderate-income people throughout the City. Of this amount, at least \$229,110 or 21% for Code Enforcement in CDBG resources will be invested in projects that exclusively benefit the CDBG low- and moderate-income areas. Due to the nature of these activities to be undertaken, they are limited to the CDBG low- and moderate-income areas while other funded projects and activities benefit low- and moderate-income limited clientele and are available citywide.

#### Discussion

Based on the Strategic Plan, the City is allocating 100% percent of its CDBG funds (excluding CDBG administration) for 2021-2022 projects and activities that benefit low- and moderate-income people. Due to the nature of the projects and activities to be undertaken, investments in projects concerning Neighborhood Preservation and Public Facilities and Infrastructure Improvements are limited to the CDBG low- and moderate-income areas while other projects and activities benefit low- and moderate-income limited clientele and are available citywide.

## Affordable Housing

## AP-55 Affordable Housing – 91.220(g)

#### Introduction

Two high priority affordable housing needs are identified in the 2021-2025 Consolidated Plan and three Strategic Plan goals are established to provide the framework necessary to invest CDBG funds to address the affordable housing needs of the City.

| One Year Goals for the Number of Households to be Supported |
|---|
| Homeless  |
| Non-Homeless  |
| Special-Needs   |
| Total   |

Table 58 - One Year Goals for Affordable Housing by Support Requirement

| One Year Goals for the Number of Households Supported Through |   |  |
|---|---|--|
| The Production of New Units                                   | 5 |  |
| Total   | 5 |  |

Table 59 - One Year Goals for Affordable Housing by Support Type Discussion

As the City's housing stock ages, a growing percentage of housing units may need rehabilitation to allow them to remain safe and habitable. The situation is of particular concern for low- and moderate-income homeowners who are generally not in a financial position to properly maintain their homes.

The age and condition of Gardena's housing stock is an important indicator of potential rehabilitation needs. Commonly, housing over 30 years of age needs some form of major rehabilitation, such as roof replacement, foundation work and plumbing systems. Housing over 15 years of age will generally exhibit deficiencies in terms of paint, weatherization, heating / air-conditioning systems, hot water heaters and finish plumbing fixtures.

According to CHAS data showing the year that housing units were built categorized by owner and renter tenure:

- 6,073 or 81.7 percent of the 7,816 owner-occupied housing units in Gardena were built 34 or more years ago (built prior to 1980);
- 1048 or 16 percent of the 7,761 owner-occupied housing units were built between 15 and 34 years ago (built between 1980 and 1999); and
- 16,355 or 77 percent of the 21,723 renter-occupied housing units in Gardena were built 34 or

more years ago (built prior to 1980)

• 5,283 or 26 percent of the 22,284 renter-occupied housing units in Gardena were built between 15 and 34 years ago (built between 1980 and 1999)

Preservation of the physical and functional integrity of existing housing units occupied by low- and moderate-income households is a cost-effective way to invest limited resources to retain existing housing units that are already affordable to low- and moderate-income households in the community. Addressing substandard housing conditions through housing preservation activities provide that all economic segments of the community have the means to ensure that their property meets local standards and that all Gardena residents have the opportunity to live in decent housing.

## AP-60 Public Housing **– 91.220(h)**

#### Introduction

The City of Gardena does not administer Section 8 and does not own HUD Public Housing; however, the City is within the service area of the Housing Authority of the County of Los Angeles (HACoLA) for the purposes of Section 8 and Public Housing.

Actions planned during the next year to address the needs to public housing

HACoLA will continue to serve the needs of residents through public housing and Section 8 vouchers. Specifically, the U.S. Census Bureau projects that the elderly in California will have an overall increase of 121 percent from 1990 to 2025. Los Angeles County mirrors this trend. To address the need for the growing senior population, in August of 2021, HUD approved HACoLA's application to designate 19 public housing senior developments as housing for elderly families only (62 years or older).

Actions to encourage public housing residents to become more involved in management and participate in homeownership

HACoLA actively encourages residents to be involved in the organization through resident councils and active participation in housing authority decisions via surveys and other forms of engagement. HACoLA also maintains quarterly newsletters for Section 8 tenants, public housing residents, and Section 8 property owners.

HACoLA encourages residents to explore homeownership opportunities. HACoLA currently administers Family Self-Sufficiency (FSS) program for public conventional housing and Housing Choice Voucher program residents. The FSS program provides critical tools and supportive services to foster a resident's transition from financial and housing assistance to economic and housing self-sufficiency, most importantly homeownership.

To support this effort, HACoLA utilizes marketing materials to outreach and further promote the program's requirements and benefits to all public housing residents. For families that are eligible to participate, a Contract of Participation (COP) is prepared to govern the terms and conditions of their participation and an Individual Training Service Plan (ITSP) is created that outlines the following: supportive services to be provided, activities to be completed by the participant, and agreed upon completion dates for the services and activities. The COP is valid for five years and may be extended to allow the family to meet their ITSP goals.

Once the COP is established and the family experiences an increase in tenant rent as a result of earned income, an escrow account in their name is established and increased earned income is deposited into this account. Escrow accounts are disbursed to the family once the family has graduated successfully from the program. Families are encouraged to utilize these funds towards educational and homeownership endeavors. Additionally, HACoLA provides residents with information on CDC's homeownership programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/A, HACoLA is designated as a High Performing Public Housing Agency.

Discussion

The Housing Authority of the County of Los Angeles administers Section 8 to provide rental assistance to low-income families, senior citizens, and disabled individuals. In 2021, 634 Section 8 Housing Choice Vouchers were held by Gardena households.

## AP-65 Homeless and Other Special Needs Activities – 91.220(i) Introduction

The City will invest CDBG funds during the 2021-2022 program year to address high priority needs identified in the 2021-2022 Consolidated Plan including preventing homelessness and providing public services to special needs populations. This will be accomplished through the City's Youth and Family Services program.

According to the results of the most recent data available March 2020 from The Los Angeles Homeless Service Authority (LAHSA) Point-in-Time Homeless Count (PIT Count), there are approximately 37,529 people who are homeless in the county (with approximately an additional 18,274 hidden homeless). Of those 37,642 individuals, there are approximately 13,326 people who are homeless in Los Angeles County – District 8 of which the City is a part of (with approximately an additional 6,395 hidden homeless). To address incidences of homelessness in Gardena and to prevent extremely-low income Gardena families from becoming homeless, the City places a high priority on programs that work to prevent homelessness or rapidly assist homeless individuals living in the community. To address this need, the City will support its Youth and Family Services Program that will support 2 households over the Consolidated Plan period utilizing its CDBG funds. The Youth and Family Services Program will assist in preventing these families from becoming homeless.

In addition, the City will be supporting the Los Angeles County CoC to prevent and eliminate homelessness including, but not limited to, emergency, homelessness prevention and rapid re-housing programs.

Analysis of available data and consultation with organizations providing services for special needs populations revealed a high need for a range of additional services including, but not limited to, those concerned with developmentally disabled adults. To address these needs, the City will support two activities that provide services to developmentally disabled adults. The Handy-worker/Residential Rebate Program will provide grants to complete necessary improvements to the dwelling to make the unit accessible. Lastly, through the five year period of the Consolidated Plan, the City will be funding improvements to community facilities to make them ADA accessible for disabled adults who may frequently use these facilities.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Preventing and ending homelessness is a HUD priority addressed nationally through coordination of regional strategies carried out locally by government agencies and a wide variety of community based organizations and faith-based groups. Consistent with this approach, the City of Gardena supports the

efforts of The Los Angeles Homeless Service Authority (LAHSA), County Continuum of Care (CoC), and its member organizations that address homelessness throughout Los Angeles County. In alignment with this strategy, the City will use its HOME-ARP allocation to support local service providers as well as City run programs to prevent homelessness and to expand the supply of affordable housing in Gardena for low-and moderate-income residents. The City at a minimum will fund its Youth and Family Services Program that provide food, shelter vouchers and shelter referrals.

In September 2020, the Los Angeles City and County officials brought together over 60 leaders to establish a working group to develop a 10-year plan to end homelessness in Los Angeles County. Panel members included persons representing government, faith organizations, health and human services agencies, advocacy groups, the entertainment industry, law enforcement, business organizations, among those who have experienced homelessness.

According to the Ten-Year Plan to End Homelessness, the CoC is in the process of implementing several regional strategies that will enhance local coordination to more effectively assist people in need. To more rapidly identify and assess people experiencing homelessness, the CoC is working to create regional homeless access centers that will offer fully coordinated systems of outreach and will facilitate universal assessment, intake, referral and transportation to resources. The CoC is also developing resources of information (such as 2-1-1) to better serve individuals who are homeless or at risk of becoming homeless. In addition, the CoC is working to implement a database using real time information from intake and assessment that is housed in the Homeless Management Information System (HIMS). Collectively these strategies will help minimize duplication of effort and better connect the most vulnerable individuals and families, chronically homeless, and people at risk of becoming homeless to appropriate resources.

Since the adoption of the Ten-Year Plan, the CoC has taken initial steps toward fully coordinated systems of outreach and assessment. With the assistance of 2-1-1, residents are provided a comprehensive informational and referral system. To better understand the nature and extent of homelessness, every two years during the last 10 days of January, HUD requires communities across the country to conduct a comprehensive count of their homeless population. The CoC also conducts informational outreach presentations concerning homelessness in Los Angeles County throughout the community.

Addressing the emergency shelter and transitional housing needs of homeless persons

The ultimate solution to ending homelessness is transitional to permanent housing closely aligned with supportive services that ensure housing stability can be maintained. However, because the demand for affordable housing far outpaces the region's supply, the CoC continues to rely on its emergency and transitional housing system in order to address the immediate needs of Los Angeles County's homeless population. To address this need, the City will support its Youth and Family Services Program that will support 2 households over the Consolidated Plan period utilizing its CDBG funds. The Youth and Family Services Program will assist in preventing these families from becoming homeless.

Los Angeles County has implemented policy and program changes aimed at ensuring homeless persons in

Los Angeles County are rapidly housed and offered an appropriate level of support services to meet their circumstances and keep them stably housed. Between 2016 and 2020, a total of 25 shelter (e.g. emergency, transitional and seasonal/overflow) beds were removed from the Homeless Inventory Count (HIC). In contrast, 16 permanent supportive housing beds were added to the HIC.

This increase in permanent supportive housing for the most vulnerable populations is attributed to Los Angeles County homeless service providers re-tooling their programs and shifting their focus to moving people quickly into permanent supportive housing throughout the County. Homelessness can be significantly reduced and the quality of life of our residents, especially those precariously housed or homeless can be improved.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In support of CoC efforts, this Strategic Plan provides for the use of CDBG funds to support temporary rental assistance activities implemented by the City through its Youth and Family Services Program to help prevent and eliminate homelessness.

For the next five years, the new plan recommends the following strategies to reduce homelessness throughout the County:

- Know who is homeless and what they need Conduct a count of every person living on the streets, shelters, or other places not fit for human habitation to understand the scope of homelessness in each community;
- Create the housing and the services to help people thrive Create affordable housing units
  through acquisition or rehabilitation of existing buildings and provide supportive services in
  permanent supportive housing that are critical to housing retention;
- Shift to a Housing First System, a system through which homeless people are back in permanent housing in less than 30 days and there are few requirements for housing;
- Get involve and get other involved Encourage others (individual of agency) to commit to partnering with other leaders to end chronic and veteran homelessness by 2021 and volunteer at local organizations.

By fully investing in solutions that work and getting communities to get involved at every level (i.e. federal, state, local, for profit organizations, non-provident organizations, and residents) the end of homelessness throughout Los Angeles County can be possible.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

An individual or family is considered to be at-risk of becoming homeless if it experiences extreme difficulty maintaining their housing and has no reasonable alternatives for obtaining subsequent housing. Homelessness often results from a complex set of circumstances that require people to choose between food, shelter, and other basic needs. Examples of common circumstances that can cause homelessness include eviction, loss of income, insufficient income, disability, increase in the cost of housing, discharge from an institution, irreparable damage, or deterioration to housing, and fleeing from family violence.

Referred to as "Bring L.A. Home!" The Campaign to End Homelessness", the plan initiates a 10-year campaign to end homelessness in Los Angeles County by establishing a broad range of strategies that address a multitude of issues related to homelessness. The plan is consistent with State and Federal initiatives for ending homelessness and consists of the following seven guiding principles:

- Preventing homelessness
- Addressing the structural causes of homelessness
- Sustaining the current capacity to serve homeless people and building new capacity where it is needed
- Ensuring rapid return to housing for people who become homeless
- Bringing alienated homeless people into the mainstream of society
- Taking a regional approach to the crisis
- Reaffirming that housing is one of the basic human rights

With the focus of addressing family homelessness, chronic homelessness, and mainstream and system changes (homeless prevention), "Bring L.A. Home! The Campaign to End Homelessness" represents a commitment by all stakeholders throughout the County to end homelessness within a decade.

#### Discussion

With limited CDBG resources available, the City is investing CDBG funds through its Youth and Family Services program to prevent homelessness in Gardena.

## AP-75 Barriers to affordable housing – 91.220(j)

#### Introduction:

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

Based on information gathered during community meetings, the Consolidated Plan Needs Assessment Survey, the 2021-2025 Housing Element and market analysis, the primary barriers to affordable housing in Gardena are housing affordability and the lack of monetary resources necessary to develop and sustain affordable housing. The two barriers are related in the sense that demand for affordable housing exceeds the supply and insufficient resources are available to increase the supply of affordable housing to meet demand.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In the development of the 2021-2025 Housing Element, the City evaluated significant public policies affecting affordable housing development such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges and growth limitations. Based on this evaluation, the City determined that it has taken all necessary steps to ameliorate the negative effects of public policies that may have been a barrier to affordable housing. Moreover, the City is actively engaged with affordable housing developers concerning the siting of affordable housing and ensuring that the entitlement process runs smoothly from inception to completion.

#### Discussion:

To address housing affordability and the lack of monetary resources for affordable housing, the 2021-2025 Consolidated Plan - Strategic Plan calls for the investment of a significant portion of CDBG funds the rehabilitation and preservation of 160 existing affordable housing units over the next five years.

## AP-85 Other Actions - 91.220(k)

#### Introduction:

In the implementation of the 2021-2025 Annual Action Plan, the City will invest CDBG resources to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG funds through the 2021-2025 Action Plan in projects that provide grants, rebates and loans to low- and moderate-income homeowners for home improvements, programs that provide public services to low- and moderate-income people and those with special needs, and programs that prevent homelessness. To address underserved needs, the City is allocating 100% percent of its non-administrative CDBG investments for program year 2021-2025 to projects and activities that benefit low- and moderate-income people. The City will also invest its HOME-ARP funds in meeting the needs of the homeless and those at risk of becoming homeless.

Actions planned to foster and maintain affordable housing

In the implementation of the 2021-2025 Annual Action Plan, the City will invest CDBG funds to preserve and maintain affordable housing through the City of Gardena Handy-worker/ Residential Rebate, Multi-Family Rehabilitation and Code Correction Program, and its Code Enforcement activities in low and moderate-income areas that will provide up to 30 forgivable grants of between \$500 and \$8,000 and loans of up to \$60,000 (funded by the State HOME Program) to low- and moderate-income owners of single-family housing.

Actions planned to reduce lead-based paint hazards

The Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) emphasizes prevention of childhood lead poisoning through housing-based approaches. To reduce lead-based paint hazards, the City of Gardena through its Owner Occupied Housing Rehabilitation Loan and Multi-Family Residential Code Correction Programs will conduct lead-based paint testing and risk assessments for each property assisted that was built prior to January 1, 1978 and will incorporate safe work practices or abatement into the scope of work as required to reduce lead-based paint hazards in accordance with 24 CFR Part 35.

#### Actions planned to reduce the number of poverty-level families

The implementation of CDBG activities meeting the goals established in the 2021-2025 Consolidated Plan - Strategic Plan and this Annual Action Plan will help to reduce the number of poverty- leve I families by:

- Continuing to fund the Gardena Family Child Care Program (GFCC);
- Continuing to fund the Youth and Family Services Program;
- Supporting activities that expand the supply of housing that is affordable to low- and moderateincome households;
- Supporting activities that preserve the supply of decent housing that is affordable to low- and moderate-income households;
- Supporting a continuum of housing programs to prevent and eliminate homelessness; and
- Supporting housing preservation programs that assure low income households have a safe, decent and appropriate place to live.

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. Federal programs such as the Earned Income Tax Credit and Head Start providing pathways out of poverty for families who are ready to pursue employment and educational opportunities. Additionally, in California, the primary programs that assist families in poverty are CalWORKS, CalFresh (formerly food stamps) and Medi-Cal. Together, these programs provide individuals and families with employment assistance, subsidy for food, medical care, childcare and cash payments to meet basic needs such as housing, nutrition and transportation. Other services are available to assist persons suffering from substance abuse, domestic violence and mental illness.

Actions planned to develop institutional structure.

The institutional delivery system in Gardena is high-functioning and collaborative—particularly the relationship between local government and the nonprofit sector comprised of a network of capable non-profit organizations that are delivering a full range of services to residents. Strong City departments anchor the administration of HUD grant programs and the housing, community and economic development activities that are implemented by the City. To support and enhance this existing institutional structure, the City of Gardena will collaborate with affordable housing developers and nonprofit agencies receiving CDBG funds through the 2021-2025 Annual Action Plan to ensure that the needs of low- and moderate-income residents are met as envisioned within the 2021-2025 Consolidated Plan - Strategic Plan.

Actions planned to enhance coordination between public and private housing and social service agencies

To enhance coordination between public and private housing and social service agencies, the City will continue consulting with and inviting the participation of a wide variety of agencies and organizations involved in the delivery of housing and supportive services to low- and moderate-income residents in Gardena—particularly the CDBG low- and moderate-income areas.

#### Discussion:

In the implementation of the 2021-2025 Annual Action Plan, the City will invest CDBG resources to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

## **Program Specific Requirements**

## AP-90 Program Specific Requirements - 91.220(I)(1,2,4)

#### Introduction:

In the implementation of programs and activities under the 2021-2025 Annual Action Plan, the City of Gardena will follow all HUD regulations concerning the use of program income, forms of investment, overall low- and moderate-income benefit for the CDBG program.

### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

| 1. The total amount of program income that will have been received before the start of the next   |      |
|---|------|
| program year and that has not yet been reprogrammed   | C    |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to   |      |
| address the priority needs and specific objectives identified in the grantee's strategic plan.    | 0    |
| 3. The amount of surplus funds from urban renewal settlements                                     | 0    |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not |      |
| been included in a prior statement or plan  | 0    |
| 5. The amount of income from float-funded activities  | 0    |
| Total Program Income:   | 0    |
| Other CDBG Requirements   |      |
| 1. The amount of urgent need activities   | 0    |
| 2. The estimated percentage of CDBG funds that will be used for activities that                   |      |
| benefit persons of low and moderate income. Overall Benefit - A consecutive                       |      |
| period of one, two or three years may be used to determine that a minimum                         |      |
| overall benefit of 70% of CDBG funds is used to benefit persons of low and                        |      |
| moderate income. Specify the years covered that include this Annual Action Plan.                  | .00% |

## Appendix - Alternate/Local Data Sources

Data Source Name

#### Chicago Title

List the name of the organization or individual who originated the data set.

City of Gardena Administrative Services Division.

Provide a brief summary of the data set.

