

# CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting  
Wednesday, July 17, 2019  
2:00 p.m.

Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637

Cynthia Connors  
Mayor

Noel Hatch  
Mayor Pro Tem

Shari L. Horne  
Councilmember



Carol Moore  
Councilmember

Joe Rainey  
Councilmember

***Welcome to a meeting of the Laguna Woods City Council!***

***This meeting may be recorded, televised, and made publicly available.***

**Public Comments:** Persons wishing to address the City Council are requested to complete and submit a speaker card to City staff. Speaker cards are available near the entrance to the meeting location. Persons wishing to address the City Council on an item appearing on this agenda will be called upon at the appropriate time during the item's consideration. Persons wishing to address the City Council on an item *not* appearing on the agenda will be called upon during the "Public Comments" item. Persons who do not wish to submit a Speaker Card, or who wish to remain anonymous, may indicate their desire to speak from the floor. Speakers are requested, but not required, to identify themselves.

**Americans with Disabilities Act (ADA):** It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council meets regularly on the third Wednesday of each month at 2 p.m.

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AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 17-30, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City’s website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

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FOR ADDITIONAL INFORMATION

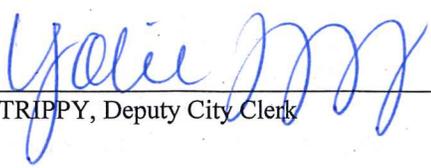
For additional information, please contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535, [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or 24264 El Toro Road, Laguna Woods, California 92637.

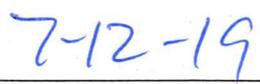
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AFFIDAVIT OF POSTING

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS    )

I, Yolie Trippy, Deputy City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 17-30, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.

  
\_\_\_\_\_  
YOLIE TRIPPY, Deputy City Clerk

  
\_\_\_\_\_  
Date

**I. CALL TO ORDER**

**II. ROLL CALL**

**III. PLEDGE OF ALLEGIANCE**

**IV. PRESENTATIONS AND CEREMONIAL MATTERS**

4.1 Wildfire Awareness and Prevention Season – Mid-Summer-Early Autumn 2019

*Recommendation:* Approve and present the proclamation.

4.2 Sticker Transponder Transition – Transportation Corridor Agencies

*Recommendation:* Receive and file.

**V. PUBLIC COMMENTS**

About Public Comments: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. Pursuant to State law, the City Council is unable to take action on such items, but may engage in brief discussion, provide direction to City staff, or schedule items for consideration at future meetings.

**VI. CONSENT CALENDAR**

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, City staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

6.1 City Treasurer’s Report

*Recommendation:* Receive and file the City Treasurer’s Report for the month of June 2019.

6.2 Warrant Register

*Recommendation:* Approve the warrant register dated July 17, 2019 in the amount of \$514,829.81.

6.3 Dog Park Relocation Project: Phase 1

*Recommendation:*

1. Approve final plans and specifications reflecting completion of the “Dog Park Relocation Project: Phase 1”, as-built.

AND

2. Accept project completion of the contract agreement with United States Fire Insurance Company for the “Dog Park Relocation Project: Phase 1”.

AND

3. Release contract retention in the amount of \$20,550.31 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

4. Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

6.4 Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction, and Dog Park Parking Lot Work

*Recommendation:*

1. Approve final plans and specifications reflecting completion of the “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction, and Dog Park Parking Lot Work”, as-built.

AND

2. Accept project completion of the contract agreement with Hardy & Harper, Inc. for the “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction, and Dog Park Parking Lot Work”.

AND

3. Release contract retention in the amount of \$12,236.90 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

4. Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

6.5 Acting City Attorney Appointment

*Recommendation:* Appoint Alisha Patterson to serve as Acting City Attorney from August 11, 2019 through September 2, 2019.

**VII. PUBLIC HEARINGS**

- 7.1 Conditional Use Permit CUP-1384 to allow for the establishment of an administrative/professional office use with a gross floor area of more than 3,000 square feet at 24268 El Toro Road, Laguna Woods, CA 92637

*Recommendation:*

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1384 TO ALLOW FOR THE ESTABLISHMENT OF AN ADMINISTRATIVE/ PROFESSIONAL OFFICE USE WITH A GROSS FLOOR AREA OF MORE THAN 3,000 SQUARE FEET AT 24268 EL TORO ROAD, LAGUNA WOODS, CA 92637

7.2 Notary Public Fees

*Recommendation:*

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Continue the public hearing to the regular meeting of the City Council on August 21, 2019 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

### 7.3 Aggressive Solicitation Regulations

*Recommendation:*

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING CHAPTER 7.22 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO AGGRESSIVE SOLICITATION

## **VIII. CITY COUNCIL BUSINESS**

### 8.1 California Public Utilities Commission Tariff Rule 20A Allocation *Recommendation:*

1. Approve a memorandum of understanding with the City of Newport Beach to transfer and assign the City of Laguna

Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of May 28, 2019 (\$34,959) to the City of Newport Beach for an acquisition price of \$19,227.45, and authorize the Mayor to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

AND

2. Authorize the City Manager to request that Southern California Edison transfer and assign the entire balance of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of May 28, 2019 to and for the benefit of the City of Newport Beach, and provide any additional documentation or information that is reasonably requested by Southern California Edison to complete the transfer.

## **IX. CITY COUNCIL REPORTS AND COMMENTS**

About City Council Comments and Reports: This is the time and place for members of the City Council to provide reports on meetings attended including, but not limited to, meetings of regional boards and entities to which they have been appointed to represent the City and meetings attended at the expense of the City pursuant to California Government Code Section 53232.3. Members of the City Council may also make other comments and announcements.

- 9.1 Coastal Greenbelt Authority  
Mayor Conners; Alternate: Councilmember Horne
- 9.2 Orange County Fire Authority  
Mayor Pro Tem Hatch
- 9.3 Orange County Library Advisory Board  
Councilmember Rainey; Alternate: Councilmember Moore
- 9.4 Orange County Mosquito and Vector Control District  
Councilmember Horne
- 9.5 San Joaquin Hills Transportation Corridor Agency  
Mayor Conners; Alternate: Councilmember Moore

9.6 South Orange County Watershed Management Area  
Councilmember Moore; Alternate: Mayor Pro Tem Hatch

9.7 Other Comments and Reports

**X. CLOSED SESSION**

Prior to convening in closed session, the City Council will hear public comments on items appearing on the closed session agenda.

10.1 The City Council will meet in closed session under the authority of California Government Code Section 54957(b)(1) to consider the following: Public Employee Performance Evaluation – City Manager.

**XI. CLOSED SESSION REPORT**

**XII. ADJOURNMENT**

Next Regular Meeting: Wednesday, August 21, 2019 at 2 p.m.  
Laguna Woods City Hall  
24264 El Toro Road, Laguna Woods, California 92637

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4.1

**PROCLAMATION –  
WILDFIRE AWARENESS AND PREVENTION  
SEASON –  
MID-SUMMER-EARLY AUTUMN 2019**

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**Proclamation**  
**City of Laguna Woods**  
**Wildfire Awareness and Prevention Season**  
**Mid-Summer-Early Autumn 2019**

**WHEREAS**, in the last four years, California has experienced 10 of the most destructive wildfires and four of the deadliest wildfires in the state’s history. In 2018, wildfires burned more than 1,846,000 acres, destroyed over 22,000 structures, and tragically claimed 100 lives; and

**WHEREAS**, climate change has created a new wildfire reality in California. Persistent drought, warmer temperatures, and more severe winds have created conditions that will lead to more frequent and catastrophic fires. To meet this challenge, California must adopt an “all-of-the-above” approach to protecting public safety and maintaining the health of our forests; and

**WHEREAS**, 11 million people – approximately a quarter of the state’s population – live in high fire risk areas, including the Wildland-Urban Interface. Public education and up-to-date regional emergency planning will be key to making our communities more resilient to the impacts of wildfire and other extreme weather events. Orange County residents can learn about *Ready, Set, Go!* to prepare for wildfire season and help prevent loss of life and property at [www.OCFA.org/RSG](http://www.OCFA.org/RSG); and

**WHEREAS**, we must also recognize that a robust wildfire response by firefighters alone cannot protect us, and every citizen has a key role in preventing destructive wildfires from occurring.

**NOW, THEREFORE, BE IT RESOLVED** that the Laguna Woods City Council does hereby proclaim the height of wildfire season (mid-summer to early autumn) 2019 as “Wildfire Awareness and Prevention Season” in the City of Laguna Woods and encourages residents and businesses to do their part to raise public awareness, take steps to protect our homes and businesses, and take steps to prevent sparking a wildfire. One less spark means one less wildfire.

Dated this 17<sup>th</sup> day of July, 2019

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Cynthia Conners  
Mayor

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Attest: Yolie Trippy  
Deputy City Clerk

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4.2  
**STICKER TRANSPONDER TRANSITION –  
TRANSPORTATION CORRIDOR AGENCIES  
(NO REPORT)**

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**6.0**  
**CONSENT CALENDAR SUMMARY**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2019 Regular Meeting

**SUBJECT:** Consent Calendar Summary

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### **Recommendation**

Approve all proposed actions on the July 17, 2019 Consent Calendar by single motion and City Council action.

### **Background**

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

### **Summary**

The July 17, 2019 Consent Calendar contains the following items:

- 6.1 Approval of a motion to receive and file the City Treasurer's Report for the month of June 2019.
- 6.2 Approval of the warrant register dated July 17, 2019 in the amount of \$514,829.81. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.
- 6.3 [1] Approval of final plans and specifications reflecting completion of the "Dog Park Relocation Project: Phase 1" ("Project"), as-built (available for

review at City Hall); [2] acceptance of project completion of the contract agreement with United States Fire Insurance Company for the Project; [3] release of contract retention in the amount of \$20,550.31 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention; and, [4] exoneration of project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange. The Project is included in the City's Capital Improvement Program.

