



CITY *of* CALABASAS

**CITY COUNCIL AGENDA
SPECIAL MEETING – WEDNESDAY, JULY 15, 2020
VIA ZOOM TELECONFERENCE
www.cityofcalabasas.com**

IMPORTANT NOTICE REGARDING THE JULY 15, 2020 COUNCIL MEETING

This meeting is being conducted utilizing teleconferencing and electronic means consistent with Governor Newsom’s Executive Order N-29-20, regarding the COVID-19 pandemic. The live stream of the meeting may be viewed on the City’s CTV Channel 3 and/or online at <http://www.cityofcalabasas.com/>. In accordance with the Governor’s Executive Order, the public may participate in the meeting using the following steps:

From a PC, Mac, iPhone or Android device please go to:

<https://us02web.zoom.us/j/85615488552?pwd=QWhlL1NZWkUzTFIxL0NuSk15S3plQT09>

Password: 984690

From a telephone, Dial (for higher quality, dial a number based on your current location):
US: 1-669-900-9128 or + 1-346-248-7799 or + 1-253-215-8782 or
+ 1-301-715-8592 or + 1-312-626-6799 or + 1-646-558-8656

Members of the public wishing to address the City Council during public comment or during a specific agenda item, please press “Raise Hand” if you are joining via Zoom. Please press *9 if you are joining via phone. Please state your name and the City you live in. You will be allowed three minutes to address the Council.

OPENING MATTERS – 6:30 P.M.

Call to Order/Roll Call of Councilmembers
Pledge of Allegiance
Approval of Agenda

PRESENTATIONS – 6:40 P.M.

- By the LVMWD, Mike McNutt, Public Affairs and Communications Manager regarding the Automatic Meter Reading/Advanced Metering Infrastructure (AMR/AMI) Project

ANNOUNCEMENTS/INTRODUCTIONS – 7:00 P.M.

ORAL COMMUNICATION – PUBLIC COMMENT – 7:10 P.M.

CONSENT ITEMS – 7:20 P.M.

1. [Approval of meeting minutes from June 24, 2020](#)
2. [Adoption of Resolution 2020-1694, approving and authorizing the Interim City Manager to execute the Los Angeles Region Safe, Clean Water Program, Municipal Water Program, Municipal Transfer Agreement with the Los Angeles County Flood Control District](#)

PUBLIC HEARING – 7:25 P.M.

3. [Adoption of Resolution No. 2020-1693, calling and giving notice of the holding of a General Municipal Election to be held on Tuesday, November 3, 2020, for the submission to the voters of a proposed ordinance imposing a Cannabis Business General Tax. The proposed tax is exempt from review under the California Environmental Quality Act per CEQA Guidelines, title 24 Cal. Code of Regs., Section 15378, subd. \(b\)\(4\)](#)

CONTINUED BUSINESS – 7:50 P.M.

4. [Update on “Calabasas Open” Small Business Grants Program](#)
5. [Discussion of recent State and Local Orders regarding the Covid-19 Pandemic and direction to staff](#)

TASK FORCE REPORTS – 8:15 P.M.

CITY MANAGER’S REPORT – 8:20 P.M.

FUTURE AGENDA ITEMS – 8:25 P.M.

ADJOURN – 8:30 P.M.

The City Council will adjourn to their regular meeting scheduled on Wednesday, August 12, 2020, at 7:00 p.m.

**MINUTES OF A SPECIAL MEETING OF
THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA
HELD WEDNESDAY, JUNE 24, 2020**

Mayor Weintraub called the meeting to order at 5:30 p.m. via Zoom Teleconference.

ROLL CALL

Present: Mayor Weintraub, Mayor pro Tem Bozajian and Councilmembers Gaines, Maurer and Shapiro
Absent: Councilmember Shapiro was absent during discussion of Item No. 1
Others: City Attorney, Scott H. Howard; Assistant City Attorney Matthew T. Summers; outside Council Jeffrey Thompson and Maureen Tamuri

CLOSED SESSION

1. Conference with Legal Counsel; Existing Litigation
(Gov. Code § 54956.9(d)(1))

The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the City in the litigation.