The data set provides for more current cost information for the sale of housing with the City.

What was the purpose for developing this data set?

To determine the level of cost burden in the City ownership market.

Provide the year (and optionally month, or month and day) for when the data was collected.

June 10, 2021

Briefly describe the methodology for the data collection.

Sales information from Chicago Title resources.

Describe the total population from which the sample was taken.

The sample was taken from

Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.

The City sampled the sale of single family units within its boundaries.

# APPENDIX A REFER TO FOLLOWING PAGE

## APPENDIX B REFER TO FOLLOWING PAGE

## CITY OF GARDENA



## **Annual Action Plan**

Fiscal Year 2020-2021

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## **Executive Summary**

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

#### 1. Introduction

The Action Plan focuses on activities to be funded with the City of Gardena Community Development Block Grant (CDBG) Program entitlement grant administered by the Department of Housing and Urban Development (HUD). Housing and community development needs in the City are extensive and require the effective and efficient use of limited funds. HUD allocates CDBG funding to eligible jurisdictions on a formula basis, using factors such as population, income distribution, and poverty rate. The City is receiving \$629,756 in FY 2020-2021 entitlement CDBG funds.

#### CDBG Program

CDBG is an annual grant to cities to assist in the development of viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally to persons of low-and moderate-income.

There is a wide range of activities that are eligible under CDBG Programs. CDBG grantees are responsible for ensuring that each eligible activity meets one of three national objectives:

- 1. Benefiting low- and moderate-income persons.
- 2. Aid in the prevention or elimination of slums or blight; and
- 3. Meet an urgent need that the grantee is unable to finance on its own.

#### 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items, or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

CDBG funds will be used to meet the goals and objectives established in the Five-Year Consolidated Plan. The goals and objectives have been developed in consultation with citizens, service agencies, otherfunding partners, and businesses to provide decent housing, a suitable living environment and economic opportunities for low to moderate income households.

The primary objective of the CDBG Program is the development of viable urban communities, which is achieved by providing the following General Objective Categories. The City of Gardena incorporated outcome measures for activities in accordance with the Federal Register Notice dated March 7, 2006, which require the following Performance Measure Objectives/Outcomes to be associated with each activity funded:

General Objective Categories - Activities will meet one of the following:

- Decent Housing (DH)
- A Suitable Living Environment (SL)
- Economic Opportunity (EO) General

Outcome Categories - Activities will meet one of the following:

- Availability/Accessibility (1)
- Affordability (2)
- Sustainability (3)

The City of Gardena has a range of housing and community development needs. CDBG funds alone are not adequate to address the myriad of needs identified during the public outreach process and summarized in the Needs Assessment of the Five-Year Consolidated Plan. Recognizing the national objectives of the CDBG program and specific program regulations, the City intends to use CDBG funds to coordinate programs, services, and projects to create a decent and suitable living environment to benefit low- and moderate-income households and those with special needs. Needs which have been determined to be a High Priority level will receive funding during the Five-Year Consolidated Plan. The Low Priority Need may be funded based on the availability of funds. The priorities for the FY 2016-2021 Consolidated Plan established in consultation with residents and community groups will be prioritized in the following order.

The high priority needs include:

- Planning and Administration
- Fair Housing Services
- Public Services to Help Low-Income Residents
- Preservation of Supply of Affordable Housing
- Neighborhood Preservation & Improvement
- Expand the Supply of affordable housing
- Economic Development
- Prevent and Eliminate Homelessness

#### 3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Gardena continually strives to improve the performance of its operations. The City prepares the Consolidated Annual Performance Evaluation and Report (CAPER) annually, which documents progress toward meeting needs and achieving strategies established in the Consolidated Plan and the Annual Action Plan. Through the monitoring of performance measures and sub-recipients, staff is able to identify operational improvements, resource allocation issues, and policy questions to be addressed in the upcoming year. Overall, the City of Gardena and its partners have been successful in implementing its fair housing program and housing projects established in the previous Annual Action Plan and the City foresees continued progress through the new Action Plan. For a more detailed summary of the City's evaluation of past performance, please refer to the previous years Consolidated Annual Performance Report.

#### 4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

On July 2, 2021, a public notice was published in the Daily Breeze announcing the opening of the 30-day public comment/application period and public hearing on the CDBG Program Use of Funds forfiscal year. Notices were also sent to the City Council, City Commissions and Committees and City Departments for dissemination.

On May 27, 2021 and June 3, 2021, the City held Zoom workshops to receivecitizen input on the CDBG Program Use of Funds for fiscal year prior to developing recommended projects. No comments were received.

The City received comments from City Departments. All requests for funding were reviewed and incorporated into the FY Annual Action Plan.

#### FY Draft Action Plan

A public hearing will be held at the City Council Meeting on August 10, 2021, at 7:30pm to receive commentson the Draft Annual Action Plan. The Final Action Plan for FY will be delivered to the Department of Housing and Urban Development (HUD) by the August 16, 2021, deadline. The Action Plan is due 90 daysbefore the beginning of the City's fiscal year, however, due to the late notification of the federal allocations related to the Coronavirus pandemic, HUD allows for the Action Plan to be submitted no later than the August 16, 2021, deadline.

#### 5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

No public comments were received.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments were received.

#### 7. Summary

The City is receiving \$629,756 in PY 2020-2021 entitlement CDBG funds. As such the City anticipates funding projects to meet the priorities and corresponding goals during the five-year period. A listing of these projects are shown in Section AP-20.

**Annual Action Plan** 

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#### PR-05 Lead & Responsible Agencies – 91.200(b)

#### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role         |    |              | Name            | Department/Agency   |
|---------------------|----|--------------|-----------------|---------------------|
| Preparation<br>Plan | of | Consolidated | City of Gardena | Management Services |
|                     |    |              |                 |                     |

Table 1 – Responsible Agencies

#### Narrative (optional)

The City of Gardena Administrative Services Department is the lead agency for overseeing the development of the Consolidated Plan, and for administration of the CBDG program, including the preparation of the required Action Plan, and CAPER. The City will at times, utilize the services of a specialized consultant to assist the City in carrying out the activities during each program year.

#### Consolidated Plan Public Contact Information

Mary Simonell, Administrative Analyst III, City of Gardena - Finance Department, 1700 W. 162nd Street, Gardena, CA 90247 (310) 217-9655

#### AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

#### 1. Introduction

Consultation for the 2020-2021 Annual Action Plan was achieved through a variety of strategies, including public hearings. All efforts were made to contact appropriate parties and obtain thorough input. These consultations, in conjunction with participation from citizens, provided the plan direction and scope

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City will continue to maintain partnerships with other local public and private agencies on regional solutions to long-term housing and community development problems. The City will provide technical assistance to developers and community-based organizations that assist the City in the provision of affordable housing and facilities. The City will also encourage collaboration between non-profit agencies, housing providers and government agencies. The City will maintain contact with trade organizations, such as the Building Industry Association (BIA).

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

Homelessness is addressed regionally through the Continuum of Care (CoC) led by the Los Angeles Homeless Services Authority (LAHSA), a joint powers authority of the City and County of Los Angeles that coordinates and manages over \$70 million annually in federal, state, county and city funds for programs providing shelter, housing and services to men, women and children experiencing homelessness. The Los Angeles County Continuum of Care includes the entire county with the exception of the cities of Glendale, Pasadena and Long Beach, who administer and operate their own CoC systems. To facilitate planning and administration of services, LAHSA adopted eight regional Service Planning Areas (SPAs). The City of Gardena is part of SPA 8 – South Bay / Harbor. The CoC meets on a monthly basis to identify gaps in homeless services, establish funding priorities, and to pursue an overall systemic approach to addressing homelessness.

The CoC makes recommendations for allocation of funds available under the Emergency Shelter Grants (ESG) Program. The representatives seek ways to improve collaboration and share scarce resources. The consensus approach from service providers is to emphasize prevention of homelessness first, then transitional housing and support services for individuals and families, and finally support for chronically homeless individuals.

The City participates in the annual homeless count sponsored by the CoC.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City does not receive ESG funding.

The Los Angeles Homeless Services Authority (LAHSA) is the HUD designated lead Continuum of Care agency (CoC) for the Los Angeles region, and coordinates efforts to address Homelessness throughout Los Angeles County. The Los Angeles Homeless Services Authority (LAHSA) manages the region's Homeless Management Information System (HMIS). The HMIS is the primary system by which agencies input, track, and report Homelessness data.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

See Table on following page.

Table 2 – Agencies, groups, organizations who participated

| Iau | e 2 – Agencies, groups, organizations who participated  |   |
|-----|---|---|
| 1   | Agency/Group/Organization   | LAHSA   |
|     | Agency/Group/Organization Type  | Services-homeless   |
|     | What section of the Plan was addressed by Consultation?   | Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy                            |
|     | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Email; telephone  |
| 2   | Agency/Group/Organization   | HOUSING AUTHORITY COUNTY OF LOS ANGELES   |
|     | Agency/Group/Organization Type  | РНА   |
|     | What section of the Plan was addressed by Consultation?   | Public Housing Needs  |
|     | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Telephone   |
| 3   | Agency/Group/Organization   | County Public Health Department   |
|     | Agency/Group/Organization Type  | Services-Persons with HIV/AIDS Services-Health Health Agency  |
|     | What section of the Plan was addressed by Consultation?   | Lead-based Paint Strategy   |
|     | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Telephone. The anticipated outcome is better information and communication regarding lead-based paint hazards.  |
| 4   | Agency/Group/Organization   | Youth and Family Service Bureau   |
|     | Agency/Group/Organization Type  | Other government - Local  |
|     | What section of the Plan was addressed by Consultation?   | Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs |
|     | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Telephone.  |
| 5   | Agency/Group/Organization   | Gardena Senior Citizens Bureau  |
|     | Agency/Group/Organization Type  | Services-Elderly Persons  |
|     | What section of the Plan was addressed by Consultation?   | Housing Need Assessment   |
|     | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Telephone.  |

#### Identify any Agency Types not consulted and provide rationale for not consulting

At least ten additional agencies were contacted. However, their names were not included if a response was not received.

### Other local/regional/state/federal planning efforts considered when preparing the Plan

| Name of Plan   | Lead Organization                          | How do the goals of your Strategic Plan overlap with the goals of each plan?  |
|--|--|---|
| Continuum of Care  | Los Angeles Homeless<br>Services Authority | The Continuum of Care works to alleviate the impact of homelessness in the community through the cooperation and collaboration of social service providers. This effort aligns with the Strategic Plan's goal to prevent and end homelessness.  |
| City of Gardena<br>General Plan<br>Housing Element   | City of Gardena<br>Planning Department     | The Housing Element (2014-2021) serves as a policy guide to help the City plan for its existing and future housing needs. This effort aligns with the Strategic Plan's goal to assist in the creation and preservation of affordable housing for low income and special needs households.   |
| Greater LA Homeless<br>Count   | Los Angeles Homeless<br>Services Authority | The Greater Los Angeles Homeless County Overall Results for LA Continuum of Care (Updated January 21, 2021) report includes homeless census findings, survey findings, and discussion of methodologies used. This effort aligns with the Strategic Plan's goal to prevent and end homelessness.   |
| LA Continuum<br>o f Care   | Los Angeles Homeless<br>Services Authority | Greater Los Angeles Homeless Count Key Findings for LA Continuum of Care by Service Planning Area and Supervisorial Districts (November 20, 2013) report includes homeless census findings, survey findings, and discussion of methodologies used. This effort aligns with the Strategic Plan's goal to prevent and end homelessness.   |
| Los Angeles County Five-Year Comprehensive HIV Plan  Los Angeles County Commission on HIV; County of Los Angeles Public Health |  | This Comprehensive HIV Plan (2017-2021) is LA County's (LAC) first fully integrated HIV plan that addresses the full continuum of services from prevention and testing to linkage to care, treatment, and retention of persons living with HIV, including AIDS (PLWH). This effort aligns with the Strategic Plan's goal to support activities that strengthen neighborhoods through the provision of community services to benefit special needs households. |

Table 3 – Other local / regional / federal planning efforts

Annual Action Plan

#### AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal setting

The City conducted applicant workshops on May 27, 2021 and June 3, 2021. The purpose of the workshops was to provide an overview of the CDBG program, the City's Consolidated Plan, and application process. No persons were in attendance.

The City Council held a public hearing on August 10, 2021, to solicit community comments and input on theuse of the City's funding. Residents and stakeholders were notified of the public hearing through a publication in a local newspaper, direct email notification, and posting on the City's Website. No persons spoke on this item.

The draft Action Plan was available for public review and comment from July 2, 2021 – August 10, 2021. The draft Action Plan was available only on the City's website due to the closure of government buildings to the public due to the Coronavirus pandemic.

No comments have been received during the 30-day public review period. The City Council is scheduled to review and approve the FY Action Plan at a public hearing on August 10, 20210.

#### Citizen Participation Outreach

| Sort<br>Order | Mode of Out<br>reach                    | Target of Outreach   | Summary of response/attendance | Summary of comments received | Summary of<br>Comments<br>not accepted<br>and reasons | URL (If applicable) |
|---------------|---|--|--------------------------------|------------------------------|---|---------------------|
| 1             | Public<br>Hearing/<br>Workshop<br>/Zoom | Minorities Persons with disabilitie s Non-targeted/broad community                     | No one was in attendance.      | None.                        |   |                     |
| 2             | Public<br>Hearing/<br>Workshop<br>/Zoom | Minorities Persons with disabilities Non-targeted/broad community  Residents of Public | No one was in attendance       | None.                        |   |                     |
|               |   | and Assisted<br>Housing  |                                |                              |   |                     |

Table 4 – Citizen Participation Outreach

## **Expected Resources**

## AP-15 Expected Resources – 91.220(c)(1,2) Introduction

For FY 2020-2021, the City of Gardena anticipates receiving \$629,756in CDBG funding.

### **Anticipated Resources**

| Program | Source   | Uses of Funds                 | Expected An | nount Availa | able Year 1 |          | Expected   | Narrative                                |
|---------|----------|-------------------------------|-------------|--------------|-------------|----------|------------|--|
|         | of       |                               | Annual      | Program      | Prior Year  | Total:   | Amount     | Description                              |
|         | Funds    |                               | Allocation: | Income:      | Resources:  | \$       | Available  |  |
|         |          |                               | \$          | \$           | \$          |          | Remainder  |  |
|         |          |                               |             |              |             |          | of ConPlan |  |
| 0000    |          | A                             |             |              |             |          | \$         |  |
| CDBG    | public - | Acquisition                   |             |              |             |          |            | Represents the                           |
|         | federal  | Admin and                     |             |              |             |          |            | estimated annual                         |
|         |          | Planning                      |             |              |             |          |            | allocation of                            |
|         |          | Economic                      |             |              |             |          |            | CDBG funds.                              |
|         |          | Development                   |             |              |             |          |            |  |
|         |          | Housing                       |             |              |             |          |            |  |
|         |          | Public                        |             |              |             |          |            |  |
|         |          | Improvements                  |             |              |             |          |            |  |
|         |          | Public Services               | 629,756     | 0            | 610,235     | 1,220,47 | 629,756    |  |
|         |          |                               |             |              |             | 0        |            |  |
| Other   | public - | Emergency                     |             |              |             |          |            | Represents the                           |
|         | federal  | Rental                        | 370,465     | 0            | 0           | 370,465  | 0          | estimated one-time                       |
|         |          | Assistance,<br>Small Business |             |              |             |          |            | allocation of CARES<br>Act CDBG-CV Round |
|         |          | Assistance                    |             |              |             |          |            | 1 funds.                                 |
| Other   | public - |                               |             |              |             |          |            | Represents the                           |
| Otrici  | federal  | Emergency<br>Rental           | 531,519     | 0            | 0           | 531,519  | 0          | estimated one-time                       |
|         | reuerai  | Assistance,                   | 331,317     | 0            | 0           | 331,317  | O          | allocation of CARES                      |
|         |          | Small Business                |             |              |             |          |            | Act CDBG-CV Round                        |
|         |          | Assistance                    |             |              |             |          |            | 3 funds.                                 |
| Other   | public - | Housing                       |             |              |             |          |            | These funds                              |
|         | state    |                               |             |              |             |          |            | represent                                |
|         |          |                               |             |              |             |          |            | estimated repaid                         |
|         |          |                               |             |              |             |          |            | loans under the                          |
|         |          |                               |             |              |             |          |            | State HOME                               |
|         |          |                               |             |              |             |          |            | Program and                              |
|         |          |                               |             |              |             |          |            | CalHome                                  |
|         |          |                               | 0           | 50,000       | 0           | 50,000   | 0          | programs.                                |
|         | l .      |                               | T 1.1       | -0,000       | 1 -         | 30,000   | -          | p. egi arris.                            |

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Gardena and HUD share a mutual interest in leveraging HUD resources to the maximum extent possible in order to deliver high-quality affordable housing, neighborhood improvement programs, supportive services, and economic development.

#### **Entitlement Funds**

Leverage, in the context of CDBG funding, means bringing other local, state, and federal financial resources to maximize the reach and impact of the City's U.S. Department of Housing and Urban Development (HUD) funded programs. HUD, like many other federal agencies, encourages the recipients of federal monies to demonstrate that efforts are being made to strategically leverage additional funds in order to achieve greater results. Leverage is also a way to increase project efficiencies and benefit from economies of scale that often come with combining sources of funding for similar or expanded scopes. Funds will be leveraged if financial commitments toward the costs of a project from a source other than the originating HUD program are documented.

#### Other Federal Grant Programs

In addition to the CDBG entitlement dollars, the federal government has several other funding programs for community development and affordable housing activities. These include: the Section 8 Housing Choice Voucher Program, Section 202, the Affordable Housing Program (AHP) through the Federal Home Loan Bank, and others. It should be noted that in most cases the City would not be the applicant for these funding sources as many of these programs offer assistance to affordable housing developers rather than local jurisdictions.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City does not own land or property located within the jurisdiction that may be used to address the needs identified in the plan.

|  | ISS |  |
|--|-----|--|
|  |     |  |
|  |     |  |
|  |     |  |
|  |     |  |

None.