- 6.4 [1] Approval of final plans and specifications reflecting completion of the "Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction, and Dog Park Parking Lot Work" ("Project"), as-built (available for review at City Hall); [2] acceptance of project completion of the contract agreement with Hardy & Harper, Inc. for the Project; [3] release of contract retention in the amount of \$12,236.90 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention; and, [4] exoneration of project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange. The Project is included in the City's Capital Improvement Program.
- 6.5 Appoint Alisha Patterson to serve as Acting City Attorney from August 11, 2019 through September 2, 2019. The proposed action would provide for Assistant City Attorney Patterson to temporarily serve as City Attorney.

**6.1**  
**CITY TREASURER'S REPORT**

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**City of Laguna Woods**  
**City Treasurer's Report**  
 For the Month Ended June 30, 2019

ITEM 6.1

**CASH AND INVESTMENTS**

	Beginning Balances As of 5/31/19	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 6/30/19	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
<b>Cash and Cash Equivalents</b>							
Analyzed Checking Account (Note 1)	\$ 1,149,521	\$ 309,948	\$ (863,589)	\$ -	\$ 595,880	5.22%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 4)	\$ 10,410	\$ 6,745	\$ (10,410)	\$ -	\$ 6,745	0.06%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 11,232	\$ (7,486)	\$ 6,745	\$ -	\$ 10,491	0.09%	
Petty Cash	\$ 1,930	\$ 761	\$ (584)	\$ -	\$ 2,107	0.02%	
Total Cash and Cash Equivalents	\$ 1,173,092	\$ 309,969	\$ (867,839)	\$ -	\$ 615,223	5.39%	100.00%
<b>Pooled Money Investment Accounts</b>							
Local Agency Investment Fund (LAIF) (Notes 2 and 3)	\$ 6,201,365	\$ -	\$ -	\$ -	\$ 6,201,365	54.37%	
Orange County Investment Pool (OCIP) (Notes 2 and 3)	\$ 2,093,145	\$ -	\$ -	\$ -	\$ 2,093,145	18.35%	
Total Pooled Money Investment Accounts	\$ 8,294,510	\$ -	\$ -	\$ -	\$ 8,294,510	72.72%	90.00%
<b>Investments - Interest and Income Bearing</b>							
Certificates of Deposit (book value) (Note 2 and 4)	\$ 2,497,003	\$ -	\$ -	\$ -	\$ 2,497,003	21.89%	
Total Investments - Interest and Income Bearing	\$ 2,497,003	\$ -	\$ -	\$ -	\$ 2,497,003	21.89%	30.00%
<b>TOTAL</b>	<b>\$ 11,964,606</b>	<b>\$ 309,969</b>	<b>\$ (867,839)</b>	<b>\$ -</b>	<b>\$ 11,406,736</b>	<b>100.00%</b>	

**Summary of Total Cash, Cash Equivalents, and Investments:**

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (704,472)	\$ 1,300,352	\$ 595,880
Cash Balances, MBS Account	\$ 6,745	\$ -	\$ 6,745
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 10,491	\$ -	\$ 10,491
Petty Cash	\$ 2,107	\$ -	\$ 2,107
LAIF	\$ 6,201,365	\$ -	\$ 6,201,365
OCIP	\$ 2,093,145	\$ -	\$ 2,093,145
Certificates of Deposit	\$ 2,497,003	\$ -	\$ 2,497,003
<b>Totals</b>	<b>\$ 10,106,384</b>	<b>\$ 1,300,352</b>	<b>\$ 11,406,736</b>

(See NOTES on Page 3 of 3)



**City of Laguna Woods**  
**City Treasurer's Report**  
 For the Month Ended June 30, 2019

ITEM 6.1

**CASH AND INVESTMENTS**

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 4)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
<b>Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)</b>														
38148PTD9	2017-6	GOLDMAN SACHS BANK USA	36 months	11/16/17	11/22/17	245,000	244,537	245,000	2.050	Semi-Annual	05/22/18	Green*	2.050	11/23/20
61747ML58	2018-1	MORGAN STANLEY BK N A SALT LAKE	36 months	02/14/18	02/22/18	100,000	100,655	100,000	2.600	Semi-Annual	08/22/18	Green***	2.600	02/22/21
101120DW0	2018-2	BOSTON PRIVATE BANK & TR	21 months	03/09/18	03/23/18	245,000	245,223	245,000	2.300	Monthly	04/23/18	Green***	2.300	12/23/19
649447RJO	2018-3	NEW YORK COMMUNITY BANK	24 months	03/23/18	03/28/18	100,000	100,199	100,000	2.450	Semi-Annual	09/28/18	Green***	2.450	03/27/20
05580AMD3	2018-4	BMW BANK NORTH AMERICA	36 months	03/23/18	03/29/18	245,000	247,114	245,000	2.700	Semi-Annual	09/29/18	Green***	2.700	03/29/21
254673RS7	2018-5	DISCOVER BANK (#5649)	36 months	07/11/18	07/18/18	245,000	248,891	245,000	3.000	Semi-Annual	01/18/19	Green***	3.000	07/19/21
90348JEA4	2018-6	UBS BANK USA	48 months	10/01/18	10/05/18	245,000	252,009	245,000	3.250	Monthly	11/05/18	Green***	3.250	10/05/22
61760ARV3	2018-7	MORGAN STANLEY PRIVATE BK NATL	60 months	11/06/18	11/15/18	245,000	254,670	245,000	3.550	Semi-Annual	05/15/19	Green***	3.550	11/15/23
87164YQG2	2018-8	SYNCHRONY BANK RETAIL/MORGAN	60 months	05/19/17	05/19/17	100,000	100,402	97,003	2.470	Semi-Annual	11/19/17	Green***	2.400	05/19/22
02589AA28	2018-9	AMERICAN EXPRES NATL	60 months	12/04/18	12/04/18	240,000	249,523	240,000	3.550	Semi-Annual	06/04/19	Green***	3.550	12/04/23
33715LCZ1	2018-10	FIRST TECHNOLOGY FED CU MTN VIEW	60 months	12/07/18	12/12/18	245,000	255,292	245,000	3.600	Monthly	01/12/19	Green***	3.600	12/12/23
949763ZA7	2019-1	WELLS FARGO BK N A	60 months	04/09/19	04/10/19	245,000	246,754	245,000	2.850	Monthly	05/10/19	Green*	2.850	04/10/24
Accrued Interest - Month End							10,491							
<b>Total CDs</b>						<b>2,500,000</b>	<b>2,555,761</b>	<b>2,497,003</b>						

(\*) At the time of purchase and until September 2017, CDs were rated or ranked using an IDC Financial Publishing, Inc. (IDC) compiled ranking, and includes a one-number summary rank of quality comprised of 35 key financial ratios. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups per Table 1. Post September 2017, CDs are ranked using the Veribanc Rating System, a two-part color code and star classification system which tests the present standing and future outlook by reviewing an institution's capital strength, asset quality, management ability, earnings sufficiency, liquidity, and sensitivity to market risk. Table 2 below summarizes the Veribanc color rankings. Veribanc star ratings of one to three, with three being best, are used to help review a possible future trend of an institutions health based on metrics from ten prior quarters. A rating of one, two, or three, are not necessarily an indicator of risk or an undesirable investment. The City reviews other rating systems and issuer financials before choosing any investment.

Table 1: CD Rankings (used prior to September 2017)

IDC Rank	Group Meaning
200-300	Superior
165-199	Excellent
125-164	Average
75-124	Below Average
2-74	Lowest Ratios
1	Highest Probability of Failure

Table 2: Veribanc Color Rankings (used post September 2017)

Veribanc Rank	Color Meaning
Green	Highest rating, exceeds qualifications in equity and income tests
Yellow	Merits attention, meets minimal qualifications in equity and income tests
Red	Merits close attention, does not meet minimal qualifications for equity and has incurred significant losses

**Government Pooled Money Investment Accounts (Notes 2 and 3)**

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	6,201,365	6,201,365	6,201,365	Pending	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	2,093,145	2,093,145	2,093,145	Pending	N/A	N/A	N/A	N/A	N/A
<b>Total PMIA</b>						<b>8,294,510</b>	<b>8,294,510</b>	<b>8,294,510</b>						

(See NOTES on Page 3 of 3)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended June 30, 2019**

ITEM 6.1

**CASH AND INVESTMENTS**

	Beginning Balances As of 5/31/19	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 6/30/19
<b>Other Post-Employment Benefits (OPEB) Trust</b>					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (CERBT holds all assets and administers the OPEB Trust)	\$ 98,493	\$ -	\$ (7)	\$ 2,687	\$ 101,173
Total Other Funds - Held in Trust	<u>\$ 98,493</u>	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ 2,687</u>	<u>\$ 101,173</u>

**Notes:**

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect June 2019 vendor invoicing processed after the date of this report.

Note 2 - During June 2019, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to or withdrawals from the LAIF account.

OCIP / The City made no deposits to or withdrawals from the OCIP account.

Investments - Investments and Income Bearing / The City did not purchase investments and there were no maturities.