Case Name: *Rubin v. City of Calabasas, et al.*; Los Angeles Superior Court
Case No. 20STCV19874

Outside Counsel, Jeffrey Thompson participated on Item No. 1 from 5:30 p.m. to 6:10 p.m.

Councilmember Shapiro did not participate on Item No. 1

2. Conference with Legal Counsel; Initiation of Litigation
(Gov't Code section 54956.9(d)(4))
Number of Potential Cases: 1

Councilmember Shapiro and Ms. Tamuri joined the meeting at 6:13 p.m. Ms. Tamuri was excused at 6:30 p.m.

3. Conference with Legal Counsel; Anticipated Litigation
(Gov. Code § 54956.9(d)(2) & (d)(3))

A point has been reached where, in the opinion of the City Council / Agency Board on the advice of its legal counsel, based on the below-described existing facts and circumstances, there is a significant exposure to litigation against the City /Agency.

Facts and circumstances that might result in litigation but which the City/Agency believes are not yet known to potential plaintiff or plaintiffs.
(Gov. Code § 54956.9(e)(1))

The meeting was interrupted due to technical difficulties from 6:38-6:43 p.m.

ADJOURN

The meeting recessed at 7:20 p.m. to a regular meeting on Wednesday, June 24, 2020, at 7:00 p.m.

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

**MINUTES OF A REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA
HELD WEDNESDAY, JUNE 24, 2020**

Mayor Weintraub called the meeting to order at 7:29 p.m. via Zoom Teleconferencing.

ROLL CALL

Present: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

Absent: None

Staff: Ahlers, Bingham, Hernandez, Jordan, Lockwood, McConville, Rubin, Russo, Summers, Tamuri, Taylor and Yalda

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Captain Chuck Becerra

APPROVAL OF AGENDA

Councilmember Maurer moved, seconded by Councilmember Shapiro to approve the agenda. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

Mr. Summers reported that the City Council met in Closed Session prior to this meeting. There were no reportable actions.

PRESENTATIONS

- Recognition of Captain Chuck Becerra on his permanent appointment to the Lost Hills Sheriff's Station

Mayor Weintraub and Councilmembers congratulated Captain Becerra on his permanent appointment. Captain Becerra extended appreciation for the recognition.

Mayor Weintraub shared a statement regarding the recent protests and racism in the community. Furthermore, she encouraged everyone to stay involved and invited residents to participate in a Conversation with the Community; Race & Change via Zoom teleconferencing on June 29. Lastly, she thanked staff for their hard work and dedication.

ANNOUNCEMENTS/INTRODUCTIONS

Members of the Council made the following announcements:

Councilmember Gaines:

- Shared a letter he wrote to the Acorn newspaper and extended an apology for any misinterpreted comments he made at the June 10 Council meeting.

Councilmember Shapiro:

- Thanked Mayor Weintraub for her statement and Councilmember Gaines for clarifying the article published by the Acorn newspaper.
- Congratulated all 2020 graduates.
- Expressed his excitement to be participating in a Conversation with the Community; Race & Change on June 29.
- Wished everyone a happy Fourth of July.

Councilmember Maurer:

- Thanked Mayor Weintraub for her statement and staff for their extraordinary work.
- Expressed appreciation for Councilmember Gaines' apology regarding recent comments.
- Encouraged everyone to participate in a research project by visiting projectimplicit.net.

Mayor pro Tem Bozajian:

- Thanked Mayor Weintraub for her statement.
- Encouraged the community to provide feedback regarding the future of the AHCCC.

Mayor Weintraub:

- Expressed her concerns about the increase of positive test results in the community.
- Reiterated the importance of wearing a mask and maintaining social distance.