## **Annual Goals and Objectives**

## AP-20 Annual Goals and Objectives

## Goals Summary Information

| Sort<br>Order | Goal Name  | Start<br>Year | End<br>Year | Category   | Geographic<br>Area        | Needs<br>Addressed   | Funding            | Goal Outcome<br>Indicator   |
|---------------|--|---------------|-------------|--|---------------------------|--|--------------------|---|
| 1             | Program<br>Administration                        | 2016          | 2021        | Planning and<br>Administration                         | Citywide                  | Planning and<br>Administration   | CDBG:<br>\$105,950 | Other: 6000 Other   |
| 2             | Services for Low<br>& Moderate<br>Income Persons | 2016          | 2021        | Homeless<br>Non-Homeless<br>Special Needs              | Citywide                  | Public Services to Help Low- Income Residents Prevent and Eliminate Homelessness     | CDBG:<br>\$90,000  | Public service activities other than Low/Moderate Income Housing Benefit: 70 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 18 Households Assisted |
| 3             | Code<br>Enforcement                              | 2016          | 2021        | Affordable<br>Housing                                  | CDBG<br>Eligible<br>Areas | Preservation of Supply of Affordable Housing Neighborhood Preservation & Improvement | CDBG:<br>\$133,806 | Rental units rehabilitated: 6 Household Housing Unit Homeowner Housing Rehabilitated: 250 Household Housing Unit  |
| 4             | Fair Housing<br>Services                         | 2016          | 2021        | Affordable<br>Housing<br>Non-Homeless<br>Special Needs | Citywide                  | Fair Housing<br>Services   | CDBG:<br>\$20,000  | Public service activities other than Low/Moderate Income Housing Benefit: 125 Persons Assisted  |
| 5             | Owner-<br>Occupied<br>Rehabilitation             | 2016          | 2021        | Affordable<br>Housing                                  | Citywide                  | Preservation of Supply of Affordable Housing Neighborhood Preservation & Improvement | CDBG:<br>\$280,000 | Homeowner Housing Rehabilitated:25 Household Housing Unit   |

Table 6 – Goals Summary

## **Goal Descriptions**

| 1 | Goal Name           | Program Administration   |
|---|---------------------|--|
|   | Goal<br>Description | Oversight of the CDBG programs and activities.                                   |
| 2 | Goal Name           | Services for Low & Moderate Income Persons                                       |
|   | Goal<br>Description | Provide services to low-income households to prevent homelessness.               |
| 3 | Goal Name           | Code Enforcement   |
|   | Goal<br>Description | To eliminate code deficiencies in the City's low-income housing stock.           |
| 4 | Goal Name           | Fair Housing Services  |
|   | Goal<br>Description | To provide services to low-income renters including tenant/landlord rights.      |
| 5 | Goal Name           | Owner-Occupied Rehabilitation  |
|   | Goal<br>Description | Provide grants and loan to low-income households to make necessary code repairs. |

## **Projects**

AP-35 Projects - 91.220(d)

Introduction

For FY 2020-2021, the City of Gardena anticipates receiving \$629,756 in CDBG funding.

#### **Projects**

| # | Project Name  |
|---|---|
| 1 | PLANNING AND ADMINISTRATION                         |
| 2 | FAIR HOUSING SERVICES                               |
| 3 | YOUTH AND FAMILY SERVICES BUREAU (COUNSELORS/AIDES) |
| 4 | HEALTH AND SAFETY CODE ENFORCEMENT                  |
| 5 | HANDY-WORKER/ RESIDENTIAL REBATE                    |

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The continuing reduction in federal grant funding has resulted in the City's limited funding priorities. In the past the City has funded a multi-family code correction program that worked in conjunction with Code Enforcement to address rental property health and safety issues. This program along with the City's Commercial Rehabilitation program will not be funded this fiscal year in order to focus the City's Code Enforcement activities on the City's lower income, owner-occupant residents through its Residential Rehabilitation Handyworker/Rebate Program. Code Enforcement efforts will be increased in the City's most declining single-family low and moderate income census tracts.

## AP-38 Project Summary

## Project Summary Information

| 1 | Project Name  | PLANNING AND ADMINISTRATION  |  |  |
|---|---|--|--|--|
|   | Target Area   | Citywide   |  |  |
|   | Goals Supported   | Program Administration   |  |  |
|   | Needs Addressed   | Planning and Administration  |  |  |
|   | Funding   | CDBG: \$105,950  |  |  |
|   | Description   | General oversight of the City's Community Development Block Grant Program  |  |  |
|   | Target Date   | 6/30/2022  |  |  |
|   | Estimate the number and type of families that will benefit from the proposed activities |  |  |  |
|   | Location Description  |  |  |  |
|   | Planned Activities  | Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination and landlord-tenant mediation services. |  |  |
| 2 | Project Name  | FAIR HOUSING SERVICES  |  |  |
|   | Target Area   | Citywide   |  |  |
|   | Goals Supported   | Fair Housing Services  |  |  |
|   | Needs Addressed   | Fair Housing Services  |  |  |
|   | Funding   | CDBG: \$20,000   |  |  |
|   | Description   | Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination and landlord-tenant mediation services. |  |  |
|   | Target Date   | 6/30/2022  |  |  |
|   | Estimate the number and type of families that will benefit from the proposed activities | 50 persons are estimated to be assisted this fiscal year with Fair Housing services.   |  |  |
|   | Location Description  |  |  |  |
|   | Planned Activities  | Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination and landlord-tenant mediation services. |  |  |

| 3 | 5   |  |  |  |
|---|---|--|--|--|
|   | Project Name  | YOUTH AND FAMILY SERVICES BUREAU (COUNSELORS/AIDES)  |  |  |
|   | Target Area   | Citywide   |  |  |
|   | Goals Supported   | Services for Low & Moderate Income Persons   |  |  |
|   | Needs Addressed   | Public Services to Help Low-Income Residents   |  |  |
|   | Funding   | CDBG: \$90,000   |  |  |
|   | Description   | Provide low- and moderate-income families with a range of public services necessary to prevent homelessness and ameliorate the effects of poverty.   |  |  |
|   | Target Date   | 6/30/2022  |  |  |
|   | Estimate the number and type of families that will benefit from the proposed activities | The Youth and Family Services Program will assist approximately 100 families/individuals with housing referrals, food bank and counseling services.  |  |  |
|   | Location Description  |  |  |  |
|   | Planned Activities  | Activities include the payment of salaries for counselors to implement the services provided by the Youth and Family Services Bureau.  |  |  |
| 4 | Project Name  | HEALTH AND SAFETY CODE ENFORCEMENT   |  |  |
|   | Target Area   | CDBG Eligible Areas  |  |  |
|   | Goals Supported   | Code Enforcement   |  |  |
|   | Needs Addressed   | Preservation of Supply of Affordable Housing Neighborhood Preservation & Improvement   |  |  |
|   | Funding   | CDBG: \$133,806  |  |  |
|   | Description   | Provide code enforcement located within low and moderate income census tracts in coordinated effort to address code deficiencies in housing occupied by low income households. The code enforcement activities are coordinated with housing rehabilitations staff to ensure the preservation of the City's affordable rental housing through the Multi-Family Residential Code Correction Program. |  |  |
|   | Target Date   | 6/30/2022  |  |  |
|   | Estimate the number and type of families that will benefit from the proposed activities | An estimated 25 households will be assisted through Code Enforcement efforts to address health and safety issues in the City's low and moderate income neighborhoods.  |  |  |
|   | Location Description  |  |  |  |
|   | Planned Activities  | Provide code enforcement located within low and moderate income census tracts in coordinated effort to address code deficiencies in housing occupied by low income households. The code enforcement activities are coordinated with housing rehabilitations staff to ensure the preservation of the City's affordable rental housing through the Multi-Family Residential Code Correction Program. |  |  |

| 5 | Project Name  | HANDY-WORKER/ RESIDENTIAL REBATE   |  |  |  |  |
|---|---|--|--|--|--|--|
|   | Target Area   | Citywide   |  |  |  |  |
|   | Goals Supported   | Owner-Occupied Rehabilitation  |  |  |  |  |
|   | Needs Addressed   | Preservation of Supply of Affordable Housing Neighborhood Preservation & Improvement   |  |  |  |  |
|   | Funding   | CDBG: \$280,000  |  |  |  |  |
|   | Description   | Continued funding of the City's Handy-worker/ Residential Rebate that provides grants and rebates to low and moderate income owner occupants to make necessary repairs to their home. The goal is to preserve the quality of existing owner-occupied dwellings through rehabilitation. |  |  |  |  |
|   | Target Date   | 6/30/2022  |  |  |  |  |
|   | Estimate the number and type of families that will benefit from the proposed activities | An estimated 25 households will be assisted through the City's Handyworker/Rebate Program.   |  |  |  |  |
|   | Location Description  |  |  |  |  |  |
|   | Planned Activities  | Continued funding of the City's Handy-worker/ Residential Rebate that provides grants and rebates to low and moderate income owner occupants to make necessary repairs to their home. The goal is to preserve the quality of existing owner-occupied dwellings through rehabilitation. |  |  |  |  |

#### AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Assistance will be primarily directed to the CDBG low- and moderate-income areas are shown on the map included in section SP-10 of the Consolidated Plan. The CDBG low- and moderate-income areas are comprised of low- and moderate-income Census Tract Block Groups as defined by HUD. Residents of the CDBG low- and moderate-income areas have median incomes at or below 80% of the area median income based on family size for the County of Los Angeles.

#### Geographic Distribution

| Target Area         | Percentage of Funds |
|---------------------|---------------------|
| CDBG Eligible Areas | 20                  |
| Citywide            | 80                  |

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

For the program year, the City will invest \$629,756 of CDBG funds that will benefit low- and moderate-income Gardena residents. Of this amount, at least \$133,806 or 21.2% for Code Enforcement in CDBG resources will be invested in projects that exclusively benefit the CDBG low- and moderate-income areas. Due to the nature of these activities to be undertaken, they are limited to the CDBG low- and moderate-income areas while other funded projects and activities benefit low- and moderate-income limited clientele and are available citywide.

#### Discussion

The City seeks to disburse federal entitlement dollars strategically within low-and moderate-income (LMI) census tracts. No specific neighborhoods are targeted for expenditure of funds. However, Code Enforcement works with housing rehabilitation staff to identify distressed neighborhoods within which to focus its efforts to ameliorate health and safety issues. Investments in services serving special needs populations and primarily low- and moderate-income persons will be made throughout the City. The City will evaluate each eligible project and program based on urgency of needs, availability of other funding sources and financial feasibility. Residential rehabilitation assistance will be available to income-qualified households citywide with an emphasis on distressed neighborhoods identified by Code Enforcement.

### Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

Two high priority affordable housing needs are identified in the 2016-2021 Consolidated Plan and three Strategic Plan goals are established to provide the framework necessary to invest CDBG funds to address the affordable housing needs of the City.

| One Year Goals for the Number of Households to be Supported |    |  |
|---|----|--|
| Homeless  | 2  |  |
| Non-Homeless  | 25 |  |
| Special-Needs   | 0  |  |
| Total   | 27 |  |

Table 9 - One Year Goals for Affordable Housing by Support Requirement

| One Year Goals for the Number of Households Supported Through |     |  |
|---|-----|--|
| Rental Assistance   | 634 |  |
| The Production of New Units                                   | 0   |  |
| Rehab of Existing Units                                       | 6   |  |
| Acquisition of Existing Units                                 | 0   |  |
| Total   | 640 |  |

Table 10 - One Year Goals for Affordable Housing by Support Type

#### Discussion

As the City's housing stock ages, a growing percentage of housing units may need rehabilitation to allow them to remain safe and habitable. The situation is of particular concern for low- and moderate-income homeowners who are generally not in a financial position to properly maintain their homes.

The age and condition of Gardena's housing stock is an important indicator of potential rehabilitation needs. Commonly, housing over 30 years of age needs some form of major rehabilitation, such as roof replacement, foundation work and plumbing systems. Housing over 15 years of age will generally exhibit deficiencies in terms of paint, weatherization, heating / air-conditioning systems, hot water heaters and finish plumbing fixtures.

According to CHAS data showing the year that housing units were built categorized by owner and renter tenure:

- 5,974 or 80.4 percent of the 7,425 owner-occupied housing units in Gardena were built 34 or more years ago (built prior to 1980);
- 964 or 13 percent of the 7,425 owner-occupied housing units were built between 15 and 34 years ago (built between 1980 and 1999); and
- 15,683 or 75 percent of the 20,954 renter-occupied housing units in Gardena were built 34 or more years ago (built prior to 1980)
- 5,043 or 24 percent of the 20,954 renter-occupied housing units in Gardena were built between 15 and 34 years ago (built between 1980 and 1999)

Preservation of the physical and functional integrity of existing housing units occupied by low- and moderate-income households is a cost-effective way to invest limited resources to retain existing housing units that are already affordable to low- and moderate-income households in the community. Addressing substandard housing conditions through housing preservation activities provide that all economic segments of the community have the means to ensure that their property meets local standards and that all Gardena residents have the opportunity to live in decent housing.

## AP-60 Public Housing **– 91.220(h)** Introduction

The City of Gardena does not administer Section 8 and does not own HUD Public Housing; however, the City is within the service area of the Housing Authority of the County of Los Angeles (HACoLA) for the purposes of Section 8 and Public Housing.

Actions planned during the next year to address the needs to public housing

HACoLA will continue to serve the needs of residents through public housing and Section 8 vouchers. Specifically, the U.S. Census Bureau projects that the elderly in California will have an overall increase of 112 percent from 1990 to 2020. Los Angeles County mirrors this trend. To address the need for the growing senior population, in August of 2013, HUD approved HACoLA's application to designate 13 public housing senior developments as housing for elderly families only (62 years or older).

Actions to encourage public housing residents to become more involved in management and participate in homeownership

HACoLA actively encourages residents to be involved in the organization through resident councils and active participation in housing authority decisions via surveys and other forms of engagement. HACoLA also maintains quarterly newsletters for Section 8 tenants, public housing residents, and Section 8 property owners.

HACoLA encourages residents to explore homeownership opportunities. HACoLA currently administers Family Self-Sufficiency (FSS) program for public conventional housing and Housing Choice Voucher program residents. The FSS program provides critical tools and supportive services to foster a resident's transition from financial and housing assistance to economic and housing self-sufficiency, most importantly homeownership.

To support this effort, HACoLA utilizes marketing materials to outreach and further promote the program's requirements and benefits to all public housing residents. For families that are eligible to participate, a Contract of Participation (COP) is prepared to govern the terms and conditions of their participation and an Individual Training Service Plan (ITSP) is created that outlines the following: supportive services to be provided, activities to be completed by the participant, and agreed upon completion dates for the services and activities. The COP is valid for five years and may be extended to allow the family to meet their ITSP goals.

Once the COP is established and the family experiences an increase in tenant rent as a result of earned income, an escrow account in their name is established and increased earned income is deposited into this account. Escrow accounts are disbursed to the family once the family has graduated successfully from the program. Families are encouraged to utilize these funds towards educational and homeownership endeavors. Additionally, HACoLA provides residents with information on CDC's homeownership programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/A, HACoLA is designated as a High Performing Public Housing Agency.

#### Discussion

The Housing Authority of the County of Los Angeles administers Section 8 to provide rental assistance to low-income families, senior citizens, and disabled individuals. In 2020, 634 Section 8 Housing Choice Vouchers were held by Gardena households.

## AP-65 Homeless and Other Special Needs Activities – 91.220(i) Introduction

The City will invest CDBG funds during the program year to address high priority needs identified in the 2016-2021 Consolidated Plan including preventing homelessness and providing public services to special needs populations. This will be accomplished through the City's Youth, Senior and Family Services program.

According to the results of the most recent data available March 2021 from The Los Angeles Homeless Service Authority (LAHSA) Point-in-Time Homeless Count (PIT Count), there are approximately 63,706 homeless in the county. Of those, 51,221 are individuals and 12, 416 are families. District 8 of which the City is a part of had 4,560 homeless of which 3,678 are individuals and 874 are families. In addition, 3,512 are unsheltered and only 1,048 are sheltered. To address incidences of homelessness in Gardena and to prevent extremely low-income Gardena families from becoming homeless, the City places a high priority on programs that work to prevent homelessness or rapidly assist homeless individuals living in the community. To address this need, the City will support its Youth and Family Services Program that will support 2 households over the Consolidated Plan period utilizing its CDBG funds. The Youth and Family Services Program will assist in preventing these families from becominghomeless.

In addition, the City will be supporting the Los Angeles County CoC to prevent and eliminate homelessness including, but not limited to, emergency, homelessness prevention and rapid re-housing programs. Through Measure H funds, the City will be collaborating with the County to address all facets of homeless assistance.

Analysis of available data and consultation with organizations providing services for special needs populations revealed a high need for a range of additional services including, but not limited to, those concerned with developmentally disabled adults. To address these needs, the City will support two activities that provide services to developmentally disabled adults. The Handy worker/Residential Rebate Program will provide grants to complete necessary improvements to the dwelling to make the unit accessible.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Preventing and ending homelessness is a HUD priority addressed nationally through coordination of regional strategies carried out locally by government agencies and a wide variety of community-based organizations and faith-based groups. Consistent with this approach, the City of Gardena supports the efforts of The Los Angeles Homeless Service Authority (LAHSA), County Continuum of Care (CoC), and its member organizations that address homelessness throughout Los Angeles County. In alignment with this strategy, the City will use non-HUD funds to support local service providers as well as City run programs to prevent homelessness and to expand the supply of affordable housing in Gardena for low- and moderate-income residents. Specifically, the City will fund its Youth, Senior and Family Services Program that provide food, shelter vouchers and shelter referrals.

Homelessness is a regional crisis, and one of the top priorities of the Homeless Initiative is to continue strengthening the collaboration between the County and diverse stakeholders, including the 88 cities in this region. Cities have an important role and a unique perspective on the solutions to homelessness, and the County values each city's distinct resources, challenges, and perspectives.

In November 2017, interested cities were awarded planning grants to develop city-specific plans to prevent and combat homelessness, through an initiative created by L.A. County and United Way of Greater Los Angeles' Home for Good Funders Collaborative and financed by an allocation of more than \$2 million from the County Board of Supervisors. 40 cities have submitted plans, illustrating an enthusiastic response from stakeholders across the region.

In September 2018, the Los Angeles County Board of Supervisors approved \$9 million in Measure H funding to bolster the work of cities in implementing city-specific plans to combat and prevent homelessness. The funds will be allocated to cities through an RFP solicitation process, in conjunction with the United Way of Greater Los Angeles' Home for Good Funders Collaborative. This funding will help cities increase the supply of supportive and interim housing for people experiencing homelessness and enhance the effectiveness of County service systems for those experiencing and/or at-risk of homelessness.

In January 2020, L.A. County made an increased in investment in partnership with the cities by awarding \$3.8 million in Measure H funding to bolster the implementation of city-specific plans to combat and prevent homelessness. This funding award is a significant next step in strengthening the collaboration between the County and cities in the region, which are united in their commitment to address this complex humanitarian crisis.

#### Addressing the emergency shelter and transitional housing needs of homeless persons

The ultimate solution to ending homelessness is transitional to permanent housing closely aligned with supportive services that ensure housing stability can be maintained. However, because the demand for affordable housing far outpaces the region's supply, the CoC continues to rely on its emergency and transitional housing system to address the immediate needs of Los Angeles County's homeless population. To address this need, the City will support its Youth, Senior and Family Services Program that will support 2 households over the Consolidated Plan period utilizing its CDBG funds. The Youth, Senior and Family Services Program will assist in preventing these families from becoming homeless.

Los Angeles County has implemented policy and program changes aimed at ensuring homeless persons in Los Angeles County are rapidly housed and offered an appropriate level of support services to meet their circumstances and keep them stably housed. Between 2014 and 2021, a total of 10 shelter (e.g., emergency, transitional and seasonal/overflow) beds were removed from the Homeless Inventory Count (HIC). In contrast, 25 permanent supportive housing beds were added to the HIC.

This increase in permanent supportive housing for the most vulnerable populations is attributed to Los Angeles County homeless service providers re-tooling their programs and shifting their focus to moving people quickly into permanent supportive housing throughout the County. Homelessness can be significantly reduced and the quality of life of our residents, especially those precariously housed or homeless can be improved.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In support of CoC efforts, this Strategic Plan provides for the use of CDBG funds to support temporary rental assistance activities implemented by the City through its Youth, Senior and Family Services Program to help prevent and eliminate homelessness.