OPEB Trust / The City made no contributions to the OPEB Trust in June 2019. The Trust experienced a net gain of \$2,680 in June 2019.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported June 2019 net of related fees were:

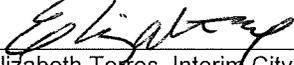
Pool	Earnings Post	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$0	N/A	See Notes	July 2019	Total pool interest for June 2019 was 2.428% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$3,859	March 2019	See Notes	See Notes	The OCIP June 2019 statement had not been received at the time of this report, balance reported is as of May 31, 2019. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at May 31, 2019 was \$11,759.63. May 2019 interest was 2.268% and fees were 0.059%.

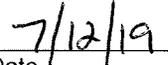
Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$6,745.32 and transferred out \$10,410.19 in cash balances to the City's checking account in June 2019. Cash balances to be invested or paid out are classified separately on page 1 of 3. The City's portfolio also has \$10,490.81 in accrued interest, not yet vested.

**City Treasurer's Certification**

I, Elizabeth Torres, Interim City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

  
 Elizabeth Torres, Interim City Treasurer

  
 Date

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## 6.2 WARRANT REGISTER

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**CITY OF LAGUNA WOODS**  
**WARRANT REGISTER**  
7/17/2019

This Report Covers the Period 6/08/2019 through 7/08/2019

Date	Vendor Name	Description	Amount
<b>Debit</b>	<b>Automatic Bank Debits</b>		
Debit 06/12/2019	ADP TAX	Payroll Taxes / Pay Period Ended 06/07/2019	7,144.54
Debit 06/12/2019	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 06/07/2019	15,653.59
Debit 06/13/2019	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / June 2019	1,084.61
Debit 06/19/2019	BUSINESS PLANS	Employee Benefit Program / June 2019	416.67
Debit 06/21/2019	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 06/07/2019	175.44
Debit 06/25/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/24/2019	896.27
Debit 06/25/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/24/2019	1,284.14
Debit 06/27/2019	ADP TAX	Payroll Taxes / Pay Period Ended 06/21/2019	6,459.01
Debit 06/27/2019	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 06/21/2019	14,037.10
Debit 06/28/2019	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / June 2019	1,084.61
Debit 07/05/2019	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 06/21/2019	159.28
<b>Numbe</b>	<b>Warrants:</b>		
3077 06/13/2019	ACCOUNTEMPS	Temporary Accountant Services / Weeks Ending May 24 & 31, 2019	5,197.50
3078 06/13/2019	ANGELQUE FLANAGAN	Reimbursement / Notary Expenses	34.00
3079 06/13/2019	AT&T	Telephone / 581-9821 / May 2019	55.54
3080 06/13/2019	AT&T	Telephone / 583-1105 / May 2019	20.63
3081 06/13/2019	BALLIET, MICHAEL	Waste Management Consulting Services / April - May 2019	4,703.75
3082 06/13/2019	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / May 2019	3,975.00
3083 06/13/2019	CAA	Water Quality Services / May 2019	2,004.00
3084 06/13/2019	CALIFORNIA YELLOW CAB	Taxi Voucher Services / May 2019	4,657.00
3085 06/13/2019	CIVIL SOURCE	El Toro Rd Traffic Signal Synchronization Maintenance / January - March 2019	3,321.74
3086 06/13/2019	COMPUTER SERVICE COMPANY	Traffic Maintenance / May 2019	4,619.51
3087 06/13/2019	COUNTY OF ORANGE	800 MHz Communication Charges / April - June 2019	783.00
3088 06/13/2019	COUNTY OF ORANGE	Automated Fingerprint ID System / June 2019	658.00
3089 06/13/2019	CSG CONSULTANTS INC	Building Plan Review Services / May 2019	2,805.00
3090 06/13/2019	DATA TICKET, INC	Citation Processing / January 2019	0.75
3091 06/13/2019	EL TORO WATER DISTRICT	Water Service / April 2019	2,707.25
3092 06/13/2019	FOREST PRINTING & COPYING INC	Printing Services	3,975.98
3093 06/13/2019	HSW RR, INC	City Hall Maintenance / April 2019	259.99
3094 06/13/2019	IRWIN B BORNSTEIN, CPA	Financial Consulting Services / May 2019	1,258.75
3095 06/13/2019	KONE INC.	City Hall Elevator Maintenance / June 2019	277.57
3096 06/13/2019	LANCE, SOLL & LUNGHARD LLP	Interim Administrative Services Director/City Treasurer Services / April - May 2019	19,075.00
3097 06/13/2019	MARC DONOHUE	Administrative Services / May 2019	250.00
3098 06/13/2019	ORKIN	City Hall Maintenance / May 2019	3,490.00
3099 06/13/2019	PETTY CASH	Replenish Petty Cash	0.00
3100 06/13/2019	PROTEL COMMUNICATIONS, INC	Telephone System Maintenance / June 2019	299.00
3101 06/13/2019	RICOH USA, INC.	Copier Usage / May 2019	183.52
3102 06/13/2019	SOUTHERN CALIFORNIA EDISON	Street Lighting - Residential / May 2019	1,326.67
3103 06/13/2019	STAPLES	Office & Janitorial Supplies / May 2019	233.91
3104 06/13/2019	SUNSET PROPERTY SERVICES	Street Sweeping Services / May 2019	2,832.00

CITY OF LAGUNA WOODS  
WARRANT REGISTER  
7/17/2019

This Report Covers the Period 6/08/2019 through 7/08/2019

Date	Vendor Name	Description	Amount	
3105	06/13/2019	TEAM ONE MANAGEMENT	Janitorial Services / May 2019	1,069.77
3106	06/13/2019	THE GAS COMPANY	Gas Service - City Hall / May 2019	40.57
3107	06/13/2019	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / June 2019	122.28
3108	06/18/2019	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / May 2019	14,115.00
3109	06/18/2019	PV MAINTENANCE INC	Streets, City Hall & Park Maintenance / May 2019	22,398.13
3110	06/18/2019	SOUTHERN CALIFORNIA EDISON	Electric Services / May 2019	2,600.39
3111	06/18/2019	UNITED STATES FIRE INSURANCE COMPANY	Dog Park Relocation Project: Phase 1 / May 2019	72,746.20
3112	06/21/2019	HARDY & HARPER, INC	ADA Pedestrian Accessibility Improvement Project	4,081.00
3113	06/21/2019	HARDY & HARPER, INC	ADA Pedestrian Accessibility & Pavement Management Plan Projects	86,564.00
3114	06/21/2019	VAN DYKE LANDSCAPE ARCHITECTS	Landscape Architectural Services / May 2019	8,846.25
3115	06/21/2019	360 BUSINESS CONSULTING	Website Hosting & Maintenance / April - May 2019	925.00
3116	06/21/2019	ACCOMTEMPS	Temporary Accountant Services / Week Ending June 7, 2019	2,310.00
3117	06/21/2019	ANDREW BOYCE	Waste Diversion Deposit Refund	250.00
3118	06/21/2019	AT&T	White Pages / June 2019	4.48
3119	06/21/2019	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Services / May 2019	7,444.00
3120	06/21/2019	CENTER FOR PUBLIC SAFETY MANAGEMENT, LLC	Police Services Analysis / Fiscal Year 2018-19	6,000.00
3121	06/21/2019	CIVIL SOURCE	Traffic Maintenance & Engineering / April - May 2019	20,587.89
3122	06/21/2019	IKE ELECTRIC & CONSTRUCTION	Waste Diversion Deposit Refund	900.00
3123	06/21/2019	JAMES GUTIERREZ CONSTRUCTION	Permit Deposit Balance Refund	360.00
3124	06/21/2019	K & A HOMES	Waste Diversion Deposit Refund	250.00
3125	06/21/2019	LARRY MARINO	Waste Diversion Deposit Refund	250.00
3126	06/21/2019	MICHAEL BAKER INTERNATIONAL	Planning Services / May 2019	9,240.00
3127	06/21/2019	MIRPUR LLC	Waste Diversion Deposit Refund	250.00
3128	06/21/2019	PROTEL COMMUNICATIONS, INC	Telephone System Maintenance / June 2019	408.84
3129	06/21/2019	ROBERT MARINUCI	Waste Diversion Deposit Refund	250.00
3130	06/21/2019	ST. NICHOLAS CATHOLIC CHURCH	Permit Deposit Balance Refund	1,314.40
3131	06/21/2019	TIMOTHY COOPER	Waste Diversion Deposit Refund	250.00
3132	06/21/2019	WL MCFADDEN CONSTRUCTION, INC	Waste Diversion Deposit Refund	750.00
3133	06/21/2019	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / May 2019	2,406.40
3134	06/21/2019	BOUTWELL FAY LLP	Legal Services / April 2019	170.00
3135	06/21/2019	BUSINESS PLANS, INCORPORATED	125 Cafeteria Plan Administration / June 2019	105.00
3136	06/21/2019	CALIFORNIA JPIA	Worker's Comp & Liability Insurance / FY 2019-20	51,598.00
3137	07/05/2019	ACCOMTEMPS	Temporary Accountant Services / Week Ending June 14, 2019	1,687.50
3138	07/05/2019	BONNIE AULD	Taxi Voucher Refund	123.20
3139	07/05/2019	CIVIL SOURCE	Building Inspection & Counter Services / May 2019	34,490.50
3139	07/05/2019	CIVIL SOURCE	Traffic Engineering / May 2019	19,536.00
3140	07/05/2019	LAND'S END BUSINESS OUTFITTERS	Office Supplies	82.85
3141	07/05/2019	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	1,468.27
3142	07/05/2019	WILLDAN ENGINEERING	Code Enforcement Services / May 2019	3,132.00
3142	07/05/2019	WILLDAN ENGINEERING	Building Official Services / May 2019	13,380.00
3143	07/08/2019	AT&T	Telephone / 452-0600 / June 2019	1,359.29
3144	07/08/2019	AT&T	Telephone / 458-3487 / June 2019	39.61