ORAL COMMUNICATIONS – PUBLIC COMMENT

Carol Davis, Laura Weiss, Randi Feilich, Trish Shasheen and Christine Renau spoke during public comment.

CONSENT ITEMS

1. Approval of meeting minutes from June 10, 2020

2. Recommendation to award a contract in an amount not to exceed \$100,000 to Haynes Building Services for janitorial services for Calabasas City Hall, Library and Senior Center for a period of one year
3. Recommendation to approve a professional services agreement with Fuscoe Engineering, Inc. in an amount not to exceed Two Hundred Thirty Thousand Dollars (\$230,000) for on-call engineering services which includes designing the Old Town Sidewalk Improvement Project
4. Adoption of Resolution No. 2020-1689, rescinding Resolution No. 2019-1639 and approving a Salary Schedule for permanent employees
5. Adoption of Resolution No. 2020-1690, approving a change to the regular meeting days for the Planning Commission from the second and fourth Thursdays of the every month to the first and third Thursdays of every month
6. Adoption of Resolution No. 2020-1692, confirming the City Manager/Director of Emergency Services' Local Emergency Executive Orders issued pursuant to the March 16, 2020, Local Emergency Declaration in response to the Novel Coronavirus Covid-19 Pandemic

Mayor pro Tem Bozajian requested Consent Item No. 5 be pulled. Mayor Weintraub requested Consent Item No. 6 be pulled.

Councilmember Gaines moved, seconded by Councilmember Shapiro to approve Consent Item Nos. 1-4. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

After discussion, Councilmember Gaines moved, seconded by Mayor pro Tem Bozajian to approve Consent Item No. 5. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

After discussion, Councilmember Gaines moved, seconded by Councilmember Maurer to approve Consent Item No. 6. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

PUBLIC HEARING

7. Adoption of Resolution No. 2020-1687, approving the operating and capital improvement budgets for July 1, 2020 through June 30, 2022, providing for the appropriations and expenditures for all sums set forth in said budget; and adoption of Resolution No. 2020-1688, establishing the appropriations limit for Fiscal Year 2020-2021

Mayor Weintraub opened the public hearing.

Mr. Ahlers presented the report.

Mayor Weintraub closed the public hearing

Councilmember Gaines moved, seconded by Councilmember Shapiro to approve Item No. 7. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

NEW BUSINESS

8. Adopt Resolution No. 2020-1691, implementing Public Agency Retirement Systems (PARS) as the Qualifying Retirement System for part-time employees

Mr. Ahlers presented the report.

Councilmember Gaines moved, seconded by Councilmember Shapiro to approve Item No. 8. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

9. Update on "Calabasas Open" Small Business Grants Program

Mr. McConville presented the report.

The City Council received and filed the report.

The meeting recessed at 9:09 p.m.

The meeting reconvened at 9:15 p.m.

10. Discussion and direction from the City Council on City events in lieu of normal annual events

Mr. Rubin presented the report.

Bridget Karl spoke on Item No. 10.

After discussion, direction was provided to staff.

11. Discussion and direction from the City Council on alternatives for Wild Walnut Park

Mr. Rubin presented the report.

Rosa Besser spoke on Item No. 11.

After discussion, direction was provided to staff.

12. Discussion regarding return to in-person Council meetings: Information and Protocols

Mr. Bingham presented the report.

After discussion, direction was provided to staff.

13. Discussion of Senate Bill 1120 and direction to staff

Mr. Summers presented the report.

Ryan Embree spoke on Item No. 13.

After discussion, Mayor pro Tem Bozajian moved, seconded by Councilmember Gaines to authorize Mayor Weintraub to write a letter of opposition concerning SB 1120. MOTION CARRIED 5/0 by Roll Call Vote as follows:

AYES: Mayor Weintraub, Mayor pro Tem Bozajian, Councilmembers Gaines, Maurer and Shapiro

14. Discussion and direction regarding proposed Cannabis Business General Tax

Mr. Summers presented the report.