For the next five years, the new plan recommends the following strategies to reduce homelessness throughout the County:

- Know who is homeless and what they need Conduct a count of every person living on the streets, shelters, or other places not fit for human habitation to understand the scope of homelessness in each community.
- Create the housing and the services to help people thrive Create affordable housing units through
  acquisition or rehabilitation of existing buildings and provide supportive services in permanent supportive
  housing that are critical to housing retention.
- Shift to a Housing First System, a system through which homeless people are back in permanent housing in less than 30 days and there are few requirements for housing.

By fully investing in solutions that work and getting communities to get involved at every level (i.e., federal, state, and local, for profit organizations, non-provident organizations, and residents) the end of homelessness throughout Los Angeles County can be possible.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

An individual or family is considered at-risk of becoming homeless if it experiences extreme difficulty maintaining their housing and has no reasonable alternatives for obtaining subsequent housing. Homelessness often results from a complex set of circumstances that require people to choose between food, shelter, and other basic needs. Examples of common circumstances that can cause homelessness include eviction, loss of income, insufficient income, disability, increase in the cost of housing, discharge from an institution, irreparable damage, or deterioration to housing, and fleeing from family violence.

#### Discussion

With limited CDBG resources available, the City is investing CDBG funds through its Youth and Family Services program to prevent homelessness in Gardena.

## AP-75 Barriers to affordable housing – 91.220(j) Introduction:

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

Based on information gathered during community meetings, the Consolidated Plan Needs Assessment Survey, the 2014-2021 Housing Element and market analysis, the primary barriers to affordable housing in Gardena are housing affordability and the lack of monetary resources necessary to develop and sustain affordable housing. The two barriers are related in the sense that demand for affordable housing exceeds the supply and insufficient resources are available to increase the supply of affordable housing to meet demand.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In the development of the 2014-2021 Housing Element, the City evaluated significant public policies affecting affordable housing development such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges and growth limitations. Based on this evaluation, the City determined that it has taken all necessary steps to ameliorate the negative effects of public policies that may have been a barrier to affordable housing. Moreover, the City is actively engaged with affordable housing developers concerning the siting of affordable housing and ensuring that the entitlement process runs smoothly from inception to completion.

#### Discussion:

To address housing affordability and the lack of monetary resources for affordable housing, the 2016-2021 Consolidated Plan - Strategic Plan calls for the investment of a significant portion of CDBG funds the rehabilitation and preservation of 150 existing affordable housing units over the next five years.

#### AP-85 Other Actions - 91.220(k)

#### Introduction:

In the implementation of the Annual Action Plan, the City will invest CDBG resources to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

#### Actions planned to address obstacles to meeting underserved needs

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state, and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG funds through the Action Plan in projects that provide grants, rebates, and loans to low- and moderate-income homeowners for home improvements, programs that provide public services to low- and moderate-income people and those with special needs, and programs that prevent homelessness. To address underserved needs, the City is allocating 100 percent of its non-administrative CDBG investments for program year to projects and activities that benefit low- and moderate-income people.

#### Actions planned to foster and maintain affordable housing

In the implementation of the Annual Action Plan, the City will invest CDBG funds to preserve and maintain affordable housing through the City of Gardena Residential Rehabilitation Handy worker/ Rebate Program in collaboration with its Code Enforcement activities in low and moderate-income areas. The Residential Rehabilitation Handy worker/ Rebate Program provides grants of between \$600 and \$3,000 to low- and moderate-income owners of single-family housing. The City will consider applying forState HOME funds in order to continue its Owner-Occupied Rehabilitation Program that provides 0% loans to low-income owner-occupants.

#### Actions planned to reduce lead-based paint hazards

The Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) emphasizes prevention of childhood lead poisoning through housing-based approaches. To reduce lead-based paint hazards, the City of Gardena through its Owner-Occupied Housing Rehabilitation Loan and Multi-Family Residential Code Correction Programs will conduct lead-based paint testing and risk assessments for each property assisted that was built prior to January 1, 1978 and will incorporate safe work practices or abatement into the scope of work as required to reduce lead-based paint hazards in accordance with 24 CFR Part 35.

#### Actions planned to reduce the number of poverty-level families

The implementation of CDBG activities meeting the goals established in the 2016-2021 Consolidated Plan - Strategic Plan and this Annual Action Plan will help to reduce the number of poverty- level families by:

- Continuing to fund the Gardena Family Child Care Program (GFCC).
- Continuing to fund the Youth, Senior and Family Services Program.
- Supporting activities that expand the supply of housing that is affordable to low- and moderate-income households.
- Supporting activities that preserve the supply of decent housing that is affordable to low- and moderate-income households.
- Supporting a continuum of housing programs to prevent and eliminate homelessness; and
- Supporting housing preservation programs that assure low-income households have a safe, decent, and appropriate place to live.

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. Federal programs such as the Earned Income Tax Credit and Head Start providing pathways out of poverty for families who are ready to pursue employment and educational opportunities. Additionally, in California, the primary programs that assist families in poverty are CalWORKS, CalFresh (formerly food stamps) and Medi-Cal. Together; these programs provide individuals and families with employment assistance, subsidy for food, medical care, childcare and cash payments to meet basic needs such as housing, nutrition and transportation. Other services are available to assist persons suffering from substance abuse, domestic violence, and mental illness.

#### Actions planned to develop institutional structure

The institutional delivery system in Gardena is high functioning and collaborative—particularly the relationship between local government and the nonprofit sector comprised of a network of capable non-profit organizations that are delivering a full range of services to residents. Strong City departments anchor the administration of HUD grant programs and the housing, community and economic development activities that are implemented by the City. To support and enhance this existing institutional structure, the City of Gardena will collaborate with affordable housing developers and nonprofit agencies receiving CDBG funds through the Annual Action Plan to ensure that the needs of low-and moderate-income residents are met as envisioned within the 2016-2021 Consolidated Plan - Strategic Plan.

Actions planned to enhance coordination between public and private housing and social service agencies

To enhance coordination between public and private housing and social service agencies, the City will continue consulting with and inviting the participation of a wide variety of agencies and organizations involved in the delivery of housing and supportive services to low- and moderate-income residents in Gardena—particularly the CDBG low- and moderate-income areas.

#### Discussion:

In the implementation of the 2020-2021 Annual Action Plan, the City will invest CDBG resources to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

## Program Specific Requirements AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

In the implementation of programs and activities under the 2020-2021 Annual Action Plan, the City of Gardena will follow all HUD regulations concerning the use of program income, forms of investment, overall low- and moderate-income benefit for the CDBG program.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

#### Other CDBG Requirements

1. The amount of urgent need activities

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

100.00%

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APPENDIX "A"

SF 424 Form

APPENDIX "B"

**HUD Certifications** 



# CPMP Non-State Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted in paper form to the Field Office.

☐ This certification does not apply. ☐ This certification is applicable.

#### NON-STATE GOVERNMENT CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

- 1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
- 2. Establishing an ongoing drug-free awareness program to inform employees about
  - a. The dangers of drug abuse in the workplace.
  - b. The grantee's policy of maintaining a drug-free workplace.
  - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
  - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- 3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1.
- 4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will
  - a. Abide by the terms of the statement; and
  - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- 5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.
- 6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted
  - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.
- 7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

- 8. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 9. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- 10. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 135.

|                               | August 11, 2021 |
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| Signature/Authorized Official | Date            |
|                               | 1               |
| Clint Osorio                  |                 |
| Name                          |                 |
| City Manager                  |                 |
| Title                         |                 |
| 1700 W. 162nd Street          |                 |
| Address                       |                 |
| Gardena, CA 90247             |                 |
| City/State/Zip                |                 |
| (310) 217-9503                |                 |
| Telephone Number              |                 |

| This certification | does no | t apply |
|--------------------|---------|---------|
| This certification |         |         |

#### Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

- 11. Maximum Feasible Priority With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available).
- 12. Overall Benefit The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2018, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.
- 13. Special Assessments It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

- 14. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
- 15. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Telephone Number

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K and R, of title 24.

Compliance with Laws -- It will comply with applicable laws.

|                               | August 11, 2021 |
|-------------------------------|-----------------|
| Signature/Authorized Official | Date            |
| Clint Osorio                  |                 |
| Name                          |                 |
| City Manager                  |                 |
| Title                         |                 |
| 1700 W. 162nd Street          |                 |
| Address                       |                 |
| Gardena, CA 90247             |                 |
| City/State/Zip                |                 |
| (310) 217-9503                |                 |
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| ☐ This certification is applicab | le. |

#### OPTIONAL CERTIFICATION CDBG

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities, which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

| Signature/Authorized Official | Date |
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| ☐ This certification does not apply |
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| ☐ This certification is applicable. |

#### Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

| Signature/Authorized Official | Date |
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| Name                          | _    |
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| Title                         | 7    |
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| Address                       | 7    |
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| City/State/Zip                |      |
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| Telephone Number              |      |

| ☑ This certification | does not apply |
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| ☐ This certification | is applicable. |

#### **HOPWA Certifications**

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

- 1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
- 2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

| Signature/Authorized Official | Date |
|-------------------------------|------|
|                               |      |
| Name                          |      |
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| Title                         |      |
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| City/State/Zip                |      |
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| Telephone Number              |      |

| ☐ This certification does not apply |
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| ☐ This certification is applicable. |

#### **ESG Certifications**

I, Edward Medrano, Chief Executive Officer of the City of Gardena, certify that the local government will ensure the provision of the matching supplemental funds required by the regulation at 24 CFR 576.51. I have attached to this certification a description of the sources and amounts of such supplemental funds.

I further certify that the local government will comply with:

- 1. The requirements of 24 CFR 576.53 concerning the continued use of buildings for which Emergency Shelter Grants are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services.
- 2. The building standards requirement of 24 CFR 576.55.
- 3. The requirements of 24 CFR 576.56, concerning assurances on services and other assistance to the homeless.
- 4. The requirements of 24 CFR 576.57, other appropriate provisions of 24 CFR Part 576, and other applicable federal laws concerning nondiscrimination and equal opportunity.
- 5. The requirements of 24 CFR 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
- 6. The requirement of 24 CFR 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
- 7. The requirements of 24 CFR Part 24 concerning the Drug Free Workplace Act of 1988.
- 8. The requirements of 24 CFR 576.56(a) and 576.65(b) those grantees develop and implement procedures to ensure the confidentiality of records pertaining to anyindividual provided family violence prevention or treatment services under any project assisted with ESG funds and that the address or location of any family violence shelter project will not be made public, except with written authorization of the person or persons responsible for the operation of such shelter.
- 9. The requirement that recipients involve themselves, to the maximum extent practicable and where appropriate, homeless individuals and families in policymaking, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 CFR 76.56.
- 10. The requirements of 24 CFR 576.57(e) dealing with the provisions of, and regulations and procedures applicable with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related

authorities as specified in 24 CFR Part 58.

- 11. The requirements of 24 CFR 576.21(a)(4) providing that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services will meet the requirements that: (A) the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) the assistance must not supplant funding for preexisting homeless prevention activities from any other source.
- 12. The new requirement of the McKinney-Vento Act (42 USC 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that state and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of state and local resources.
- 13. HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.

I further certify that the submission of a completed and approved Consolidated Plan with its certifications, which act as the application for an Emergency Shelter Grant, is authorized under state and/or local law, and that the local government possesses legal authority to carry out grant activities in accordance with the applicable laws and regulations of the U. S. Department of Housing and Urban Development.

| Signature/Authorized Official | Date |
|-------------------------------|------|
|                               |      |
| Name                          |      |
|                               |      |
| Title                         | 1    |
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| Address                       |      |
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| City/State/Zip                |      |
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| Telephone Number              |      |

| ☐ This certification do | oes not apply |
|-------------------------|---------------|
| This certification is   | applicable.   |

#### APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

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

Drug-Free Workplace Certification

- 1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
- 2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
- 3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
- 4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
- 5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
- 6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: Place of Performance (Street address, city, county, state, zip code) Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

| Place Name   | Street                           | City       | County      | State | Zip   |
|--|----------------------------------|------------|-------------|-------|-------|
| The City of Gardena                                  | 1700 W. 162 <sup>nd</sup> Street | Gardena    | Los Angeles | CA    | 90247 |
| City of Gardena, Youth and Family<br>Services Bureau | 1670 W. 162 <sup>nd</sup> Street | Gardena    | Los Angeles | CA    | 90247 |
| Fair Housing Foundation                              | 3605 Long Beach Blvd.<br>#302    | Long Beach | Los Angeles | CA    | 90807 |
| The Senior Citizen Daycare Center                    | 14517 S. Crenshaw<br>Blvd.       | Gardena    | Los Angeles | CA    | 90249 |

- 7. Definitions of terms in the No procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules: "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including:
  - a. All "direct charge" employees.
  - all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and

c. temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

- 1. Analysis of Impediments to Fair Housing
- 2. Citizen Participation Plan
- 3. Anti-displacement and Relocation Plan

|                               | August 11, 2021 |
|-------------------------------|-----------------|
| Signature/Authorized Official | Date            |
|                               | _               |
| Clint Osorio                  |                 |
| Name                          |                 |
| City Manager                  |                 |
| Title                         |                 |
| 1700 W. 162nd Street          |                 |
| Address                       |                 |
| Gardena, CA 90247             |                 |
| City/State/Zip                |                 |
| (310) 217-9503                |                 |
| Telephone Number              |                 |

APPENDIX "C"

Public Notice

Agenda Item No. 11.D Section: DEPARTMENTAL ITEMS - ADMINISTRATIVE

**SERVICES** 

Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)
DISTINGUISHED BUDGET PRESENTATION AWARD FOR FISCAL YEAR ENDING JUNE
30, 2020

#### **COUNCIL ACTION REQUIRED:**

Staff Recommendation: Receive and File

#### **RECOMMENDATION AND STAFF SUMMARY:**

The Government Finance Officers Association of the United States and Canada (GFOA) is a major professional association servicing the needs of more than 18,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners.

The GFOA established the Distinguished Budget Presentation Awards Program (Budget Award Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting, and then to recognize individual governments that succeed in achieving that goal.

The GFOA's Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by the City and reflects the commitment of the City Council and staff to meeting the highest principles of governmental budgeting: namely, accountability and transparency. In order to receive the budget award, the City had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as: a policy document; a financial plan; an operations guide; and, a communications device.

This is the second consecutive year the City applied for and received the award.

#### **FINANCIAL IMPACT/COST:**

No financial impact

#### **ATTACHMENTS:**

GFOA Budget Award.pdf

APPROVED:

Clint Osorio, City Manager

Cleuroms.



#### GOVERNMENT FINANCE OFFICERS ASSOCIATION

# Distinguished Budget Presentation Award

PRESENTED TO

City of Gardena California

For the Biennium Beginning

July 01, 2020

**Executive Director** 

Christopher P. Morrill



### The Government Finance Officers Association of the United States and Canada

presents this

#### CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

#### Finance Department City of Gardena, California



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards

Christopher P. Morrill

**Executive Director** 

Date:

July 21, 2021

Agenda Item No. 12.A Section: DEPARTMENTAL ITEMS - COMMUNITY DEVELOPMENT

Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: <u>PUBLIC HEARING: RESOLUTION NO. 6527</u>, APPROVING CONDITIONAL USE PERMIT #4-21 TO ALLOW A TOWING COMPANY AND ASSOCIATED OUTDOOR STORAGE IN THE INDUSTRIAL (M-1) ZONE AND DIRECTION TO STAFF TO FILE A NOTICE OF EXEMPTION FOLLOWING A CALL FOR REVIEW.

APPLICANT: RAJPAL DHILLON

LOCATION: 1638 W. 130TH STREET

#### **COUNCIL ACTION REQUIRED:**

Staff Recommendation: Conduct a Public Hearing, please allow three (3) minutes for each speaker; Adopt Resolution No. 6527, upholding the Planning and Environmental Quality Commission's decision, and approve Conditional Use Permit #4-21.

#### **RECOMMENDATION AND STAFF SUMMARY:**

Staff respectfully recommends that the City Council conduct a public hearing, receive testimony from the public and adopt Resolution No. 6527.

On May 26, 2021, the applicant, Mr.. Raj Dhillon, business owner of U.S. Tow, submitted an application for a conditional use permit for outdoor automobile storage and automobile towing use at 1638 West 130<sup>th</sup> Street. The applicant also proposed the construction of a new 4,400 square foot industrial building for the storage of vehicles and an office area at the site.

On July 6, 2021, the Planning Commission held a public hearing at which time there were no comments made from the public, and the Commission voted 5-0-0 to adopt Resolution No. PC 8-21 approving the conditional use permit and directed staff to file a notice of exemption.

On July 13, 2021, Council Member Francis called for review of the project.

The complete Planning Commission Packet dated July 6, 2021, along with the presentation made by staff at the Planning Commission meeting, are attached for further information regarding the project. The project qualifies for a categorical exemption from the provisions of the California Environmental Quality Act pursuant to Guideline Section 15303, for new construction of small structures.

#### **FINANCIAL IMPACT/COST:**

#### None.

#### **ATTACHMENTS:**

PEQC Packet dated July 6, 2021 .pdf PEQC Presentation presented by Staff.pdf Resolution No. 6527.pdf

Cleurom .

APPROVED:

Clint Osorio, City Manager

## CITY OF GARDENA PLANNING AND ENVIRONMENTAL QUALITY COMMISSION STAFF REPORT

#### RESOLUTION NO. PC 8-21 CONDITIONAL USE PERMIT #4-21

DATE: July 6, 2021

TO: Chair Langley and Members of the Planning and Environmental

**Quality Commission** 

FROM: Gregg McClain, Interim Community Development Director

CASE PLANNER: Amanda Acuna, Senior Planner

APPLICANT: Rajpal Dhillon, U.S. Tow

LOCATION: 1638 West 130<sup>th</sup> Street (APN: 6102-006-017)

REQUEST: A request for a conditional use permit, per Section 18.42.040.A of

the Gardena Municipal Code, to allow a towing company and associated outdoor storage in the Industrial (M-1) zone that qualifies

for a Notice of Exemption.

#### **BACKGROUND**

In April of 2019, the Gardena City Council awarded a franchise agreement for City-related towing services to the applicant, RSD Tow Inc., doing business as U.S. Tow.

The franchise agreement was contingent upon U.S. Tow's ability to show that the company maintains a business office and storage facility within city limits. On July 16, 2019, the Planning Commission approved U.S. Tow's request to operate an automobile storage and towing company at 1600 West 139<sup>th</sup> Street (Conditional Use Permit #3-19).

The building at 1600 West 139<sup>th</sup> Street later sustained severe fire damage in November of 2020 and the business was forced to leave this location. As a requirement of the City's contract, U.S. Tow began looking for another location within city limits.

On May 26, 2021, the applicant, Raj Dhillon, business owner of U.S. Tow, submitted an application for a conditional use permit for outdoor automobile storage and an automobile towing use at 1638 West 130<sup>th</sup> Street, in the city.

On June 25, 2021, a public hearing was duly noticed for the Planning and Environmental Quality Commission meeting for July 6, 2021.

#### PROJECT DESCRIPTION

The applicant is proposing to construct a new 4,400 square foot industrial building for the storage of vehicles and office area at the property located at 1638 West 130<sup>th</sup> Street (Figure 1 – Vicinity Map).