**CITY OF LAGUNA WOODS  
WARRANT REGISTER  
7/17/2019**

This Report Covers the Period 6/08/2019 through 7/08/2019

Date	Vendor Name	Description	Amount
3145 07/08/2019	AT&T	Telephone / 639-0500 / June 2019	208.25
3146 07/08/2019	CAPTIONING UNLIMITED	Closed Captioning Services / June 2019	300.00
3147 07/08/2019	COASTAL CURRENT ELECTRIC	Cancelled Permit Refund	153.00
3148 07/08/2019	COMPUTER SERVICE COMPANY	Traffic Maintenance / June 2019	868.00
3149 07/08/2019	PAUL MAWHORTER	Waste Diversion Deposit Refund	900.00
3150 07/08/2019	UNITED SITE SERVICES	Fence Rental for Dog Park / June 2019	77.28
3151 07/08/2019	JAMES KINSELLAGH	Taxi Voucher Refund	7.00
3152 07/08/2019	MANAGED HEALTH NETWORK	Employee Benefits Program / July 2019	12.54
3153 07/08/2019	ORANGE COUNTY CITY MANAGER ASSOCIATION	Membership Dues / Fiscal Year 2019 - 20	387.00
3154 07/08/2019	PETTY CASH	Replenish Petty Cash / June 2019	0.00
3155 07/08/2019	RED HAWK FIRE & SECURITY, LLC	Fire & Security Monitoring / July - September 2019	240.00
3156 07/08/2019	RICOH USA, INC.	Copier Lease / July 2019	214.20
3157 07/08/2019	RUTH ROTH	Taxi Voucher Refund	12.70
3158 07/08/2019	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / July 2019	122.28
<b>Total Bank Debits and Warrants:</b>			<b>\$ 514,809.39</b>

**Petty Cash Expenditures Paid Out** (See Note 2)

Melissa Leanza Mileage Reimbursement

Total Petty Cash: \$20.42  
\$20.42

**TOTAL \$ 514,829.81**

**NOTES:**

Note 1 - City Councilmembers are eligible to receive either a salary or vehicle reimbursement allowance in the amount of \$300 per month (\$3,600 per year). Such compensation is included in the City's regular payroll (see "ADP Payroll Services" under "Automatic Bank Debits"), unless waived by the Councilmember. For the month of June 2019, the following Councilmembers received compensation in the amount of \$300: Conners, Hatch, Horne, and Rainey.

Note 2 - Petty cash is reported as cash is paid out, not when the fund is replenished.

Note 3 - The table below summarizes credit card expenditures paid via Check #3141 to U.S. Bank totaling \$1,468.27:

Costco	Office Supplies	\$38.77
USPS	Postage	\$7.35
GovernmentJobs.com	Accounting Clerk Recruitment Posting	\$175.00
Michael's	Senior Mobility Program	\$3.87
Access Display Group, Inc.	City Hall Refurbishment & Safety Project: Phase 1 Supplies	\$598.80
FedEx	City Hall Restroom Repair & Improvement Project	\$14.14
Home Depot	Dog Park Relocation Project: Phase 1	\$630.34
<b>Total Credit Card Reimbursement:</b>		<b>\$1,468.27</b>

CITY OF LAGUNA WOODS  
WARRANT REGISTER  
7/17/2019

This Report Covers the Period 6/08/2019 through 7/08/2019

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Date	Vendor Name	Description	Amount
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**Administrative Services Director/City Treasurer's Certification**

I, Elizabeth Torres, Interim Administrative Services Director / City Treasurer, do hereby certify:

- In accordance with California Government Code Section 37202, I hereby certify to the accuracy of the demands on cash summarized within;
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months; and
- That the City is in compliance with California Government Code Section 27108.

  
Elizabeth Torres, Interim Administrative Services Director/City Treasurer

7/12/19  
Dated

6.3  
DOG PARK RELOCATION PROJECT: PHASE 1  
*(NO REPORT)*

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6.4

**PAVEMENT MANAGEMENT PLAN PROJECT  
(EASTBOUND EL TORO ROAD BETWEEN  
AVENIDA SEVILLA AND CHURCH  
INTERSECTION) AND VARIOUS MEDIAN AND  
SIDEWALK RECONSTRUCTION, AND DOG  
PARK PARKING LOT WORK  
(NO REPORT)**

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7.1

**CONDITIONAL USE PERMIT CUP-1384 TO  
ALLOW FOR THE ESTABLISHMENT OF AN  
ADMINISTRATIVE/PROFESSIONAL OFFICE USE  
WITH A GROSS FLOOR AREA OF MORE THAN  
3,000 SQUARE FEET AT 24268 EL TORO ROAD,  
LAGUNA WOODS, CA 92637**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2019 Regular Meeting

**SUBJECT:** Conditional Use Permit CUP-1384 to allow for the establishment of an administrative/professional office use with a gross floor area of more than 3,000 square feet at 24268 El Toro Road, Laguna Woods, CA 92637

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### Recommendation

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1384 TO ALLOW FOR THE ESTABLISHMENT OF AN

ADMINISTRATIVE/PROFESSIONAL OFFICE USE WITH A GROSS  
FLOOR AREA OF MORE THAN 3,000 SQUARE FEET AT 24268 EL  
TORO ROAD, LAGUNA WOODS, CA 92637

**Background**

The City has received a conditional use permit application from LPA Design Studios (Applicant) on behalf of MemorialCare Health System, to allow for the establishment of an administrative/professional office use with a gross floor area of more than 3,000 square feet at the address listed below. Raintree Realty LLC is the property owner and has approved the application.

Project Location: 24268 El Toro Road  
Laguna Woods, CA 92637

The project location most recently operated as a Chase Bank and is located within an existing shopping center known as the Willow Tree Center.

Surrounding land uses are listed in Table 1.

A vicinity map is included as Attachment B.

*Table 1: Surrounding Land Uses*

<b>General Location</b>	<b>General Plan Land Use Designation</b>	<b>Land Use</b>
North	Commercial / Open Space	Laguna Woods City Hall / Laguna Woods Village Golf Course
South	Commercial / Residential Community	Willow Tree Center / Laguna Woods Village residences
East	Community Facilities / Residential Community	Saint Nicholas Catholic Church / Laguna Woods Village residences
West	Commercial	Laguna Woods City Hall / Willow Tree Center

The project location is zoned as Community Commercial. Community Commercial designates areas to “provide for the development and preservation of high intensity commercial uses which serve the local community and regional area and are compatible with surrounding residential uses” (Laguna Woods Municipal Code Section 13.10.010).

Laguna Woods Municipal Code Section 13.10.020 requires the issuance of a conditional use permit prior to the establishment of certain uses, including administrative/professional offices with a gross floor area of more than 3,000 square feet in the Community Commercial district.

### **Discussion**

At today's meeting, the City Council will conduct a public hearing regarding the application for Conditional Use Permit CUP-1384 to allow for the establishment of an administrative/professional office use with a gross floor area not to exceed 3,487 square feet at 24268 El Toro Road, Laguna Woods, CA 92637, after which approval will be considered (Attachment B).

If Conditional Use Permit CUP-1384 is approved, the administrative/professional office use is proposed to operate as medical offices affiliated with MemorialCare Health System. The applicant has indicated that the medical offices would initially provide primary care, as well as family/internal medicine and pediatric services. The conditional use permit would not allow the provision of emergency care (including, but not limited to, emergency intervention), urgent care, inpatient care, partial hospitalization, overnight accommodations, or services in which any person is placed under general anesthesia. The conditional use permit would also expressly prohibit the establishment or operation of a "hospital", "marijuana dispensary", or "marijuana delivery service", as well as "commercial marijuana cultivation", as those terms are described in the Laguna Woods Municipal Code, regardless of whether the use of marijuana would be for medical or non-medical purposes.

While the conditional use permit largely pertains to activities within the existing project location, the applicant is also proposing to eliminate one off-street parking space to accommodate a new curb and sidewalk in the parking area northeast of the project location. Sufficient parking would remain within the Willow Tree Center even after the proposed elimination of the parking space. The proposed curb and sidewalk would improve pedestrian connectivity within the Willow Tree Center and help to encourage parking in the area northeast of the project location.

The proposed resolution approving the conditional use permit includes conditions of approval, which would regulate activities in a manner consistent with the purpose and intent of Chapter 13.10 of the Laguna Woods Municipal Code.

The proposed conditional use permit would apply to the proposed initial use (MemorialCare Health System), as well as eligible successors.

**Environmental Review**

This project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15301 of Title 14 of the California Code of Regulations, in that it consists of permitting and other approvals related to the establishment of new administrative/professional office use within an existing private structure, involving negligible or no expansion of use beyond that existing at the time of the City’s determination. Specifically, the project involves no physical addition to the existing private structure and, if approved, would result in interior and exterior alterations involving such things as interior partitions, plumbing, electrical conveyances, accessibility, and other common tenant improvements. All exterior signage would be required to comply with Sign Program SP-1164, as previously approved and amended by the City Council.

**Fiscal Impact**

The City’s expenses associated with processing this project are recovered through planning services fees.