The City Council concurred to bring forward Item No. 14 to a Special Meeting in July.

INFORMATIONAL REPORTS

15. Check Register for the period of June 2-16, 2020

No action taken on this item.

TASK FORCE REPORTS

Mayor pro Tem Bozajian reported his upcoming participation in the AHCCC Joint Powers Authority Board meeting on June 25. He also reported that the League of CA Cities and the CCCA have cancelled their events through October except the League's Annual Fall conference which is still to be determined. Lastly, the CCCA will be hosting a virtual convention and seminars will be available.

Councilmember Shapiro reported his attendance to SCAG's Legislative/Communications & Membership Committee meeting to discuss the budget, the FAST Act Bill and possible cuts to Parks and Recreation programs. He further reported there was a SCAG Town Hall meeting regarding the implementation of Connect SoCal. Lastly, he encouraged small businesses to apply for PPP as there are still funds available.

Councilmember Gaines announced he would be chairing a Valley Economic Alliance Board meeting on June 25. He also reported his participation in various virtual conferences with businesses throughout the Valley.

Mayor Weintraub reported her participation in a recent COG meeting to discuss the opposition of Senate Bill 1120. She requested Gabriel Graham, the COG's homeless coordinator be invited to an upcoming Council meeting.

CITY MANAGER'S REPORT

Mr. Taylor reported that the City launched its new mobile-friendly website on June 15, and he acknowledged Michael Russo and his staff for doing a great job. Additionally, he reported that the Calabasas Tennis & Swim Center will reopen on July 1. Lastly, he reminded that the nomination period for the November General Municipal Election will be held from July 13 to August 7.

FUTURE AGENDA ITEMS

Councilmember Gaines requested a session with the Lost Hills Sheriff's Station to discuss their policies and procedures regarding the use of force. He would also like to discuss the recommendations made by the Environmental Commission regarding the installation of raptor poles in the City.

Mayor pro Tem Bozajian requested an update on the mobile home park lease agreement. In addition, he requested a review of the MOU with Viewpoint.

ADJOURN

The meeting adjourned at 11:05 p.m. to the next regular scheduled meeting of Wednesday, August 12, 2020, at 7:00 p.m.

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk



CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: JULY 8, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: ROBERT YALDA, P.E., T.E., PUBLIC WORKS DIRECTOR

SUBJECT: ADOPTION OF RESOLUTION NO. 2020-1694, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE LOS ANGELES REGION SAFE, CLEAN WATER PROGRAM, MUNICIPAL TRANSFER AGREEMENT WITH THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT

MEETING

DATE: JULY 15, 2020

SUMMARY RECOMMENDATION:

That the City Council adopt Resolution No. 2020-1694, approving and authorizing the City Manager to execute the Los Angeles Region Safe, Clean Water Program, Municipal Transfer Agreement with the Los Angeles County Flood Control District.

BACKGROUND:

The Los Angeles Region Safe, Clean Water Program (Measure W) was created and implemented to achieve the purposes and provisions of funding Programs and Projects to increase Stormwater and Urban Runoff capture and reduce Stormwater and Urban Runoff pollution within the District, including Projects and Programs providing a Water Supply Benefit, Water Quality Benefit, and Community Investment Benefit.

FISCAL IMPACT/SOURCE OF FUNDING:

Funding from the agreement/project provides support and assists with the City of Calabasas' various Water Quality, Water Supply, Stormwater and Urban Runoff projects and programs. There is no fiscal impact.

REQUESTED ACTION:

That the City Council adopt Resolution No. 2020-1694, approving and authorizing the City Manager to execute the Los Angeles Region Safe, Clean Water Program, Municipal Transfer Agreement with the Los Angeles County Flood Control District.

ATTACHMENTS:

Resolution No. 2020-1694

**ITEM 2 ATTACHMENT
RESOLUTION NO. 2020-1694**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE LOS ANGELES REGION SAFE, CLEAN WATER PROGRAM, MUNICIPAL TRANSFER AGREEMENT WITH THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT.