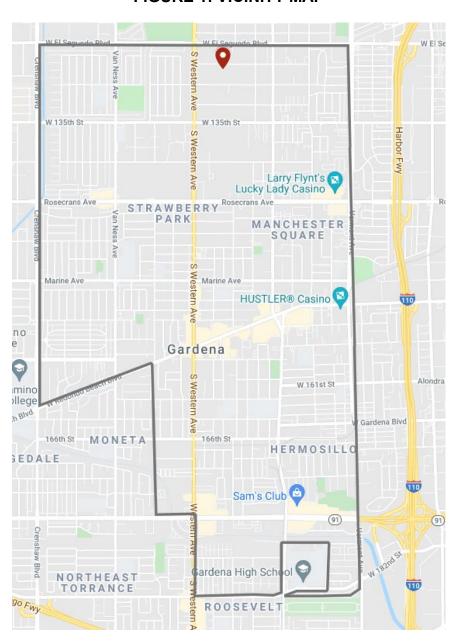


FIGURE 1: VICINITY MAP

As seen in Figure 2, the property is in the Industrial (M-1) zoning district, as are all surrounding properties. Surrounding land uses include various manufacturing uses, warehouses, and a vacant lot. The subject property is a 20,037 square foot lot that

contains three single-family dwelling units, two of which are presently occupied. The south end of the property is currently used as an outdoor storage area.

The applicant is proposing to demolish all existing structures and construct a new 4,400 square foot industrial building.



FIGURE 2: ZONING MAP

All vehicles will be stored either in an enclosed yard or within the new structure. Seven parking spaces will be provided for business patrons. The business will operate 24-hours a day and have five employees, however, the business will only be open to the public between 8:00am and 6:00pm Monday through Friday, 8:00am to 5:00pm on Saturdays, and 9:00am to 1:00pm on Sundays.

The applicant is requesting the approval of a conditional use permit to allow the operations of automobile storage in the M-1 zone.

#### <u>ANALYSIS</u>

Section 18.42.040.A of the Gardena Municipal Code (GMC) allows the Community Development Director to determine if an unlisted use is permitted, subject to a conditional use permit or other entitlement, on the basis that it is similar to a use permitted within the zone.

In 2019, when the applicant applied for Conditional Use Permit #3-19, the Director determined that towing and automobile storage is similar to ambulance services, automobile repair facilities, contractors' businesses, and recreational vehicle storage facilities. All of these uses are conditionally permitted provided they are not on arterials or major collector streets; therefore, automobile storage and towing services are also subject to the approval of a conditional use permit. The applicant's request for a conditional use permit is deemed proper and, if approved, will authorize the operation of automobile storage and a tow yard at the site.

#### **DEVELOPMENT STANDARDS**

As mentioned above, two of the residential structures on the site are currently occupied. For this reason, there is a proposed condition of approval stating that the applicant will be required to meet provisions of GMC Chapter 14.08 and all current applicable State laws with regard to relocation assistance and payments to existing tenants.

The proposed 4,400 square foot structure will comply with all development standards of the M-1 zone, as shown in Table 1.

**TABLE 1: DEVELOPMENT STANDARDS** 

| Development Standard Comparison |          |         |           |
|---------------------------------|----------|---------|-----------|
| Standard                        | M-1 Zone | Project | Compliant |
| Max. FAR                        | 1.0      | 0.22    | Yes       |
| Max. Building                   | 65 ft.   | 25      | Yes       |
| Height                          |          |         |           |
| Setbacks                        |          |         |           |
| Front                           | 10       | 10      |           |
| Sides (West)                    | None     | 20      | Yes       |
| Side (East)                     | None     | 0       |           |
| Rear                            | None     | 134     |           |
| Max. Fence Height               | 8 ft.    | 8       | Yes       |

| Development Standard Comparison |  |                              |           |
|---------------------------------|--|------------------------------|-----------|
| Standard                        | M-1 Zone                                       | Project                      | Compliant |
| Min. Parking <i>Warehouse</i>   | 4 spaces                                       | 4                            |           |
| 1 space/1,000 sf                |  |                              | Yes       |
| Office<br>1 space/300 sf        | 3  | 3                            |           |
| TOTAL                           | 7  | 7                            |           |
| Refuse Area                     | Within Building Footprint<br>or Fully Screened | Within Building<br>Footprint | Yes       |

The subject property is required to provide a total of seven on-site parking spaces for the proposed towing service business. As shown in the project plans, the applicant will meet the parking requirements. The subject property will allow for the storage of 44 vehicles; eight spaces located inside the new building and 36 spaces in the enclosed storage yard at the rear of the property. All business vehicles related to the towing company will be parked in the enclosed yard, away from public right-of-way view.

\$17 516 515 520 \$19 522 521 523 526 525 524 511 509 507 900 œ 529 90 532 531 530 534 633 67 1) SITE PLAN  $\oplus$ 

FIGURE 3 - SITE PLAN

In accordance will GMC Section 18.42.085 the first ten feet of the property shall be dedicated to landscaping. As shown in the project plans the property will provide a tenfoot landscaped setback that will front West 130<sup>th</sup> Street with trees and shrubbery. The project plans show a driveway gate ten feet from the front property line which leads to customer parking spaces. Staff determined that a ten-foot setback was not sufficient in order to prevent the queuing of vehicle on the street. Therefore, a condition has been added that will require all driveway gates to be setback at least 20 feet from the front property line.

The applicant is proposing an eight-foot-tall decorative wall that will be interspersed with black tubular steel, ten-feet back from the public right-of-way along West 130<sup>th</sup> Street.

Vehicles that are to be impounded will be placed behind a security gate, only to be accessed by the business employees.

#### NEIGHBORHOOD CIRCULATION

Pedestrian access to the subject property is provided by sidewalks along West 130<sup>th</sup> Street. Vehicle access is provided via a two-way driveway along West 130<sup>th</sup> Street. Seven patron parking spaces are provided to the north end of the property, with direct access to the office entry.

The Circulation Plan of the Gardena General Plan designates this part of West 130<sup>th</sup> Street as a collector roadway. These roadways are intended to move traffic from local roadways to secondary roadways and have access to all types of land uses. Additionally, the proposed towing service business is not located on any designated truck routes as describes in the Circulation Plan. The applicant's request to operate a towing service and vehicle storage is not expected to increase traffic beyond what is already experienced; therefore, West 130<sup>th</sup> Street is considered properly designed to carry the type and quantity of traffic generated by the use.

#### GENERAL PLAN AND ZONING CONSISTENCY

The General Plan designates the subject property as an Industrial land use, which covers a wide variety of land uses and is implemented by the Industrial (M-1) and General Industrial (M-2) zones. As the storage of automobiles would be similar to other conditionally permitted uses in the Industrial M-1 and M-2 zone, the use is consistent with the zoning and Industrial land use designation.

The Industrial Land Use Category of the Gardena General Plan is designed to allow for a variety of clean and environmentally friendly industries. The applicant proposes to provide a service to the City and community but also proposes to enhance an existing underutilized lot in the M-1 zone. Allowing the operation of the towing service will be consistent with various goals and policies of the General Plan including the following:

- <u>LU Goal 2</u>: Develop and preserve high quality commercial centers and clean industrial uses that benefit the City's tax base, create jobs and provide a full range of services to the residents and businesses.
- <u>LU Goal 3</u>: Provide high quality, attractive and well-maintained commercial, industrial, and public environments that enhance the image and vitality of the City.
- <u>Land Use Policy 3.8</u>: Require all outdoor storage to be concealed from view from the public right of ways and adjoining land uses.
- <u>DS Goal 7:</u> Utilize extensive landscaping to beautify Gardena's streets and sidewalks.

Subject to the approval of the conditional use permit and the issuance of the conditions of approval, the proposed use will be consistent with the General Plan and Gardena Municipal Code, compatible with the surrounding area, and will not be detrimental to the public health, safety, or welfare.

#### **ENVIRONMENTAL IMPLICATIONS**

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Guideline Section 15303, which exempts up to four small structures not exceeding 10,000 square feet in floor area. The use of vehicle storage and office does not involve the use of significant amounts of hazardous substances, and the surrounding area is not environmentally sensitive.

The proposed project is not subject to any of the exceptions to the exemptions under Section 15300.2 of the California Environmental Quality Act. The location of the project is predominantly urban and not considered a sensitive environment; therefore, the project will not result in any significant impacts that may otherwise occur in a sensitive environmental area. The cumulative impact of this project, and the approval of other projects like it in the vicinity, is not expected to have any significant environmental impact. Significant impacts would generally be studied during the initial construction of the use. The project is not located along any state designated scenic highway nor within any designated hazardous waste site. The applicant will be demolishing all existing structures to construct a new 4,400 square-foot building. None of the existing structures are considered a significant historical structure by any governmental body.

Therefore, the proposed project is categorically exempt from CEQA.

#### RECOMMENDATION

Staff recommends the Planning and Environmental Quality Commission:

- 1) Open the public hearing;
- 2) Receive testimony from the public; and

RESO NO. PC 8-21; CUP #4-21 July 6, 2021 Page 8 of 8

3) Adopt Resolution No. PC 8-21 approving Conditional Use Permit #4-21 subject to the attached Conditions of Approval (Exhibit A) and directing staff to file a Notice of Exemption.

#### **ATTACHMENTS**

Resolution No. PC 8-21

Exhibit A: Conditions of Approval Exhibit B: Architectural Plans

#### **RESOLUTION NO. PC 8-21**

A RESOLUTION OF THE PLANNING AND ENVIRONMENTAL QUALITY COMMISSION OF THE CITY OF GARDENA, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT #4-21 TO ALLOW THE STORAGE OF AUTOMOBILES AND A TOWING COMPANY USE IN THE INDUSTRIAL (M-1) ZONE AND DIRECT STAFF TO FILE A NOTICE OF EXEMPTION.

(1638 WEST 130<sup>TH</sup> STREET) (APN: 6102-006-017)

THE PLANNING COMMISSION OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

#### SECTION 1. RECITALS.

- A. On May 26, 2021, the applicant, U.S. Tow, submitted an application for a conditional use permit to allow the storage of automobiles and a towing company use in the M-1 zone;
- B. The General Plan land use designation is Industrial and the project site zoning is Industrial (M-1);
- C. The subject property is bounded by general industrial uses to the south, west, and east and West 130<sup>th</sup> Street to the north;
- D. On June 25, 2021, a public hearing was duly noticed for the Planning and Environmental Quality Commission meeting for July 6, 2021, at 7:00 PM at City Hall Council Chambers, 100 West 162<sup>nd</sup> Street, Gardena; [Zoom, not City Hall]
- E. On July 6, 2021, the Planning and Environmental Quality Commission held the public hearing at which time it considered all material and evidence, whether written or oral;
- F. In making the various findings set forth herein, the Planning and Environmental Quality Commission has considered all of the evidence presented by staff, the applicant, and the public, whether written or oral, and has considered the procedures and the standards required by the Gardena Municipal Code. The record of these proceedings can be found at the Community Development Department, Room 101, 1700 West 162<sup>nd</sup> Street, Gardena, California. The Community Development Director is the custodian of such record.

#### SECTION 2. CONDITIONAL USE PERMIT

Conditional Use Permit #4-21 to allow the outdoor storage of automobiles and to allow a towing company in the Industrial (M-1) zone as shown on the submitted plans, is hereby approved based on the following findings and subject to the conditions attached hereto as Exhibit A.

1. That the uses applied for at the location set forth in the application are proper for a conditional use permit authorized by this chapter;

The towing company use is not specifically listed in the Gardena Municipal Code (GMC).

Section 18.42.040.A allows the Community Development Director (Director) to determine if unlisted uses are permitted, subject to a conditional use permit or other entitlement, on the basis that it is similar to those uses that are permitted within the zone.

In 2019, the Director determined that towing and automobile storage is similar to ambulance services, automobile repair facilities, contractors' businesses, and recreational vehicle storage facilities. As these facilities are all conditionally permitted, the Director determined that the storage of tow trucks and towed vehicles may be allowed subject to the approval of a conditional use permit. Thus, the application for a conditional use permit is deemed appropriate, and if approved, will authorize the applicant to store automobiles at the subject location.

2. That such use is necessary or desirable for the development of the community and is compatible with the surrounding uses, is in harmony with the general plan, is not detrimental to the surrounding properties, existing uses, or to uses specifically permitted in the zone in which the proposed use is to be located, and will not be detrimental to the public health, safety, or welfare;

The General Plan designates the subject property as Industrial, which covers a wide variety of land uses and is implemented by the Industrial (M-1) and General Industrial (M-2) zones. As the storage of automobiles would be similar to other conditionally permitted uses in the M-1 zone, the use is consistent with the zoning and Industrial land use designation.

The Industrial Land Use Category of the Gardena General Plan is designed to allow for a variety of clean and environmentally friendly industries. The project will provide a service to the city and community and will also enhance an existing underutilized lot in the M-1 zone. Allowing the operation of the towing service use will be consistent with various goals and policies of the General Plan including the following:

- <u>LU Goal 2</u>: Develop and preserve high quality commercial centers and clean industrial uses that benefit the City's tax base, create jobs and provide a full range of services to the residents and businesses.
- <u>LU Goal 3</u>: Provide high quality, attractive and well-maintained commercial, industrial, and public environments that enhance the image and vitality of the City.
- <u>Land Use Policy 3.8</u>: Require all outdoor storage to be concealed from view from the public right of ways and adjoining land uses.
- DS Goal 7: Utilize extensive landscaping to beautify Gardena's streets and sidewalks.

Subject to the approval of the conditional use permit and the issuance of the conditions of approval, the use will be consistent with the General Plan and Gardena Municipal Code, compatible with the surrounding area, and will not be detrimental to the public health, safety, or welfare.

3. That the site for the intended use is adequate in size and shape to accommodate such use and all of the yards, setbacks, walls, fences, landscaping, and other features required in order to adjust such use to those existing or permitted future uses on land in the neighborhood;

The project includes the construction of 4,400 square foot building, with new landscaping driveways gates and perimeter walls. The property is designed to meet all applicable

RESO NO. PC 8-21; CUP #4-21 July 6, 2021 Page 3 of 4

Municipal Code standards. Therefore, the site is considered adequate in size and shape to accommodate such use.

4. That the site for the proposed use relates to streets and highways properly designed and improved so as to carry the type of quantity of traffic generated or to be generated by the proposed use;

Pedestrian access to the subject property is provided by the sidewalk along West 130<sup>th</sup> Street. Vehicle access is provided via a two-way driveway on West 130<sup>th</sup> Street. Seven patron parking spaces are provided with direct access to the office entry.

The Circulation Plan, of the Gardena General Plan, designates this part of West 130<sup>th</sup> Street as a collector roadway. These roadways are intended to move traffic from local roadways to secondary roadways and have access to all types of land uses. Additionally, the proposed towing service business is not located on any designated truck routes as describes in the Circulation Plan. The applicant's request to operate a towing service and vehicle storage is not expected to increase traffic beyond what is already experienced; therefore, West 130<sup>th</sup> Street is considered properly designed to carry the type and quantity of traffic generated by the use.

5. That the conditions stated in the decisions are deemed necessary to protect the public health, safety, and general welfare.

The conditions of approval for Conditional Use Permit 4-21, will ensure that the storage of automobiles will be compatible with, and not detrimental to, the surrounding uses in the vicinity.

#### SECTION 3. CALIFORNIA ENVIROMENTAL QUALITY ACT FINDINGS.

- 1. The project is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to the following exemption:
  - a. Guidelines Section 15303, Construction of Small Structures this exemption exempts up to four small structures not exceeding 10,000 square feet in floor area. The use of vehicle storage and office does not involve the use of significant amounts of hazardous substances, and the surrounding area is not environmentally sensitive.
- 2. The project is not subject to any of the exceptions to the exemptions under California Environmental Quality Act (CEQA) Guidelines Section 15300.2, as the location of the project is predominantly urban and not considered a sensitive environment; therefore, the project will not result in any significant impacts that may otherwise occur in a sensitive environmental area. The cumulative impact of this project, and the approval of other projects like it in the vicinity, is not expected to have any significant environmental impact. Significant impacts would generally be studied during the initial construction of the use. The project is not located along any state designated scenic highway nor within any designated hazardous waste site. The applicant will be demolishing all existing structures to construct a new 4,400 square-foot building. None of the existing structures are considered a significant historical structure by any governmental body.

RESO NO. PC 8-21; CUP #4-21 July 6, 2021 Page 4 of 4

3. Staff is hereby directed to file a Notice of Exemption.

PASSED, APPROVED, AND ADOPTED this 6th day of July, 2021.

STEPHEN LANGLEY, CHAIR
PLANNING AND ENVIRONMENTAL
QUALITY COMMISSION

ATTEST:

GREGG MCCLAIN, SECRETARY

PLANNING AND ENVIRONMENTAL QUALITY COMMISSION

STATE OF CALIFORNIA COUNTY OF LOS ANGELES CITY OF GARDENA

- I, Gregg McClain Planning and Environmental Quality Commission Secretary of the City of Gardena, do hereby certify the following:
  - 1. That a copy of this Resolution and the Conditions of Approval (Exhibit A) will be sent to the applicant and to the City Council as a report of the findings and action of the Planning and Environmental Quality Commission; and
  - 2. That the foregoing Resolution was duly adopted by the Planning and Environmental Quality Commission of the City of Gardena at a regular meeting thereof, held the 6th day of July, 2021, by the following vote of the Planning and Environmental Quality Commission:

AYES:

Pierce, Henderson, Sherman, Kanhan, Langley

NOES:

ABSENT:

#### Attachments:

Exhibit A: Conditions of Approval

• Exhibit B: Architectural Plans

#### **EXHIBIT A**

#### CITY OF GARDENA

#### **CONDITIONS OF APPROVAL FOR CONDITIONAL USE PERMIT #4-21**

#### **GENERAL CONDITIONS**

- GC 1. The applicant accepts all of the conditions of approval set forth in this document and shall sign the acknowledgement. A copy of the signed document shall be submitted to the Community Development Department prior to issuance of any construction permit.
- GC 2. Development of this site shall comply with the requirements and regulations of Title 15 (Building and Construction) and Title 18 (Zoning) of the Gardena Municipal Code.
- GC 3. The applicant shall comply with all written policies, resolutions, ordinances, and all applicable laws in effect at time of approval. The conditions of approval shall supersede all conflicting notations, specifications, and dimensions which may be shown on the project development plans.
- GC 4. The floor plan layout shall be in accordance with the plans approved by the Commission, as may be modified by these conditions of approval. The final completed project shall be in substantial compliance with the plans upon which the Commission based its decision, as modified by such decision.
- GC 5. The applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any claims, actions or proceedings, damages, costs (including without limitation attorneys' fees), injuries, or liabilities against the City or its agents, officers, or employees arising out of the City's approval of the Notice of Exemption and Conditional Use Permit. The City shall promptly notify the applicant of any claim, action, or proceeding and the City shall cooperate fully in the defense. If the City fails to promptly notify the applicant of any claim, action, or proceeding, or if the City fails to cooperate fully in the defense, the applicant shall not thereafter be responsible to defend, indemnify, or hold harmless the City. Although the applicant is the real party in interest in action, the City may, at its sole discretion, participate in the defense of any action with the attorneys of its own choosing, but such participation shall not relieve the applicant of any obligation under this condition, including the payment of attorneys' fees.

#### **CONDITIONAL USE PERMIT**

CUP1. Conditional Use Permit #4-21 shall be utilized within a period not to exceed 12 months from the date of approval, unless an extension is granted in accordance with Section 18.46.040 of the Gardena Municipal Code. Utilization shall mean the issuance of a building permit.