Report Prepared With: Rebecca M. Pennington, Development Programs Analyst

Attachments: A – Proposed Resolution  
                  Exhibit A – Proposed Conditions of Approval  
                  B – Vicinity Map

**RESOLUTION NO. 19-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1384 TO ALLOW FOR THE ESTABLISHMENT OF AN ADMINISTRATIVE/PROFESSIONAL OFFICE USE WITH A GROSS FLOOR AREA OF MORE THAN 3,000 SQUARE FEET AT 24268 EL TORO ROAD, LAGUNA WOODS, CA 92637

**WHEREAS**, on July 17, 2019, the City Council of the City of Laguna Woods, after giving notice thereof as required by law, held a public hearing concerning Conditional Use Permit CUP-1384 to allow for the establishment of an administrative/professional office use with a gross floor area of more than 3,000 square feet at 24268 El Toro Road, Laguna Woods, CA 92637 in the Community Commercial district; and

**WHEREAS**, the City Council has carefully considered all pertinent testimony, as well as all information contained in the agenda report prepared for this application, as presented at the public hearing; and

**WHEREAS**, staff has reviewed the environmental form submitted by the applicant in accordance with the City’s procedures. Based upon the information received and staff’s assessment of the information, the project has been determined to be categorically exempt pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act (“CEQA”); and

**WHEREAS**, all legal prerequisites have occurred prior to the adoption of this resolution; and

**WHEREAS**, the City Council makes the following findings subject to the conditions of approval:

1. The use or project proposed is consistent with the General Plan.

The proposed project is consistent with the Commercial land use designation of the General Plan. Objective I of the General Plan Land Use Element is to “promote land uses that accommodate the diverse needs of City of Laguna Woods residents”. Policy I.B of the General Plan Land Use Element is to “actively participate with property owners and their representatives to expand the range of retail goods and services”. The proposed project would

allow for the establishment of an administrative/professional office use consistent with the purpose and intent of the Community Commercial district, which is to “to provide for the development and preservation of high intensity commercial uses which serve the local community and regional area and are compatible with surrounding residential uses.”

2. The use, activity or improvement(s) proposed is consistent with the provisions of the Zoning Code.

Administrative/professional office uses with a gross floor area of more than 3,000 square feet require a conditional use permit in the Community Commercial district. Administrative/professional offices are prohibited in buildings newly constructed or gross floor area added to existing buildings in the Community Commercial district. The proposed project totals 3,487 square feet and includes no new construction or gross floor area addition. As a result, the proposed project would be consistent with the provisions of the Zoning Code subject to approval of a conditional use permit.

3. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act.

Based upon information received from the applicant and staff’s assessment of the same, the proposed project has been determined to be categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15301 of Title 14 of the California Code of Regulations, in that it consists of permitting and other approvals related to the establishment of new administrative/professional office use within an existing private structure, involving negligible or no expansion of use beyond that existing at the time of the City’s determination. Specifically, the project involves no physical addition to the existing private structure and would result in interior and exterior alterations involving such things as interior partitions, plumbing, electrical conveyances, accessibility, and other common tenant improvements. Impacts to parking appear to be negligible. All exterior signage is required to comply with Sign Program SP-1164, as previously approved and amended by the City Council.

4. The location, size, design and operating characteristics of the proposed use will not create conditions or situations that may be incompatible with other permitted uses in the vicinity.

The proposed use would be part of an existing shopping center, presently known as the Willow Tree Center, which contains compatible commercial uses, including other administrative/professional offices, and existing access/internal circulation improvements that appear to be sufficient to handle expected traffic generation. The project location is within an existing private structure, with no physical addition and only common tenant improvements proposed. All exterior signage is required to comply with Sign Program SP-1164, as previously approved and amended by the City Council. Surrounding properties to the north are commercial and open space uses. To the south, there is a mixture of commercial and residential community uses. To the east, there is a mixture of community facilities and residential community uses. To the west there are additional commercial uses. Laguna Woods City Hall – a governmental use located within the Community Commercial district – is located to the north and west of the proposed use. Therefore, conditions of approval are included to ensure that appropriate measures are taken to avoid conditions or situations that may be incompatible with other permitted uses in the vicinity.

5. The approval of the permit application will not result in conditions or circumstances contrary to the public health and safety and the general welfare.

The proposed project would be subject to conditions of approval which would regulate administrative/professional office use activities in a manner consistent with the purpose and intent of Laguna Woods Municipal Code Chapter 13.10. The conditions of approval reserve the rights of the City to require additional security or safety measures, if warranted. Such conditions would assist in protecting the public from any potential risk or danger.

6. The approval of the permit application is in compliance with all City-required public facilities regulations.

The proposed project has been evaluated against all City regulations through the conditional use permit process and is deemed to be in compliance, subject to the conditions of approval. The proposed project does not require the addition or modification of any public facilities, nor heightened levels of service for any public services operating from public facilities.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

**SECTION 1.** The above recitals are true and correct.

**SECTION 2.** After reviewing the entire project record, the City Council hereby determines and certifies that this project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15301 of Title 14 of the California Code of Regulations, in that it consists of permitting and other approvals related to the establishment of new administrative/professional office use within an existing private structure, involving negligible or no expansion of use beyond that existing at the time of the City’s determination. Specifically, the project involves no physical addition to the existing private structure and would result in interior and exterior alterations involving such things as interior partitions, plumbing, electrical conveyances, accessibility, and other common tenant improvements. All exterior signage is required to comply with Sign Program SP-1164, as previously approved and amended by the City Council.

**SECTION 3.** The City Council hereby approves Conditional Use Permit CUP-1384, subject to the conditions of approval attached to this Resolution as Exhibit A, which are incorporated herein by this reference.

**SECTION 4.** The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2019.

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CYNTHIA CONNERS, Mayor

ATTEST:

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YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do  
HEREBY CERTIFY that the foregoing **Resolution No. 19-XX** was duly adopted  
by the City Council of the City of Laguna Woods at a regular meeting thereof, held  
on the XX day of XX 2019, by the following vote:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

---

YOLIE TRIPPY, Deputy City Clerk

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**Exhibit A to Resolution No. 19-XX**

**Conditions of Approval for Conditional Use Permit CUP-1384**

1. The proposed project shall be constructed, developed, used, operated, and permanently maintained in accordance with the terms of the application, plans, drawing, and conditions imposed herein.
2. The Applicant(s)/Owner(s) shall comply with all of the conditions of approval as part of Conditional Use Permit CUP-1384 (“conditional use permit”). Failure to comply with any one or more of the conditions imposed herein constitute grounds for revocation of said conditional use permit by the City Council.
3. The Applicant(s)/Owner(s) shall comply with all then-current requirements of the Laguna Woods Municipal Code and the California Building Standards Code, as well as federal, state, and local laws, rules, and regulations, as they pertain to the improvements and uses sought in this application, and such requirements are made a condition of the conditional use permit approval. These include, but are not limited to, all requirements related to building permits; engineering review, landscaping review, water quality review, and plan review, generally, of proposed construction plans; accessibility, including accessibility required by the federal Americans with Disabilities Act; best management practices and other actions or improvements required by applicable National Pollutant Discharge Elimination System permit(s); and, restrictions on parking, circulation, lighting, and noise.
4. This conditional use permit does not eliminate the need for building permits or include any action or finding as to compliance or approval of any other applicable federal, state or local ordinance, regulation, rule, or requirements.
5. This conditional use permit does not include any approval for signage or landscaping, nor does it represent or imply that any signage or landscaping proposed in connection with this application, or at any time in the future, will or will not be approved by the City. All exterior signage is required to comply with Sign Program SP-1164, as previously approved and amended by the City Council.

ITEM 7.1 – Exhibit A to Attachment A

6. Under this conditional use permit, the administrative/professional office use shall not exceed 3,487 square feet and shall not offer any of the following medical services: emergency care (including, but not limited to, emergency intervention), urgent care, inpatient care, partial hospitalization, overnight accommodations, or services in which any person is placed under general anesthesia. This conditional use permit also expressly prohibits establishment or operation of a “hospital”, “marijuana dispensary”, or “marijuana delivery service”, as well as “commercial marijuana cultivation”, as those terms are described in the Laguna Woods Municipal Code, regardless of whether the use of marijuana would be for medical or non-medical purposes.
7. Graffiti on the property shall be removed at the Applicant(s)/Owner(s)’ expense within 24 hours.
8. In the event of repeated or disproportionately high numbers of calls for law enforcement or other public safety service, or based upon input from the surrounding businesses or residents, the City Manager may require, at his or her discretion, that the Applicant(s)/Owner(s) provide additional on-site security and/or safety measures at the property, as may be reasonably calculated to address situations or circumstances leading to or causing such increased calls for service, or complaints or comments from surrounding residents or businesses.
9. City staff, or their authorized representatives, shall have the right to access and enter the property to make reasonable Owner-authorized scheduled inspections, or unscheduled inspections in areas otherwise open to the public, to observe and enforce compliance with the criteria set forth herein.
10. In accordance with policies adopted by the City, the Applicant(s)/Owner(s) shall be responsible for any cost incurred as a result of local law enforcement, public safety, or code enforcement investigation/inspections that result in a finding of violation of any applicable laws and/or conditions of approval.
11. Any request to modify the conditions of approval contained herein shall require review and authorization by the City Manager. The City Manager may require the submission of such documentation or reporting, or the conduct of such studies or analysis, as he or she deems necessary to evaluate

ITEM 7.1 – Exhibit A to Attachment A

a request for modification. The City Manager may refer such decision to the City Council.