#### **PLANNING**

- PL1. The applicant shall ensure all impounded and towed vehicles are stored in the building or enclosed yard. The parking lot may be used for employee and customer parking only. Tow trucks are not permitted to be parked in this lot.
- PL2. The repair or maintenance of vehicles is strictly prohibited while a towing operation is being conducted on the property.
- PL3. The gates to the storage area shall adequately screen the contents of the storage area.
- PL4. All landscaping shall be maintained in a healthy and well-kept manner at all times. Dead or damaged landscape material/vegetation shall be replaced immediately per the approved landscape plan. The irrigation system shall be maintained at all times. Trees shall be permitted to grow to their maximum height.
- PL5. The applicant shall show compliance will the provisions of Chapter 14.08 of the Gardena Municipal Code and all current applicable State laws in regard to relocation assistance and payments to existing residential tenants to the Community Development Department before the issuance of demolition permits.
- PL6. All driveway gates shall have a minimum setback of 20-feet from the front property line.

#### **BUILDING & SAFETY**

- BS1. The Applicant shall comply with all current applicable City of Gardena Municipal Codes and Ordinances.
- BS2. The Applicant shall get permits for all work. All work shall comply with all applicable 2019 California Building Code Standards, as modified by the City of Gardena, and obtain all required permits from the Building Division. Including but not limited to 2019 CA Building Code, California Plumbing Code, California Mechanical Code, California Electrical Code, California Energy Code, and California Green Building Standards Code, as adopted.
- BS3. The Applicant shall comply with the 2020 Los Angeles County Fire Code and Fire Department requirements, as applicable.
- BS4. The building shall be fully sprinklered per National Fire Protection Association (NFPA) 13.
- BS5. The property shall be maintained in a clean and orderly condition at all times and remove any graffiti from the site within 24 hours of its discovery in matching colors to the existing improvements.
- BS6. The Applicant shall provide storm water management plan study prepared by a qualified engineer acceptable to the Building Official and the Engineering Division and develop the property in accordance with such plan.
- BS7. The Applicant shall demonstrate that coverage has been obtained under California's General Permit for Stormwater Discharges Associated with Construction Activity by

providing a copy of the Notice of Intent (NOI) submitted to the State Water Resources Control Board and a copy of the subsequent notification of the issuance of a Waste Discharge Identification (WDID) Number or other proof of filing shall be provided to the Chief Building Official and the City Engineer. Projects subject to this requirement shall prepare and implement a Storm Water Pollution Prevention Plan (SWPPP). A copy of the SWPPP shall be kept at the project site and be available for review on request. Best Management Practices shall be used during construction to prevent construction materials and soil from entering the storm drain.

- BS8. The Applicant shall submit a Final Priority WQMP to the Building Division for review and approval. This plan shall be in conformance with all current NPDES requirements. The WQMP must implement Low Impact Development (LID) principles such that projects infiltrate, harvest, re-use, evaporation, or bio-treat storm water runoff. Sheet flowing storm-water, without filtering, is no longer acceptable.
- BS9. The Applicant shall submit a site lighting plan, with photometrics, for review and approval by the Building Official and the Director of Community Development prior to the issuance of building permits. The plan shall ensure that all exterior lighting (i.e., parking areas, building areas, and entries) shall employ illumination in a manner that meets the approval of the Building Official and the Director of Community Development before building permits are issued. All light fixtures shall be designed and located in a manner that does not allow spillover onto adjacent properties. Additionally, the exterior lighting fixtures shall be architecturally consistent with the design of the building, as reviewed and approved by the Director of Community Development.
- BS10. The Applicant shall maintain a 26-foot minimum backup distance from the parking stalls. Driveway shall be maintained as a no parking zone and be marked with Fire Lane-No Parking signs.
- BS11. The address shall be posted on the building and on the curbs per CA Building and Fire codes.

#### **PUBLIC WORKS**

- PW1. All work in the public right of way shall be constructed in accordance with the Standard Plans and Standard Specifications for Public Works Construction, latest edition, and be designed and signed by a registered Civil Engineer or other applicable professional license engineer(s). This includes supplements thereto and City of Gardena Standard Drawings.
- PW2. Before undertaking any Encroachment/Excavation within the public right of way, the owner must first obtain the applicable permit from the Public Works Engineering Division.
- PW3. The project shall utilize the County's benchmarks and any controlling survey monumentation (property lines, tract lines, street centerline, etc.) which are at risk of being destroyed or disturbed during the course of the project must be preserved in

accordance with Section 8771(b) of the California Business and Professions Code (Professional Land Surveyors Act). Preconstruction field ties, along with the preparation and filling of the required Corner Records or Record of Survey with the County of Los Angeles, shall be accomplished by, or under the direction of, a licensed surveyor or civil engineer authorized to practice land surveying.

Copies of said records shall be furnished to the City Engineering for review and approval prior to issuance of any onsite or offsite construction permit. In addition, any monuments disturbed or destroyed by this project must be reset and post-construction Corner Records or Record of Survey filed with the County of Los Angeles. A copy of the recorded documents shall be submitted to the Engineering office for review and approval prior to issuance and/or finalizing any permits within the public right of way.

- PW4. Prior to issuance of permits, all public improvements (if any) shall be guaranteed to be installed by the execution of an Agreement for Public Improvements secured by sufficient bond sureties or cash, complete indemnification form, Certification of Insurance (General Liability, Auto & Workers Compensation) naming City of Gardena as additional insured, contractor State License and City Business License.
- PW5. All public improvements, studies, designs, plans, calculations and other requirements shall be installed, provided and supplied by the developer in accordance with City and State codes, policies and requirements at no cost to the City.
- PW6. The applicant shall remove and replace all curb, gutter, curb ramp, spandrel, driveway, traffic/street sign, red curb, and sidewalk fronting the project.
- PW7. Existing tree on the sidewalk can remain while 2 trees along the property line shall be removed. Street tree improvements to be coordinate with City Public Works Park's Superintendent (310-217-9657).
- PW8. The applicant is responsible for all applicable permit, plan check surety, sewer fees, and other incidental fees pertaining to the proposed project.

#### LOS ANGELES COUNTY FIRE DEPARTMENT

- FD1. The applicant shall submit the plans to the Los Angeles County Fire Department for approval and shall comply with all applicable Los Angeles County Fire Department requirements.
- FD2. The applicant shall ensure that vehicles are not stored in a manner as to block, encroach into or otherwise impede Fire Department Access.

| RESO NO. PC 8-21; CUP #4-21<br>July 6, 2021<br>Page 5 of 4   |  |
|--|--|
| U.S. Tow, certifies that it has read, understood, and agrees | to the Project Conditions listed herein. |
| U.S. Tow   | Date                                     |
| By   |  |

## US TOW GARAGE

1638 W 130TH ST, GARDENA, CA 90249

1 STORY WAREHOUSE / OFFICE W/ ASSOCIATED PARKING AND IMPOUNDED VEHICLE STORAGE

PROJECT AND SITE INFORMATION

1638 W 130TH ST, GARDENA, CA

M1 (INDUSTRIAL ZONE)

1.0 FAR (19,840 SF)

25' MAX PROPOSED

VEHICLE STORAGE WAREHOUSE, OFFICE W/ ASSOCIATED PARKING

FRONT (10' LANDSCAPED SETBACK) / REAR (NONE) / SIDE (NONE)

FRONT (10' LANDSCAPED SETBACK) / REAR (NONE) / SIDE (NONE)

AND ADDITIONAL OUTDOOR VEHICLE STORAGE

19,840 SF+/-

4,400 GSF

0.22 FAR

PROJECT ADDRESS:

LEGAL DESCRIPTION:

**ASSESSORS PARCEL NO.:** 

**ZONING INFORMATION** 

DEVELOPMENT PERMIT NO:

LOT AREA:

**BUILDING AREA:** 

ALLOWABLE FAR:

PROPOSED FAR:

**BUILDING HEIGHT:** 

PROPOSED USE:

SETBACKS (REQUIRED):

SETBACKS (PROVIDED):





LOS ANGELES, CA 90065 CONTACT: ANUJ DUA TEL. 310 402 4354

EMAIL: adua@spadarch.com

**AUTOMOBILE PARKING** 

WAREHOUSE

**TOTAL REQUIRED** 

VEHICLE STORAGE

TOTAL PROVIDED SPACES

OUTDOOR PROVIDED = 35 SPACES

(INCLUDES UP TO 25% COMPACT)

PARKING CALCULATIONS

REQUIREMENTS

(INCLUDES UP TO 25% COMPACT &1 VAN ACCESSIBLE SPACE)

(INCLUDES UP TO 25% COMPACT, AND DOUBLE/TRIPLE TANDEM)

INDOOR PROVIDED = 8 SPACES (FOR POLICE INSPECTION)

REQUIRED

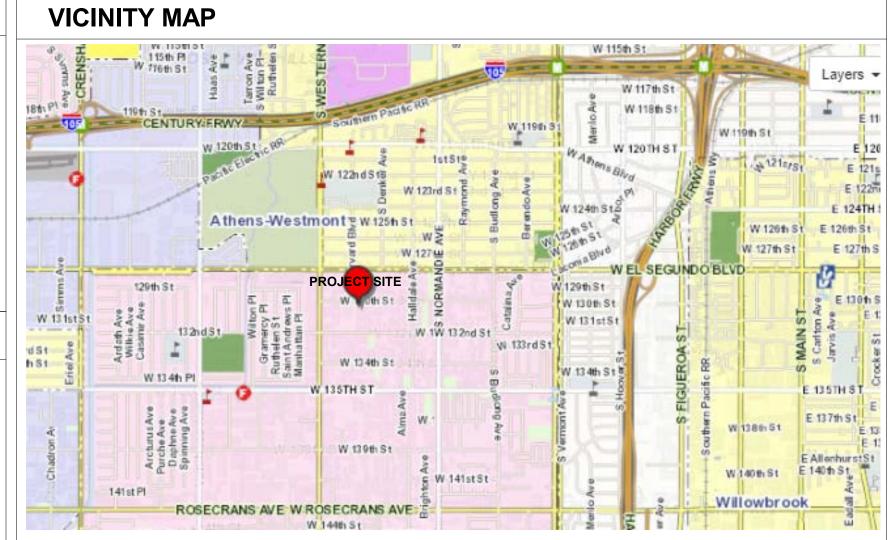
4 SPACES

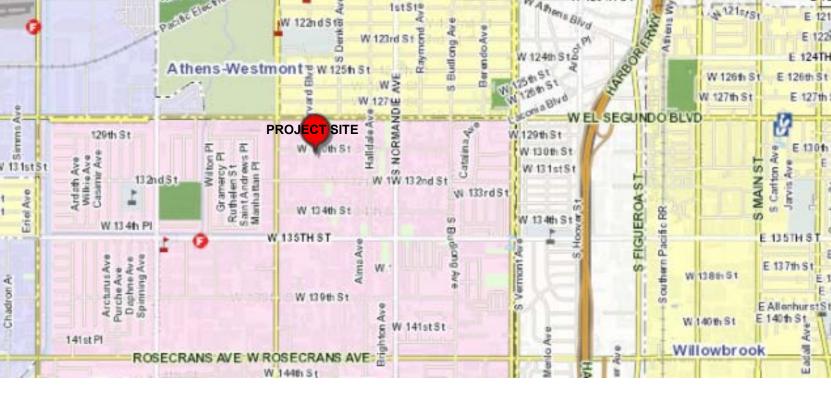
3 SPACES

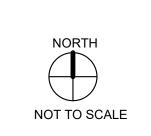
7 SPACES

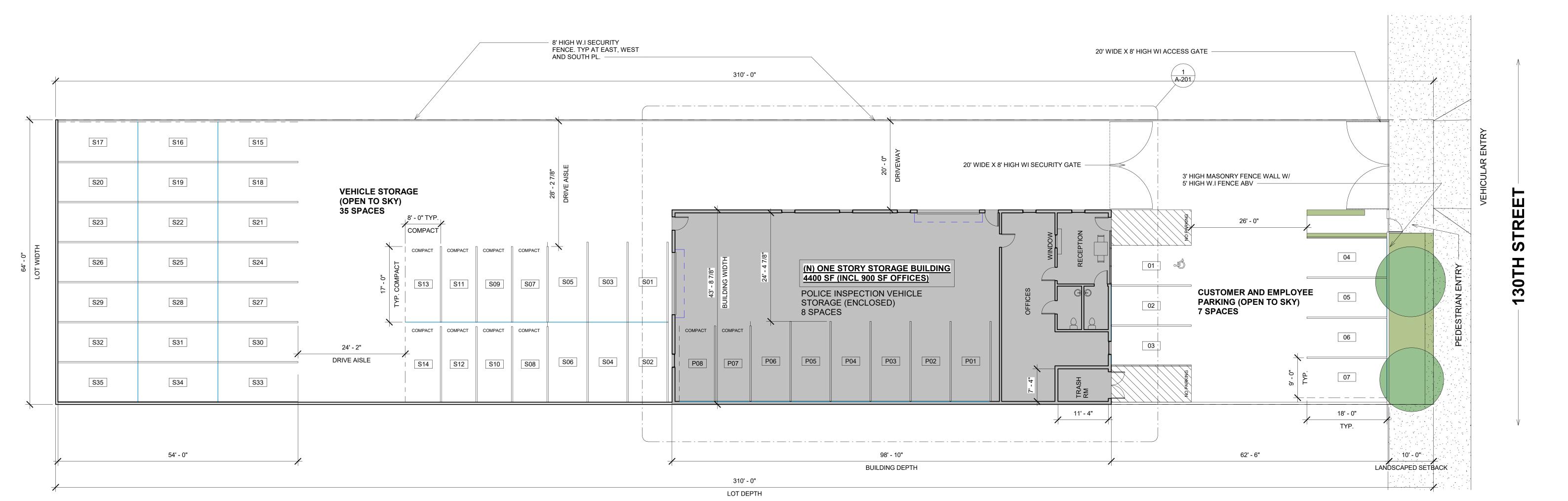
7 SPACES

1 SITE PLAN









PROJECT NUMBER 12-28-2020 CONCEPT DESIGN 6-24-2021 CITY PLANNING REVISIONS

12-28-2020

A-200

The enclosed drawings, specifications, and designs are the property of SPAD Architects. No part thereof shall be other than the specific project for which they have been developed without the written consent of SPAD Architects.

NOT FOR CONSTRUCTION

PROJECT NAME: US TOW STORAGE FACILITY

MR. RAJ DHILLON 1638 W 130TH ST,

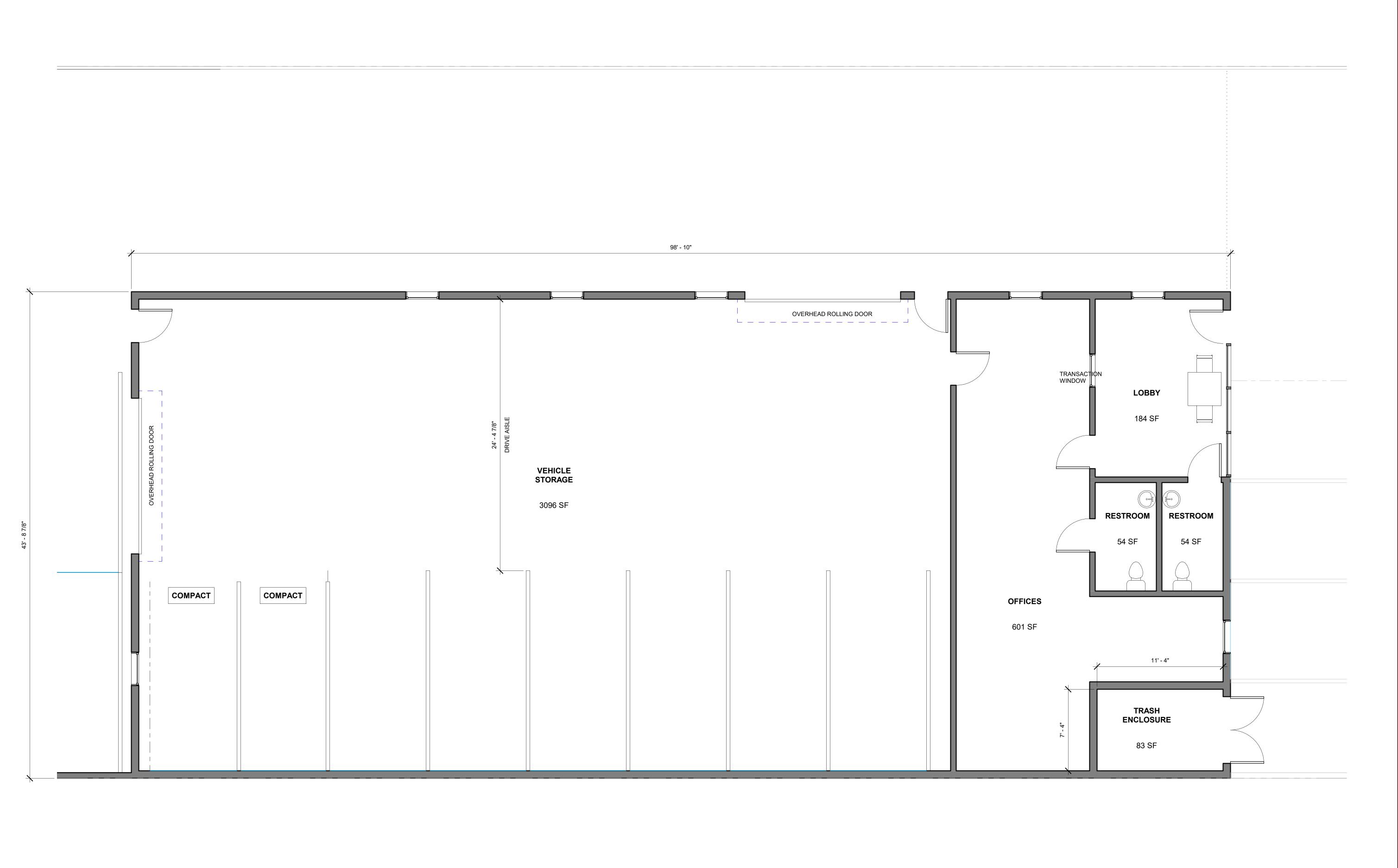
1638 W 130TH ST,

GARDENA, CA 90249

GARDENA, CA 90249

DRAWING TITLE: PROJECT SUMMARY, SITE

3/32" = 1'-0"





1050 LATIN WAY LOS ANGELES, CA 90065 T. 310.402.4354 www.spadarch.com CONTACT: Anuj Dua (adua@spadarch.com)

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Professional Seal:

NOT FOR CONSTRUCTION

PROJECT NAME:

US TOW STORAGE FACILITY 1638 W 130TH ST, GARDENA, CA 90249

CLIENT:
MR. RAJ DHILLON 1638 W 130TH ST, GARDENA, CA 90249

DRAWING TITLE: FIRST FLOOR PLAN

| PROJECT NUMBER |            | 2099                    |
|----------------|------------|-------------------------|
| No.            | Date       | Description             |
| <u>/1</u>      | 12-28-2020 | CONCEPT DESIGN          |
| $\angle 2$     | 6-24-2021  | CITY PLANNING REVISIONS |

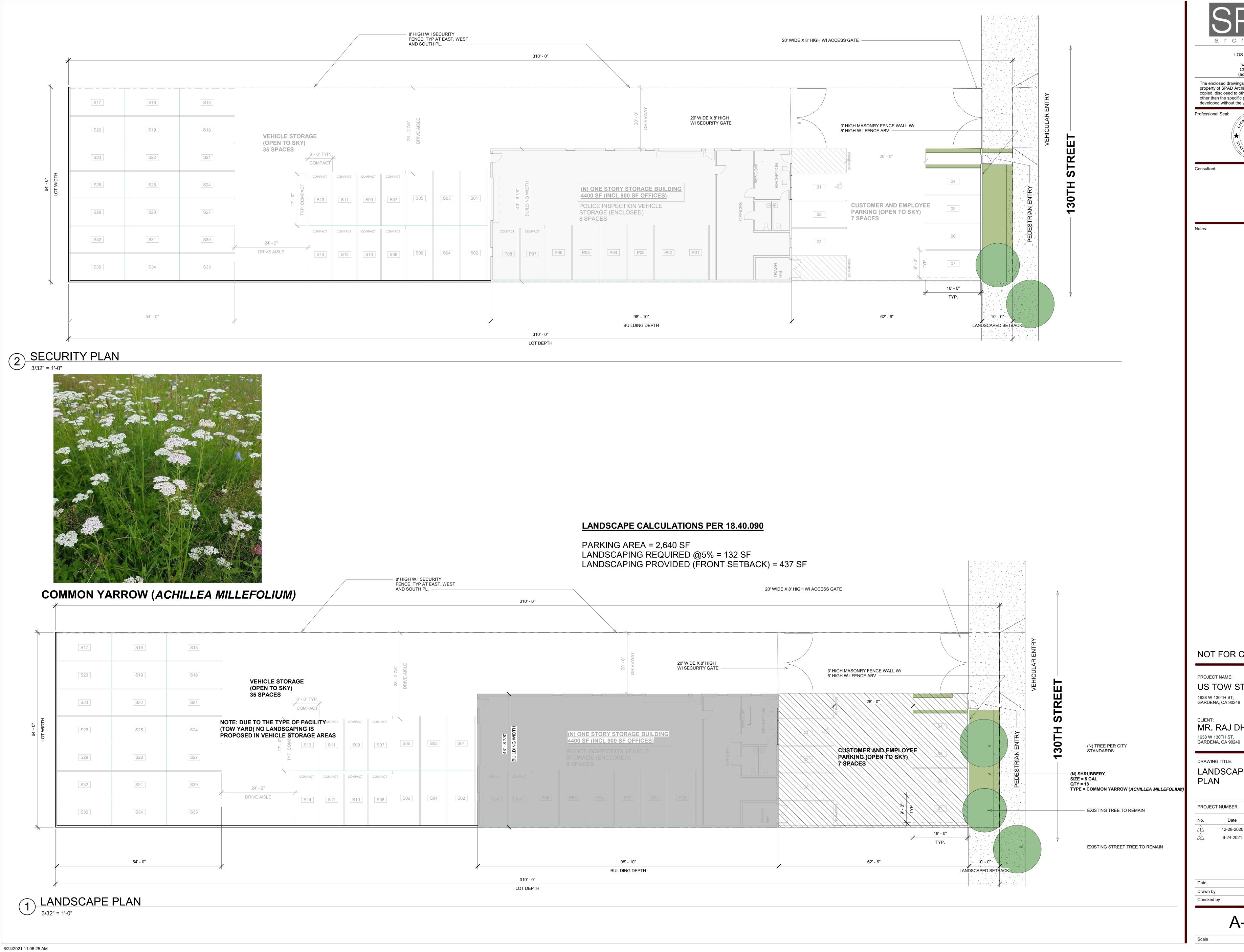
12-28-2020 Checked by

1/4" = 1'-0"

A-201

6/24/2021 11:06:22 AM

1 FIRST FLOOR PLAN
1/4" = 1'-0"





developed without the written consent of SPAD Architects. Professional Seal:

NOT FOR CONSTRUCTION

PROJECT NAME: US TOW STORAGE FACILITY

MR. RAJ DHILLON

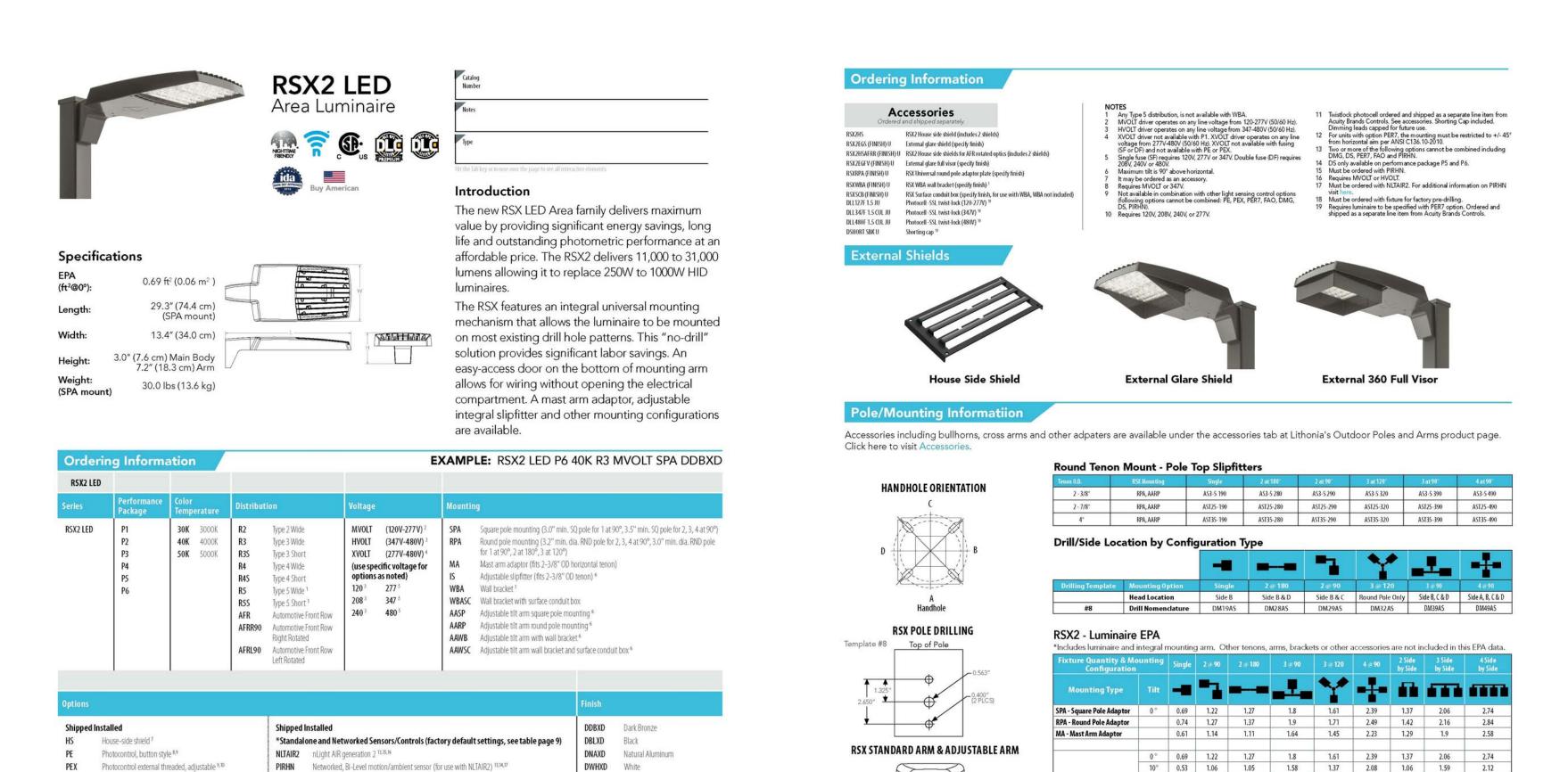
1638 W 130TH ST, GARDENA, CA 90249

DRAWING TITLE: LANDSCAPE PLAN, SECURITY PLAN

| PROJECT NUMBER |            | 2099                    |
|----------------|------------|-------------------------|
| No.            | Date       | Description             |
| <u>/1</u>      | 12-28-2020 | CONCEPT DESIGN          |
| $\angle 2$     | 6-24-2021  | CITY PLANNING REVISIONS |
|                |            |                         |

12-28-2020 Checked by

3/32" = 1'-0"



One Lithonia Way • Conyers, Georgia 30012 • Phone: 1-800-705-SERV (7378) • www.acuitybrands.com

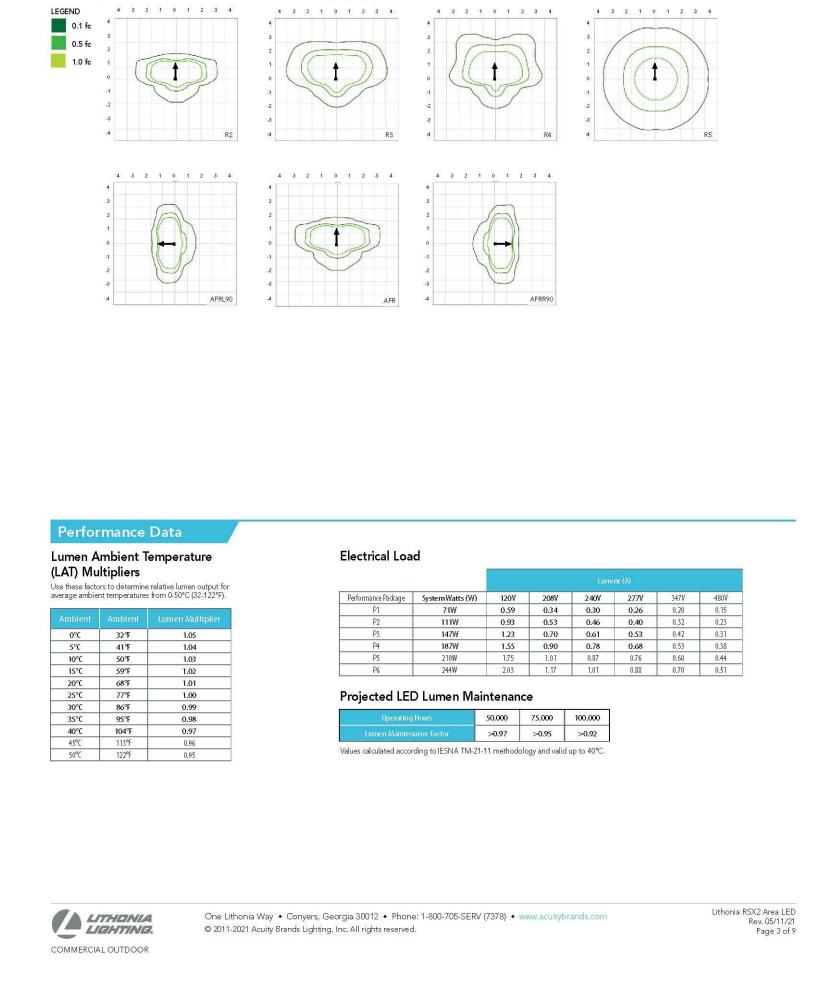
© 2011-2021 Acuity Brands Lighting, Inc. All rights reserved.

DDBTXD Textured Dark Bronze

DNATXD Textured Natural Aluminum

DBLBXD Textured Black

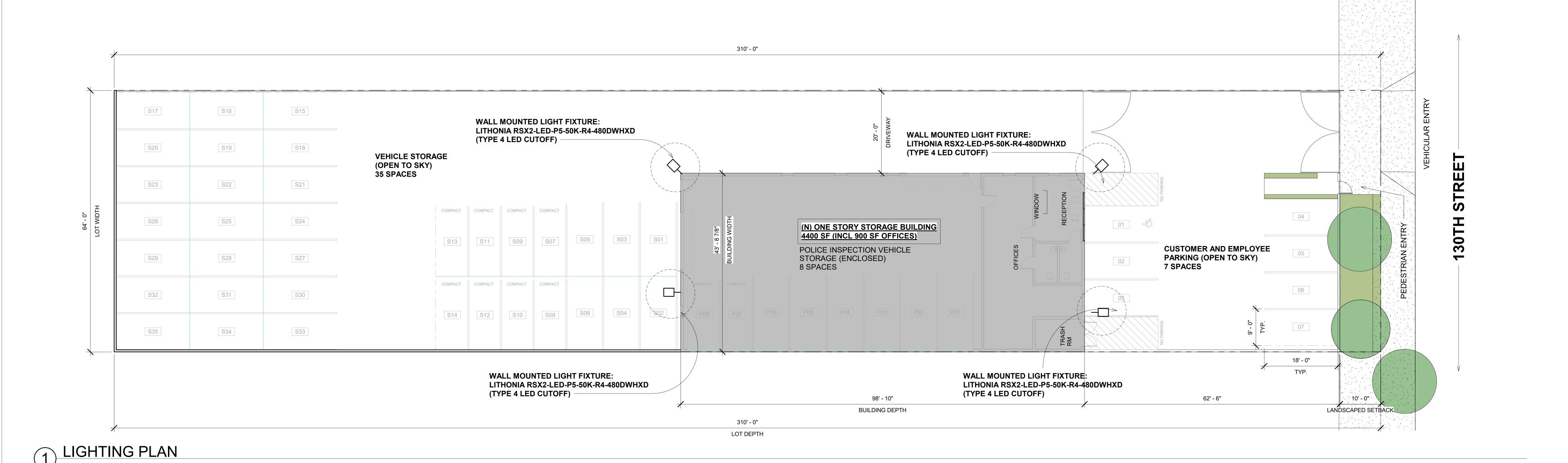
**DWHGXD** Textured White



Photometric Diagrams

To see complete photometric reports or download .ies files for this product, visit Lithonia Lighting's RSX Area homepage.

Isofootcandle plots for the RSX2 LED P6 40K. Distances are in units of mounting height (30').



1050 LATIN WAY

LOS ANGELES, CA 90065 T. 310.402.4354 www.spadarch.com CONTACT: Anuj Dua (adua@spadarch.com)

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Professional Seal:

Consultant:

NOT FOR CONSTRUCTION

PROJECT NAME: **US TOW STORAGE FACILITY** 1638 W 130TH ST, GARDENA, CA 90249

MR. RAJ DHILLON 1638 W 130TH ST, GARDENA, CA 90249

DRAWING TITLE: LIGHTING PLAN

| PROJE    | CT NUMBER  | 2099                    |
|----------|------------|-------------------------|
| No.      | Date       | Description             |
| <u></u>  | 12-28-2020 | CONCEPT DESIGN          |
| <u> </u> | 6-24-2021  | CITY PLANNING REVISIONS |
|          |            |                         |

12-28-2020 Drawn by Checked by Checker

A-203

PER7 Seven-wire twist-lock receptacle only (no controls)<sup>9,11,12,13</sup> BAA Buy America(n) Act Compliant

\*Note: PIRHN with nLight Air can be used as a standalone dimming sensor with out-of-box settings or as a wireless networked solution. See factory default settings table. Sensor coverage pattern is affected when luminaire is tilted.

Shipped Separately (requires some field assembly)

EGFV External glare full visor (360° around light aperture) 7

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EGS External glare shield 6

BS Bird spikes 18

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CE34 Conduit entry 3/4"NPT (Qty 2)

SF Single fuse (120, 277, 347) 5

**DF** Double fuse (208, 240, 480) <sup>5</sup>

DS Dual switching 9,14

COMMERCIAL OUTDOOR

SPD20KV 20KV Surge pack (10KV standard) FAO Field adjustable output 9,13

DMG 0-10V dimming extend out back of housing for external

control (control ordered separate) 9,1



FIRST FLOOR



1050 LATIN WAY
LOS ANGELES, CA 90065
T. 310.402.4354
www.spadarch.com
CONTACT: Anuj Dua
(adua@spadarch.com)

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PROJECT NAME: US TOW STORAGE FACILITY 1638 W 130TH ST, GARDENA, CA 90249

MR. RAJ DHILLON 1638 W 130TH ST, GARDENA, CA 90249

DRAWING TITLE: **ELEVATIONS / RENDERING** 

| PROJECT NUMBER |            | 2099                    |
|----------------|------------|-------------------------|
| No.            | Date       | Description             |
| <u>/1</u>      | 12-28-2020 | CONCEPT DESIGN          |
| <u>/2</u>      | 6-24-2021  | CITY PLANNING REVISIONS |

12-28-2020 Drawn by Checked by

6/24/2021 11:06:34 AM

WEST ELEVATION NOTE: FENCE SHOWN TRANSPARENT FOR CLARITY

1/8" = 1'-0"

3 EAST ELEVATION

1/8" = 1'-0"

A-300 1/8" = 1'-0"

# JULY 6, 2021 PLANNING & ENVIRONMENTAL QUALITY COMMISSION

Conditional Use Permit #4-21

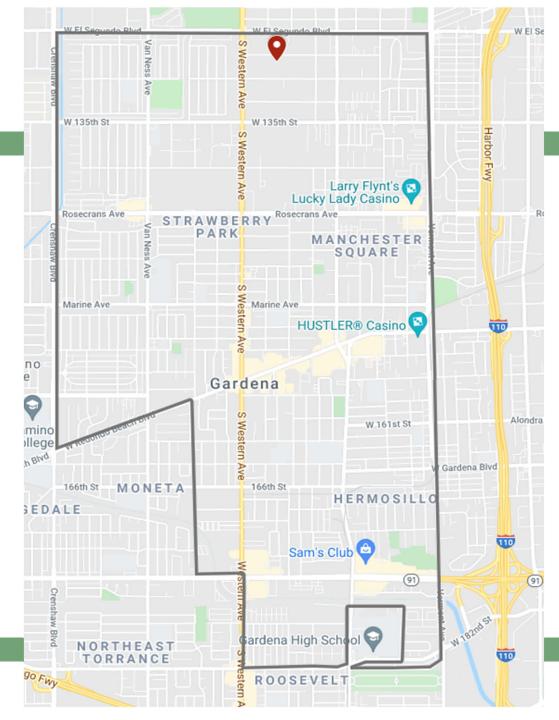
A request for a conditional use permit to allow a towing company and associated outdoor storage in the M-1 zone

1638 West 130th Street (APN: 6102-006-017)

Applicant: Raj Dhillon, U.S. Tow Inc.