12. This approval may be modified or revoked by the City Council, after applicable notice and public hearing procedures have been satisfied, should it be determined, within the City's jurisdictional authority, that the conditions under which the project has been operated or maintained are detrimental to the public health, safety or welfare, or materially injurious to property or animals in the vicinity, within the City's jurisdictional authority; or if the project is operated or maintained so as to constitute a public nuisance, or if the project is operated or maintained in violation of any of the conditions of approval set forth herein, or for any other reason permitted by law.
13. Transfer: In the event of transfer of the property to which this conditional use permit pertains, the transferee shall, prior to exercising the rights granted hereunder, arrange and attend a conference with the City to review these conditions of approval, and document the manner in which activities will occur and the manner in which these conditions of approval will be met.
14. Termination: Upon approval, this conditional use permit shall become null and void (A) 180 days after such time the approved use at the approved location ceases to be operated as noted by lapse of City business license, lapse of California Department of Tax & Fee Administration permit, or date noted by City official with proper site verification of abandonment or discontinuance; or, (B) if the Applicant(s)/Owner(s) have not obtained building permits to construct the project within 180 days of approval, unless such period is extended by the City Manager upon a showing that the Applicant(s)/Owner(s) are actively engaged in the building permit application process; or, (C) upon the expiration of building permits, due to inactivity, obtained to construct this project. The City Manager may refer such decision to the City Council. This conditional use permit shall be deemed immediately terminated should the approved location be occupied by a use not in accord with this approval, subject to written notice to the Property Owner(s) with 10 days to cure.
15. The Applicant(s)/Owner(s), or successor in interest, shall as a condition of issuance of this approval, at its sole expense, defend, indemnify, and hold harmless the City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers from any claim, action, or

ITEM 7.1 – Exhibit A to Attachment A

proceeding against the City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers to attach, set aside, void or annul an approval of the City Council or other decision-making body, or staff action concerning this change plan approval, or its implementation. The Applicant(s)/Owner(s) shall pay all of the City's defense costs incurred by counsel of the City's choosing, and shall reimburse the City for any and all court costs and other parties' attorney fees that the City may be required by a court to pay as a result of such defense. The Applicant(s)/Owner(s) may in its sole discretion participate in the defense of any such action under this condition, with its own counsel.

16. Prior to any construction or installation pursuant to this approval, the Property Owner(s) shall sign and have notarized (acknowledgement) the "Owner(s) Agreement to Conditions of Approval for Conditional Use Permit CUP-1384" and return one wet-signed original to the City Manager with a copy of a recordable legal description of all affected properties in form acceptable to the City Manager.

[SIGNATURES ON NEXT PAGE]

ITEM 7.1 – Exhibit A to Attachment A

**OWNER(S) AGREEMENT TO CONDITIONS OF APPROVAL FOR  
CONDITIONAL USE PERMIT CUP-1384 (“AGREEMENT”)**

1. **AGREEMENT TO CONDITIONS OF APPROVAL.** The person or persons executing this AGREEMENT on behalf of the respective Owner(s) has reviewed all Conditions of Approval for Conditional Use Permit CUP-1384, has had the opportunity to consult with legal counsel regarding them as the Owner(s) has deemed appropriate, and understands and agrees, without exception, to each and all of the conditions.
2. **RECORDATION.** The person or persons executing this AGREEMENT on behalf of the respective Owner(s) consents to the recordation of the Conditions of Approval for Conditional Use Permit CUP-1384, including this AGREEMENT, in the office of the Clerk-Recorder for the County of Orange, at the Owner(s)' cost.
3. **AUTHORITY TO EXECUTE.** The person or persons executing this AGREEMENT on behalf of the respective Owner(s) represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind the respective Owner(s) to the performance of its obligations hereunder.
4. **BINDING EFFECT.** This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.
5. **SEVERABILITY.** If any term, condition or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

**Property Owner – Raintree Realty LLC**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Full Name: \_\_\_\_\_ Title: \_\_\_\_\_

**SIGNATURE MUST BE NOTARIZED; ATTACH ACKNOWLEDGEMENT.**

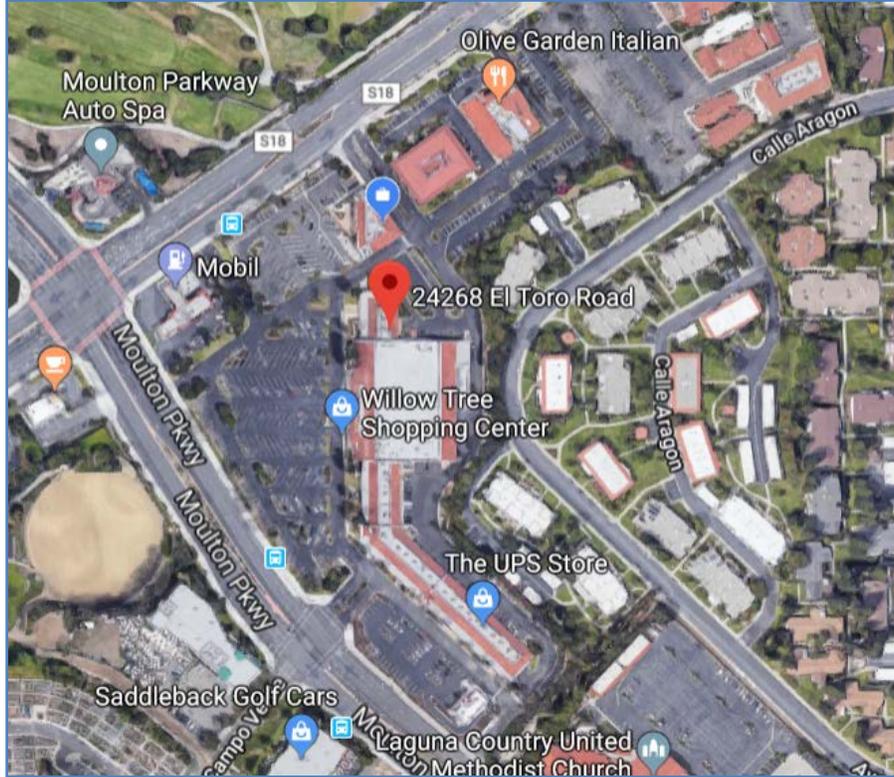
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# Vicinity Map

## 24268 El Toro Road, Laguna Woods, CA 92637

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### Project Area



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**7.2**  
**NOTARY PUBLIC FEES**

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## City of Laguna Woods Agenda Report

**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Christopher Macon, City Manager  
**FOR:** July 17, 2019 Regular Meeting  
**SUBJECT:** Notary Public Fees

---

### **Recommendation**

1. Receive staff report.  

AND
2. Open public hearing.  

AND
3. Receive public testimony.  

AND
4. Continue the public hearing to the regular meeting of the City Council on August 21, 2019 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

### **Background**

Staff recommends that the City Council continue this public hearing to the next regular meeting of the City Council on August 21, 2019 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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**7.3**

**AGGRESSIVE SOLICITATION REGULATIONS**

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# City of Laguna Woods Agenda Report

**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Christopher Macon, City Manager  
**FOR:** July 17, 2019 Regular Meeting  
**SUBJECT:** Aggressive Solicitation Regulations

---

## **Recommendation**

1. Receive staff report.  

AND
2. Open public hearing.  

AND
3. Receive public testimony.  

AND
4. Close public hearing.  

AND
5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
LAGUNA WOODS, CALIFORNIA, REPEALING CHAPTER 7.22 OF  
THE LAGUNA WOODS MUNICIPAL CODE RELATED TO  
AGGRESSIVE SOLICITATION

## **Background**

Laguna Woods Municipal Code Chapter 7.22 contains regulations related to aggressive solicitation (Attachment A), which were adopted in 2013.

## **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on the proposed repeal of Laguna Woods Municipal Code Chapter 7.22 (Attachment B). Staff recommends that the City Council initiate the adoption process for the proposed ordinance, in response to recent developments in case law.

Staff has consulted with the Orange County Sheriff's Department and determined that the California Penal Code substantially prohibits the "aggressive" behaviors described in Laguna Woods Municipal Code Section 7.22.020(5) [e.g., California Penal Code sections 240, 242, 415(3), 422, 647(C), 646.9, and 10852].

The location-specific prohibitions on solicitation set forth in Laguna Woods Municipal Code Section 7.22.040 – which apply to both aggressive and non-aggressive solicitation – are not included in the California Penal Code and their legality has been called into question as a result of a federal court challenge to similar restrictions in Sacramento. [see *Sacramento Regional Coalition to End Homelessness et al v. City of Sacramento (2018)* (United States District Court, Eastern District, Case No. 2:18-cv-00878-MCE-AC.)]

If the City Council takes the recommended action at today's meeting, the proposed ordinance would be agendized for a second reading and consideration of adoption at an upcoming meeting. The ordinance would take effect 30 days after adoption.

## **Environmental Review**

It can be seen with certainty that this project has no possibility of having a significant effect on the environment. The City has not encountered circumstances requiring enforcement of the provisions of the regulations since their passage, and therefore their repeal will not affect baseline environmental conditions. The proposed repeal relates to enforcement of a law adopted by a regulatory agency, and is therefore exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15321 of Title 14 of the California Code of Regulations. The

proposed action is not a project subject to CEQA pursuant to sections 15378(b)(1) and 15061(b)(3) of Title 14 of the California Code of Regulations.

**Fiscal Impact**

Funds to support this project are included in the City's budget.