## Vicinity Map





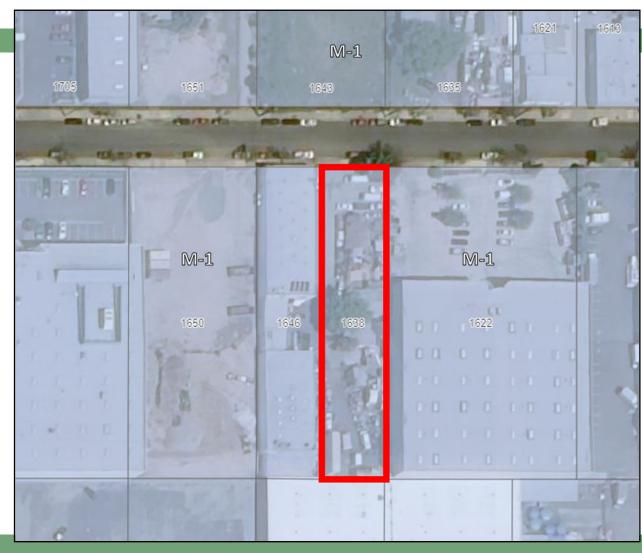


# **Zoning Map**

#### **Legend**

M-1 Zoning

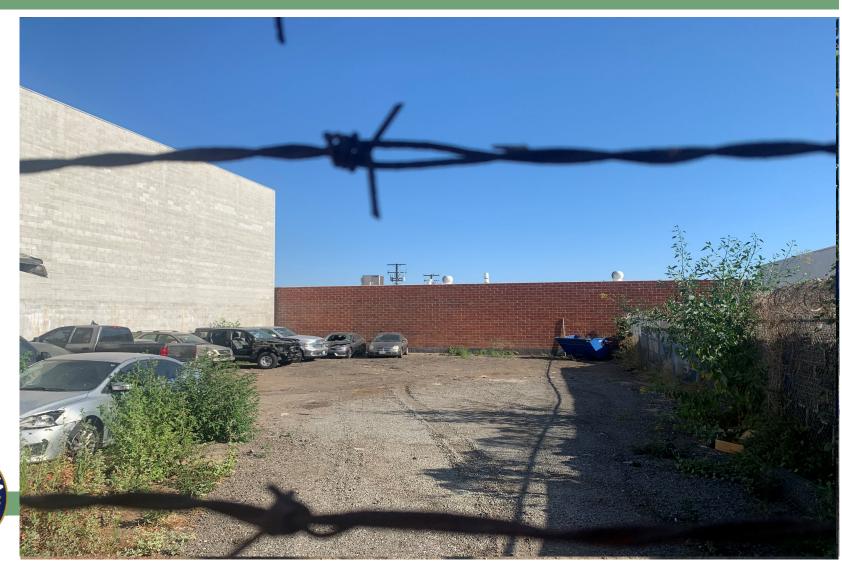
Project Site







## Site Photo





## Background

- 2019, the Gardena City Council awarded a franchise agreement for Cityrelated towing services to U.S. Tow Inc.
- On July 16, 2019, the Planning Commission approved U.S. Tow's request to operate towing company and associated automobile storage at 1600 West 139th Street.
- In November 2020, the location sustained fire damage.
- The applicant submitted a new application for a Conditional Use Permit for 1638 W 130<sup>th</sup> Street.



## **Project Description**

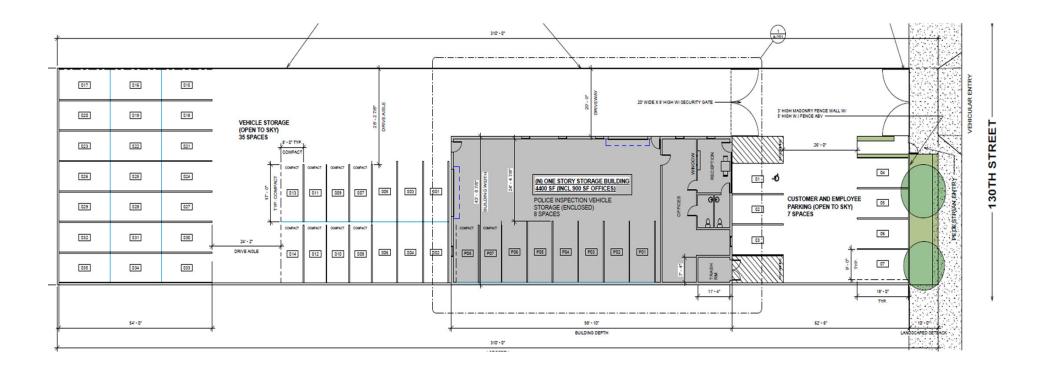
- A request to allow a towing company and associated outdoor storage in the Industrial (M-1) zone
  - □ A new 4,400 square foot warehouse building
  - □ 7 patron parking spaces
  - □ 35 Outdoor storage spaces
- □ Operations:
  - □ 24-hours everyday
  - □ Public Hours:
    - ☐ Monday Friday 8:00pm to 6:00 pm
    - □ Saturdays 8:00am to 5:00pm
    - □ Sundays 9:00am to 1:00pm



# Renderings

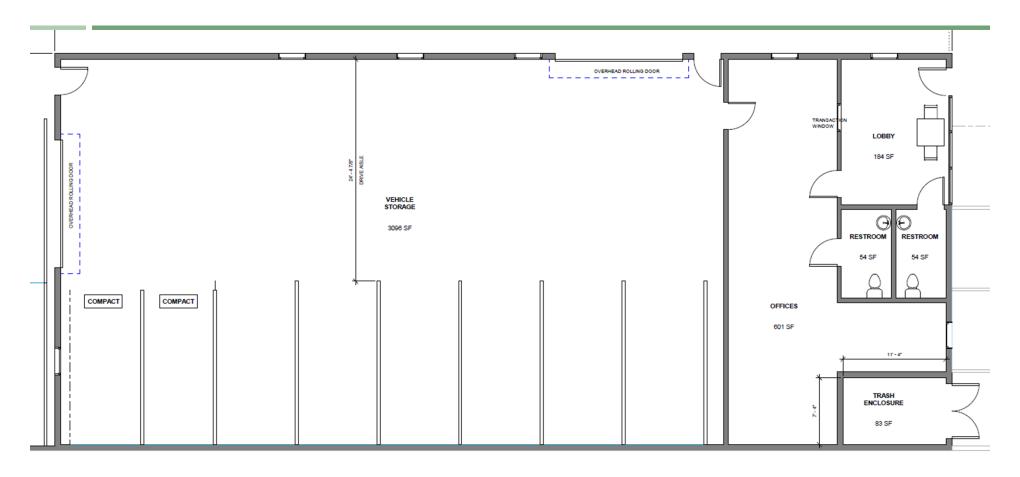


## Site Plan





## Floor Plan





## Analysis: Conditional Use Permit

GMC Section 18.42.040A:

The Community Development Director may determine if an *unlisted* use is permitted, subject to a conditional use permit or other entitlement.

- In 2019, the Director determined towing and automobile storage is subject to a conditional use permit.
- The applicant's request for a conditional use permit is deemed proper.



# Analysis: Conditional Use Permit

| Development Standard Comparison |                           |                 |           |
|---------------------------------|---------------------------|-----------------|-----------|
| Standard                        | M-1 Zone                  | Project         | Compliant |
| Max. FAR                        | 1.0                       | 0.22            | Yes       |
| Max. Building                   | 65 ft.                    | 25              | Yes       |
| Height                          |                           |                 |           |
| Setbacks                        |                           |                 |           |
| Front                           | 10                        | 10              |           |
| Sides (West)                    | None                      | 20              | Yes       |
| Side (East)                     | None                      | 0               |           |
| Rear                            | None                      | 134             |           |
| Max. Fence Height               | 8 ft.                     | 8               | Yes       |
| Min. Parking                    |                           |                 |           |
| Warehouse                       | 4 spaces                  | 4               |           |
| 1 space/1,000 sf                |                           |                 |           |
|                                 |                           |                 | Yes       |
| Office                          |                           |                 |           |
| 1 space/300 sf                  | 3                         | 3               |           |
|                                 |                           |                 |           |
| TOTAL                           | 7                         | 7               |           |
| Refuse Area                     | Within Building Footprint | Within Building | Yes       |
|                                 | or Fully Screened         | Footprint       |           |
|                                 |                           |                 |           |



## Analysis

#### **General Plan Consistency**

Economic Development Plan Goal 1: "Promote a growing and diverse business community that provides jobs, goods, and services for the local and regional market, and maintains a sound tax base for the City. Encourage diversification of businesses to support the local economy and provide a stable revenue stream"



## **Environmental Considerations**

- The project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Guideline Sections:
  - □ Class 3 15303 New Construction of Small Structures
- Not subject to any of the exceptions to the exemptions.



## **Public Noticing**

- □ On June 24, 2021:
  - Advertised in the Gardena Valley News
  - Mailed to owners and occupants within a 300'
- No public comments received



## STAFF RECOMMENDATION

- Open the public hearing;
- Receive testimony from the public; and
- Adopt Resolution No. PC 8-21, approving Conditional Use Permit #4-21 subject to the conditions of approval and directing staff to file a Notice of Exemption



#### **RESOLUTION NO. 6527**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, UPHOLDING THE PLANNING AND ENVIRONMENTAL QUALITY COMMISSION'S DECISION AND APPROVING CONDITIONAL USE PERMIT #4-21 TO ALLOW A TOWING COMPANY AND ASSOCIATED OUTDOOR STORAGE IN THE INDUSTRIAL (M-1) ZONE AND DIRECT STAFF TO FILE A NOTICE OF EXEMPTION

(1638 WEST 130 STREET) (APN # 6113-002-018)

**WHEREAS,** on May 26, 2021, the applicant, U.S. Tow, submitted an application for a conditional use permit to allow a towing company and associated outdoor storage use for the property located at 1638 West 130<sup>th</sup> Street; and

**WHEREAS**, the General Plan land use designation is Industrial and the project site zoning is Industrial (M-1);

**WHEREAS**, the subject property is bounded by general industrial uses to the south, west, and east and West 130<sup>th</sup> Street to the north;

**WHEREAS,** on June 25, 2021, a public hearing was duly noticed for the Planning and Environmental Quality Commission meeting for July 6, 2021, at 7:00 PM at City Hall Council Chambers, 100 West 162<sup>nd</sup> Street, Gardena;

**WHEREAS**, on July 6, 2021, the Planning and Environmental Quality Commission held the public hearing at which time it considered all material and evidence, whether written or oral, after which it adopted Resolution No. PC 8-21 approving the conditional use permit and directed staff to file a notice of exemption; and

**WHEREAS,** on July 13, 2021, Council Member Francis timely called for review of the project; and

**WHEREAS**, on July 29, 2021, a public hearing was duly noticed for the City Council meeting of August 10, 2021, at which time it held a public hearing; and

**WHEREAS,** in making the various findings set forth herein, the City Council has considered all of the evidence presented by staff, the applicant, and the public, whether written or oral, and has considered the procedures and the standards required by the Gardena Municipal Code. The record of these proceedings can be found at the Community Development Department, Room 101, 1700 West 162<sup>nd</sup> Street, Gardena, California. The Director of Community Development is the custodian of such record.

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

#### SECTION 1. CONDITIONAL USE PERMIT

Conditional Use Permit #4-21 to allow a towing company and associated outdoor storage use in the Industrial (M-1) zone as shown on the submitted plans (Exhibit B), is hereby approved based on the following findings and subject to the conditions attached hereto as Exhibit A:

A. That the use applied for at the location set forth in the application is properly one for which a conditional use permit is authorized by this chapter;

The towing company use is not specifically listed in the Gardena Municipal Code (GMC). Section 18.42.040.A allows the Community Development Director (Director) to determine if unlisted uses are permitted, subject to a conditional use permit or other entitlement, on the basis that it is similar to those uses that are permitted within the zone.

In 2019, the Director determined that towing and automobile storage is similar to ambulance services, automobile repair facilities, contractors' businesses, and recreational vehicle storage facilities. As these facilities are all conditionally permitted, the Director determined that the storage of tow trucks and towed vehicles may be allowed subject to the approval of a conditional use permit. Thus, the application for a conditional use permit is deemed appropriate, and if approved, will authorize the applicant to store automobiles at the subject location.

B. That such use is necessary or desirable for the development of the community and is compatible with the surrounding uses, is in harmony with the general plan, is not detrimental to the surrounding properties, existing uses, or to uses specifically permitted in the zone in which the proposed use is to be located, and will not be detrimental to the public health, safety, or welfare;

The General Plan designates the subject property as Industrial, which covers a wide variety of land uses and is implemented by the Industrial (M-1) and General Industrial (M-2) zones. As the storage of automobiles would be similar to other conditionally permitted uses in the M-1 zone, the use is consistent with the zoning and Industrial land use designation.

The Industrial Land Use Category of the Gardena General Plan is designed to allow for a variety of clean and environmentally friendly industries. The project will provide a service to the city and community and will also enhance an existing underutilized lot in the M-1 zone. Allowing the operation of the towing service use will be consistent with various goals and policies of the General Plan including the following:

• LU Goal 2: Develop and preserve high quality commercial centers and clean industrial uses that benefit the City's tax base, create jobs and provide a full range of services to the residents and businesses.

- LU Goal 3: Provide high quality, attractive and well-maintained commercial, industrial, and public environments that enhance the image and vitality of the City.
- Land Use Policy 3.8: Require all outdoor storage to be concealed from view from the public right of ways and adjoining land uses.
- DS Goal 7: Utilize extensive landscaping to beautify Gardena's streets and sidewalks.

Subject to the approval of the conditional use permit and the issuance of the conditions of approval, the use will be consistent with the General Plan and Gardena Municipal Code, compatible with the surrounding area, and will not be detrimental to the public health, safety, or welfare.

C. That the site for the intended use is adequate in size and shape to accommodate such use and all of the yards, setbacks, walls, fences, landscaping, and other features required in order to adjust such use to those existing or permitted future uses on land in the neighborhood;

The project includes the construction of 4,400 square foot building, with new landscaping driveways gates and perimeter walls. The property is designed to meet all applicable Municipal Code standards. Therefore, the site is adequate in size and shape to accommodate such use.

D. That the site for the proposed use relates to streets and highways properly designed and improved so as to carry the type of quantity of traffic generated or to be generated by the proposed use;

Pedestrian access to the subject property is provided by the sidewalk along West 130th Street. Vehicle access is provided via a two-way driveway on West 130th Street. Seven patron parking spaces are provided with direct access to the office entry.

The Circulation Plan of the Gardena General Plan designates this part of West 130th Street as a collector roadway. These roadways are intended to move traffic from local roadways to secondary roadways and have access to all types of land uses. Additionally, the proposed towing service business is not located on any designated truck routes as described in the Circulation Plan. The applicant's request to operate a towing service and vehicle storage is not expected to increase traffic beyond what is already experienced or for which the street was designed; therefore, West 130th Street is considered properly designed to carry the type and quantity of traffic generated by the use.

E. That the conditions stated in the decisions are deemed necessary to protect the public health, safety, and general welfare.

The conditions of approval for Conditional Use Permit 4-21, will ensure that the storage of automobiles will be compatible with, and not detrimental to, the surrounding uses in the vicinity.

#### SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT

- A. The project is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Guidelines Section 15303, Construction of Small Structures this exemption exempts up to four small structures not exceeding 10,000 square feet in floor area. The use of vehicle storage and office does not involve the use of significant amounts of hazardous substances, and the surrounding area is not environmentally sensitive.
- **B**. The project is not subject to any of the exceptions to the exemptions under California Environmental Quality Act (CEQA) Guidelines Section 15300.2, as the location of the project is predominantly urban and not considered a sensitive environment; therefore, the project will not result in any significant impacts that may otherwise occur in a sensitive environmental area. The cumulative impact of this project, and the approval of other projects like it in the vicinity, is not expected to have any significant environmental impact. Significant impacts would generally be studied during the initial construction of the use. The project is not located along any state designated scenic highway nor within any designated hazardous waste site. The applicant will be demolishing all existing structures to construct a new 4,400 square-foot building. None of the existing structures are considered a significant historical structure by any governmental body.
- C. Staff is hereby directed to file a Notice of Exemption.

**SECTION 3.** Certification. The City Clerk shall certify the passage of this resolution.

**SECTION 4.** Effective Date. This Resolution shall be effective immediately.

Passed, approved, and adopted this 10th day of August, 2021.

| ERDA, Mayor |
|-------------|
|             |
|             |
|             |
|             |
|             |
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Exhibit A: Conditions of Approval Exhibit B: Architectural Plans

Agenda Item No. 18.A Section: COUNCIL ITEMS Meeting Date: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF THE GARDENA CITY COUNCIL

AGENDA TITLE: DESIGNATION OF VOTING DELEGATE / REPRESENTATIVE FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE & EXPO - SEPTEMBER 22-24, 2021

#### **COUNCIL ACTION REQUIRED:**

Staff Recommendation: Designate Voting Delegate

#### **RECOMMENDATION AND STAFF SUMMARY:**

Staff respectfully recommends that the City Council designate a member of the City Council to serve as the City of Gardena's Voting Delegate during the September 22-24, 2021, League of California Cities Annual Conference and Expo.

Consistent with League bylaws, a city's voting delegate must be designated by its City Council.

As Gardena's Delegate to the Los Angeles County League of California Cities, Mayor Pro Tem Rodney G. Tanaka is available to attend and represent the City of Gardena at the Annual Conference and Expo, and will be available to serve in this capacity. In the event that Mayor Pro Tem Tanaka cannot attend, Council Member Art Kaskanian, the Alternate to the Los Angeles County League of California Cities, can attend and represent the City of Gardena. Therefore, Staff recommends that the City Council designate Mayor Pro Tem Tanaka to represent the City of Gardena as its official Voting Delegate and Council Member Kaskanian as the official Voting Delegate - Alternate during the League's Annual Conference and Expo in September.

Council Action regarding selection of Voting Delegate is advised by August 31, 2020. The Selection information, attested by the City Clerk, will be submitted to the League of California Cities Office by the required 2021 deadline.

#### FINANCIAL IMPACT/COST:

N/A

#### **ATTACHMENTS:**

League of CA Cities -Voting Delegate Packet.pdf

APPROVED:

Clint Osorio, City Manager

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#### Council Action Advised by August 31, 2021

June 16, 2021

**TO:** City Managers and City Clerks

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES

League of California Cities Annual Conference & Expo – September 22-24, 2021

Cal Cities 2021 Annual Conference & Expo is scheduled for September 22-24, 2021 in Sacramento. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly) on Friday, September 24. 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 Wednesday, September 15. This will allow us time to establish voting delegate/alternate records prior to the conference.

**Please note:** Our number one priority will continue to be the health and safety of participants. We are working closely with the Sacramento Convention Center to ensure that important protocols and cleaning procedures continue, and if necessary, are strengthened. Attendees can anticipate updates as the conference approaches.

- 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 mid-June at <a href="https://www.cacities.org">www.cacities.org</a>. 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 Sacramento Convention Center, will be open at the following times: Wednesday, September 22, 8:00 a.m. – 6:00 p.m.; Thursday, September 23, 7:00 a.m. – 4:00 p.m.; and Friday, September 24, 7:30 a.m. – 11:30 a.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 the League's office by Wednesday, September 15. If you have questions, please call Darla Yacub at (916) 658-8254.

#### Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form



| CITY: |  |
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### 2021 ANNUAL CONFERENCE VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to Cal Cities office by Wednesday, <u>September 15, 2021.</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.

| 1. VOTING DELEGATE  |   |  |  |  |
|---|---|--|--|--|
| Name:   |   |  |  |  |
| Title:  |   |  |  |  |
| 2. VOTING DELEGATE - ALTERNATE  | 3. VOTING DELEGATE - ALTERNATE          |  |  |  |
| Name:   | Name:                                   |  |  |  |
| Title:  | Title:                                  |  |  |  |
| PLEASE ATTACH COUNCIL RESOLUTION DESIGNA  | ATING VOTING DELEGATE AND ALTERNATES OR |  |  |  |
| ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s). |   |  |  |  |
| Name:   | Email                                   |  |  |  |
| Mayor or City Clerk   | Date Phone                              |  |  |  |

#### Please complete and return by Wednesday, September 15, 2021 to:

Darla Yacub, Assistant to the Administrative Services Director

E-mail: dyacub@cacities.org Phone: (916) 658-8254



#### **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.