Attachments: A – Existing Laguna Woods Municipal Code Chapter 7.22  
B – Proposed Ordinance

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## CHAPTER 7.22. - AGGRESSIVE SOLICITATION

## Sec. 7.22.010. - Findings.

The City Council of the City of Laguna Woods finds as follows:

- (a) An increase in aggressive solicitation throughout the City has become extremely disturbing and disruptive to residents and businesses. Such aggressive solicitation has contributed not only to the loss of access to and enjoyment of various public places, but also to an enhanced sense of fear, intimidation, and disorder, and an erosion of perceptions of personal comfort and safety.
- (b) The presence of individuals who solicit money from person at or near banks, check cashing locations, and outdoor automated teller machines is particularly threatening and dangerous. Persons frequenting such establishments are frequently exposed to passersby at an area they either do, or are likely to have, ready cash in hand, can frequently not walk away without leaving accounts accessible to strangers and/or leaving automatic teller cards in machines, and are within an area where both their money and financial privacy are at stake. The solicitation of people while using automatic teller machines or in the immediate vicinity of a bank or check cashing location heightens feelings of duress and intimidation that can be felt by those solicited.
- (c) Motorists who find themselves confronted by persons who, without permission, wash automobile windows, or perform other "services" in exchange for cash, are often intimidated, because such activity often occurs with stopped vehicles, where the personal movement of the driver and passengers is restricted, and such activity often carries with it an implicit threat to both person and property.
- (d) Aggressive solicitation, which includes approaching or following pedestrians, use of confrontational or abusive language, unsolicited or unwanted physical contact, or the intentional blocking of pedestrian and vehicular traffic, is disturbing and disruptive to both residents and businesses, and contributes not only to the loss of access and enjoyment of public places, but also to an enhanced sense of fear, intimidation, and disorder.
- (e) The increase of solicitation at locations where the recipient of such solicitation is part of a captive audience, from which it is impossible or difficult to exercise their right to decline to listen to, or avoid solicitation from others, intimidates persons who are approached, interferes with privacy and a personal sense of security, impedes vehicular and pedestrian traffic flow, and negatively impacts businesses within the City. Such

places include bus shelters, or stops where parties must wait to access public transit, and enclosed parking structures where lighting, public visibility, and movement may be restricted.

- (f) Aggressive solicitation of potential customers as they enter and exit commercial establishments, has become increasingly disturbing to residents and businesses, and has generated an enhanced sense of fear, intimidation, and disorder, and has caused many residents or other potential customers to avoid shopping or dining within the City, which presents a threat to the economic vitality of the City.
- (g) Face-to-face solicitation presents risks of duress that are an appropriate target for regulation. Skillful or unprincipled solicitors can target vulnerable persons, including those accompanying children or those suffering physical impairment, who cannot easily avoid solicitation. Unsavory solicitors can commit fraud through concealment of affiliations or through deliberate efforts to shortchange those who may agree to immediately purchase goods or services.
- (h) The current laws and city ordinances are insufficient to address the above-mentioned problems. The restrictions contained herein are directed at the act, and in certain limited circumstances the location, of solicitation, and have no bearing whatsoever on the content of the solicitation nor the intended application of the funds or other benefits solicited. This chapter is not intended to limit any persons from the exercise of constitutional rights to solicit funds, picket, protest, or engage in other constitutionally protected activity. Rather, its goal is to provide reasonable time, place, and manner restrictions on such activity, directed toward the immediate exchange of funds or items of value, while leaving open ample alternative avenues of communication.

(Ord. No. 13-04, § 1, 7-17-2013)

Sec. 7.22.020. - Definitions.

- (5) *Aggressive manner* shall mean any of the following:
  1. Approaching, confronting, speaking to, or following a person immediately before, during, or immediately after soliciting, asking, or begging, if that conduct is intended or is likely to cause a reasonable person to:
    - a. Fear bodily harm to one's self or to another, or damage to or loss of property; or
    - b. Otherwise be intimidated into giving money or some other thing of value.
  2. Intentionally touching or causing physical contact with another person without that person's consent, or with an occupied vehicle without the occupant's consent, in the course of soliciting, asking, or begging.
  3. Intentionally blocking or interfering with the safe or free passage of pedestrian or

vehicular travel by any means, including unreasonably causing a pedestrian or vehicle operator to take evasive action to avoid contact.

4. Making violent or threatening gestures as part of the process of soliciting, asking, or begging, toward a person solicited, either immediately before, during, or immediately after soliciting, asking, or begging.
  5. Persisting in closely following or approaching a person as part of the process of soliciting, asking, or begging, after the person has been solicited and informed by the solicitor by clear words or conduct that such person does not want to be solicited, and does not want to give money or any other thing of value to the solicitor.
  6. Using profane, offensive, or abusive language as part of the process of soliciting, asking, or begging, either immediately before, during, or immediately after soliciting, asking, or begging, which language is inherently likely to provoke an immediate violent reaction.
- (10) *Public place* shall mean a place to which the public or a substantial group of the public has access, and includes, but is not limited to, any street, highway, sidewalk, parking lot, plaza, transportation facility, school, place of amusement, park, playground, doorway, entrance, hallway, lobby, or other portion of any business establishment, multifamily housing development or hotel, not including a room or apartment designated for actual residents.
- (15) *Solicit, ask, or beg* shall mean using spoken, written, or printed words, or bodily gestures, signs or other means, with the purpose of obtaining an immediate donation of money or other thing of value, or soliciting the immediate sale of goods or services, including but not limited to sales of books, newspapers, tracts, artwork, or the performance of actions such as the washing of automobile windows.

(Ord. No. 13-04, § 1, 7-17-2013)

Sec. 7.22.030. - Aggressive solicitation prohibited.

No person shall solicit, ask, or beg in an aggressive manner in any public place.

(Ord. No. 13-04, § 1, 7-17-2013)

Sec. 7.22.040 - Solicitation prohibited at specific locations.

No person shall solicit, ask, or beg at any of the following locations:

- (a) Within ten feet of any outdoor automatic teller machine or any electronic information processing device which accepts or dispenses cash in connection with a credit, deposit, or convenience account.
- (b) Within ten feet of the entrance of any bank, banking association, savings and loan, trust company, savings bank, credit union, or other banking institution organized or operated

under the laws of the United States, and any bank the deposits of which are insured by the federal deposit insurance incorporation, during the operating business hours of any such financial institution.

- (c) Within ten feet of the entrance of any check cashing or payday loan business, or other business duly licensed as a check seller, bill payer or similar establishment, during the operating business hours of any such business.
- (d) Within any enclosed parking structure at any time, and within any parking lot generally open to the public between the hours of 6:00 p.m. and 7:00 a.m.
- (e) Within 10 feet of any bus stop, bus shelter, or other designated area for the collection or dropping off of passengers of public transit vehicles, during such times as the transportation service for which the location is designated is operating.
- (f) Within the designated travel lanes of any public roadway or bicycle lane or a public roadway median.

(Ord. No. 13-04, § 1, 7-17-2013)

Sec. 7.22.050. - Penalty.

Violation of this Article is punishable as an infraction.

(Ord. No. 13-04, § 1, 7-17-2013)

Sec. 7.22.060. - Non-exclusivity.

Nothing in this chapter shall limit or preclude the enforcement of other applicable laws.

(Ord. No. 13-04, § 1, 7-17-2013)

**ORDINANCE NO. 19-XX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING CHAPTER 7.22 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO AGGRESSIVE SOLICITATION

**WHEREAS**, aggressive solicitation regulations are codified at Chapter 7.22 of the Laguna Woods Municipal Code; and

**WHEREAS**, staff has recommended the repeal of Chapter 7.22 of the Laguna Woods Municipal Code (“Code Amendments”) in response to recent developments in case law; and

**WHEREAS**, on July 17, 2019, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

**THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS DOES HEREBY ORDAIN AS FOLLOWS:**

SECTION 1. The City Council hereby finds and determines that (i) each of the recitals to this Ordinance are true and correct, and are adopted herein as findings; (ii) the Code Amendments comply with all applicable requirements of State law; (iii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iv) the Code Amendments are in the public interest of the City of Laguna Woods; and, (v) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that it can be seen with certainty that this project has no possibility of having a significant effect on the environment. The City has not encountered circumstances requiring enforcement of the provisions of the regulations to be repealed by this Ordinance since their passage, and therefore their repeal will not affect baseline environmental conditions. The repeal relates to enforcement of a law adopted by a regulatory agency, and is therefore exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15321 of Title 14 of the California Code of Regulations. The action is not a project subject to CEQA pursuant to sections 15378(b)(1) and 15061(b)(3) of Title 14 of the California Code of Regulations.

SECTION 3. Chapter 7.22 is hereby repealed in its entirety from the Laguna Woods Municipal Code.

SECTION 4. This Ordinance shall take effect and be in full force and operation thirty (30) days after adoption.

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 6. The Deputy City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 7. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this XX day of XX 2019.

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CYNTHIA CONNERS, Mayor

ATTEST:

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YOLIE TRIPPY, Deputy City Clerk

APPROVED AS TO FORM:

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DAVID B. COSGROVE, City Attorney

STATE OF CALIFORNIA        )  
COUNTY OF ORANGE        ) ss.  
CITY OF LAGUNA WOODS    )

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 19-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2019, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2019 by the following vote to wit:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

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YOLIE TRIPPY, Deputy City Clerk

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8.1

**CALIFORNIA PUBLIC UTILITIES COMMISSION  
TARIFF RULE 20A ALLOCATION**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2019 Regular Meeting

**SUBJECT:** California Public Utilities Commission Tariff Rule 20A Allocation

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### **Recommendation**

1. Approve a memorandum of understanding with the City of Newport Beach to transfer and assign the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of May 28, 2019 (\$34,959) to the City of Newport Beach for an acquisition price of \$19,227.45, and authorize the Mayor to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

AND

2. Authorize the City Manager to request that Southern California Edison transfer and assign the entire balance of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of May 28, 2019 to and for the benefit of the City of Newport Beach, and provide any additional documentation or information that is reasonably requested by Southern California Edison to complete the transfer.

### **Background**

California Public Utilities Commission Tariff Rule 20A requires utilities to allocate monies to cities and unincorporated areas on an annual basis to “convert overhead electric and telecommunication facilities to underground electric facilities.” Rule 20A allocations are held on behalf of local agencies by the respective utility (in the City’s case, Southern California Edison) until sufficient funds are available to

complete one or more qualifying electric facility undergrounding projects. Local agencies may also exercise local discretion to transfer Rule 20A allocations to other local agencies for qualifying purposes. The terms and conditions of such transfers are subject to mutual agreement of the involved parties.

**Rule 20A allocation balances have no cash value to the City unless (1) used to complete a qualifying electric facility undergrounding project or (2) acquired by another local agency.** The City cannot use Rule 20A allocation balances for lighting or general purposes, nor does the City earn interest on their accumulation.

On June 20, 2018, the City Council approved a memorandum of understanding with the City of Laguna Beach that resulted in a transfer of the City's Rule 20A allocation balance as of April 5, 2018 (\$593,583) to the City of Laguna Beach for an acquisition price of \$326,470.65.

The City's Rule 20A allocation balance is \$34,959 as of May 28, 2019. That amount is less \$50,668 that was loaned to the City of Villa Park in 2011. It is anticipated that the City of Villa Park will continue to repay the loaned amount to Southern California Edison on the City's behalf, plus \$40,000, through 2030, which will cause the City to receive temporarily higher annual allocations until then. The City's most recent annual allocation, excluding repayment by the City of Villa Park, was \$24,587 for the 2019 calendar year.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on a proposed memorandum of understanding with the City of Newport Beach related to a transfer and acquisition of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance (Attachment A). Staff recommends that the City Council approve the memorandum of understanding and authorize its execution in order to derive financial benefit and support electric facility undergrounding projects in the City of Newport Beach, which would be consistent with the intended purpose of Rule 20A allocations

The City has not established a capital improvement project for which to use Rule 20A funds. There is only one potential project involving undergrounding of approximately 3,100 linear feet of overhead electric lines that run within the City's public street right-of-way for Ridge Route Drive from Avenida de la Carlota to Peralta Drive, along the City's northwestern limits. Southern California Edison

estimates that completing such a project would cost approximately \$1.7 million, as of November 2017. If the City were to pursue that project and wait to initiate work until it has accumulated a sufficient Rule 20A allocation balance to complete the entire project, it is likely that the project would not begin for at least 60 years, if not longer due to inflation and changes in construction costs.

In recent years, the City of Newport Beach has acquired Rule 20A allocation balances, at the same rate proposed for this acquisition (\$0.55 per allocated dollar), from the City of Mission Viejo. The City of Laguna Beach has also acquired Rule 20A allocation balances from the cities of Aliso Viejo, Covina, Indian Wells, Rancho Santa Margarita, and Sierra Madre at a rate of \$0.55 per allocated dollar.

### **Fiscal Impact**

The proposed memorandum of understanding calls for the City of Newport Beach to acquire the City's Rule 20A allocation balance for \$19,227.45, or \$0.55 per allocated dollar. Those funds would be paid by the City of Newport Beach within 15 business days of the effective date of the memorandum of understanding, at which point they would be added to the City's unassigned General Fund balance.

Attachment: A – Proposed Memorandum of Understanding

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## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into as of \_\_\_\_\_, 2019, by and between the City of Newport Beach, a California municipal corporation and charter city, with its principal place of business at 100 Civic Center Drive, Newport Beach, CA 92660 ("Newport Beach") and the City of Laguna Woods, a California municipal corporation with its principal place of business at 24264 El Toro Road, Laguna Woods, CA 92637 ("Laguna Woods"). Newport Beach and Laguna Woods are sometimes individually referred to herein as "Party" and collectively as "Parties."

### RECITALS

A. Electric utilities collect and annually allocate funds to communities to convert overhead electric facilities to underground electric facilities ("Rule 20A Funds").

B. Newport Beach is actively planning one or more projects to underground overhead electric facilities that qualify for the application of California Public Utilities Commission ("CPUC") Rule 20A Funds ("Projects"). Newport Beach desires to obtain an additional allocation of Rule 20A Funds to finance such Projects.

C. Southern California Edison ("SCE") currently has designated and dedicated a balance of **Thirty Four Thousand Nine Hundred and Fifty Nine Dollars and 00/100 (\$34,959.00)** in Rule 20A Funds for the benefit of Laguna Woods ("Laguna Woods Allocation") and Laguna Woods currently has no active projects which can make use of the Laguna Woods Allocation.

D. Newport Beach desires to acquire, for consideration, the Laguna Woods Allocation to use in connection with the Projects, and Laguna Woods desires to transfer the Laguna Woods Allocation to Newport Beach to enable the Rule 20A Funds, which have been allocated to Laguna Woods, to be used for their intended purpose of undergrounding electric facilities and to derive economic benefit from the Laguna Woods Allocation.

### AGREEMENT

NOW THEREFORE, the Parties hereto agree as follows:

1. Laguna Woods agrees to transfer and assign for use by Newport Beach, its rights and interest in the Laguna Woods Allocation to Newport Beach and Newport Beach agrees to acquire, for consideration, the Laguna Woods Allocation in accordance with the terms of this MOU. This MOU shall be subject to the approval of the City Council of Newport Beach and the City Council of Laguna Woods and shall become effective on the date when both such approvals have been obtained ("Effective Date"). Notwithstanding the foregoing, if this MOU has not become effective as of September 30, 2019, then either Party may terminate this MOU upon five (5) business day's written notice to the other Party without incurring any liability, costs or further obligations to the other Party or any third party.

2. Within fifteen (15) business days of the Effective Date, Newport Beach shall make a payment to Laguna Woods in the amount of **Nineteen Thousand Two Hundred Twenty Seven Dollars and 45/100 (\$19,227.45)** ("Acquisition Price"), which is equivalent to **Fifty-Five Cents**

**(\$0.55) for every One Dollar (\$1.00)** of allocation. The Acquisition Price shall be made in immediately available funds via check or wire transfer to an account designated by Laguna Woods. The Acquisition Price shall constitute full consideration for the transfer and assignment of the Laguna Woods Allocation.

3. Within ten (10) business days of Laguna Woods' receipt of the Acquisition Price, Laguna Woods shall deliver a written request to SCE, with a copy to Laguna Beach, making a formal request to transfer and assign the entire balance of the Rule 20A Funds contained in the Laguna Woods Allocation to and for the benefit of Newport Beach. Laguna Woods shall cooperate in good faith with Newport Beach to provide any additional documentation or information that is reasonably requested by SCE to complete the transfer. Newport Beach acknowledges and agrees that it has conducted its own investigation as to the applicability and transferability of the Laguna Woods Allocation for use in the Projects and that Laguna Woods has not made any representation or warranty to Newport Beach with respect to same. The actual use of the Laguna Woods Allocation by Newport Beach shall be subject to the rules and procedures adopted by SCE, CPUC and such other conditions or requirements as are set forth in the Public Utilities Code. Newport Beach may rescind the transaction before SCE approves the proposed Rule 20A transfer, for a period of one (1) year after the Effective Date of this MOU, and in the event of such rescission, Laguna Woods will return the Acquisition Price in full to Newport Beach within ten (10) business days of Newport Beach's written notification of rescission to Laguna Woods.

4. Newport Beach shall indemnify, defend and hold harmless Laguna Woods, its elected officials, officers, employees and agents, from any claim, damage or liability arising in connection with the use of Rule 20A Funds from the Laguna Woods Allocation in connection with the construction of the Projects, including legal challenges of all types of natures, including but not limited to, administrative, judicial or legislative.

5. In the event that either Party is in breach of its obligations as set forth in this MOU, then the non-defaulting Party shall have the right to terminate this MOU on ten (10) business day's written notice to the defaulting Party unless the default is cured within the notice period. Upon termination for breach, the non-defaulting Party may exercise any right or remedy which it may have under applicable law. Within ten (10) business days of termination pursuant to this Section, Laguna Woods shall return to Newport Beach that portion of the Acquisition Price applicable to that portion of the Laguna Woods allocation not yet transferred by SCE to Newport Beach.

6. All notices to be given pursuant to this MOU shall be delivered in person or by commercial overnight delivery to the address of the Party set forth above and addressed to the City Manager of such Party and shall be effective upon receipt. Notice may further be given by electronic means, provided, however, that such notice shall not be deemed effective unless it is acknowledged in writing by the recipient of such notice.

7. This MOU shall be governed and construed in accordance with the laws of the State of California, and any action brought relating to this MOU shall be adjudicated in a court of competent jurisdiction in County of Orange.

8. If any legal proceeding, including an action for declaratory relief, is brought to enforce or interpret provisions of this MOU, the prevailing party will be entitled to reasonable attorney's fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the party maybe entitled.

9. This MOU shall become effective when executed by all parties and may be executed in counterparts, any one of which shall be deemed to be an original instrument. Any proof of the MOU shall require production of only one such counterpart duly executed by the party to be charged therewith. PDF copy or facsimile copy of signatures shall be deemed original signatures.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the Effective Date.

**CITY OF LAGUNA WOODS**

By: \_\_\_\_\_  
Cynthia Conners, Mayor

Attest:

By: \_\_\_\_\_  
Yolie Trippy, Deputy City Clerk

Approved as to form:

By: \_\_\_\_\_  
David B. Cosgrove, City Attorney

**CITY OF NEWPORT BEACH**

By: \_\_\_\_\_  
Grace K. Leung, City Manager

Attest:

By: \_\_\_\_\_  
Leilani I. Brown, City Clerk

Approved as to form:

By: *A. C. Harp*  
*For:* Aaron C. Harp, City Attorney *MMI*  
*7-11-19*