WHEREAS, the City Council of the City of Calabasas ("City") is eligible to receive funding for Stormwater, Urban Runoff Pollution and Water Quality projects, through the Los Angeles County Flood Control District; and

WHEREAS, the City has applied for and received funding for various City of Calabasas Projects and Programs; and

WHEREAS, pursuant to Section 16.05.A.1. of the Los Angeles County Flood Control District Code, prior to their receipt of SCW Program funds, Municipalities must enter into an agreement with the District to transfer SCW Program funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CALABASAS AS FOLLOWS:

SECTION 1. The City Council hereby approves and authorizes the City Manager to execute the Safe Clean Water Program Municipal Transfer Agreement with the Los Angeles County Flood Control District, in the form attached to this Resolution as Exhibit "A".

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED AND ADOPTED this 15th day of July 2020.

Alicia, Weintraub Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

Scott H. Howard
Colantuono Highsmith & Whatley
City Attorney

Exhibit A

Municipal Program
Agreement No.: 2020MP13

**TRANSFER AGREEMENT BETWEEN
THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
AND
CALABASAS
AGREEMENT NO. 2020MP13
SAFE, CLEAN WATER PROGRAM – MUNICIPAL PROGRAM**

This Transfer Agreement, hereinafter referred to as "Agreement," is entered into as of June 25, 2020 by and between the Los Angeles County Flood Control District, hereinafter referred to as "District," and Calabasas, hereinafter referred to as "Municipality."

WHEREAS, District, pursuant to the Los Angeles Region Safe, Clean Water (SCW) Program ordinance (Chapter 16 of the Los Angeles County Flood Control District Code) and the SCW Program Implementation Ordinance (Chapter 18 of the Los Angeles County Flood Control District Code), administers the SCW Program for the purpose of funding Projects and Programs to increase stormwater and urban runoff capture and reduce stormwater and urban runoff pollution in the District;

WHEREAS, pursuant to Section 16.04.A.2. of the Los Angeles County Flood Control District Code, forty percent (40%) of annual SCW Program tax revenues shall be allocated to Municipalities within the District, in the same proportion as the amount of revenues collected within each Municipality, to be expended by those cities within the cities' respective jurisdictions and by the County within the unincorporated areas that are within the boundaries of the District, for the implementation, operation and maintenance, and administration of Projects and Programs, in accordance with the criteria and procedures established in this Chapters 16 and 18 of the Los Angeles County Flood Control District Code;

WHEREAS, pursuant to Section 16.05.A.1. of the Los Angeles County Flood Control District Code, prior to their receipt of SCW Program funds, Municipalities must enter into an agreement with the District to transfer SCW Program funds;

WHEREAS, the County of Los Angeles Board of Supervisors has approved a standard template Agreement, as required by and in accordance with Section 18.09 of the Los Angeles County Flood Control District Code, for the transfer of SCW Program funds to Municipalities.

NOW, THEREFORE, in consideration of the promises, mutual representations, covenants and agreements in this Agreement, the District and the Municipality, each binding itself, its successors and assigns, do mutually promise, covenant, and agree as follows:

I. DEFINITIONS

The definitions set forth in Sections 16.03 and 18.02 of the Los Angeles County Flood Control District Code shall apply to this Agreement. In addition, the following definitions shall also apply:

“Agreement” means this Transfer Agreement, including all exhibits and attachments hereto.

“Annual Plan” means the plan referred to in Section 18.09.B.5 of the Code that includes the contents specified in Exhibit A.

“Code” means the Los Angeles County Flood Control District Code.

“Days” means calendar days unless otherwise expressly indicated.

“Fiscal Year” means the period of twelve (12) months terminating on June 30 of any year.

“Safe Clean Water (SCW) Program Payment” means the Municipality's annual allocation of SCW Program funds as described in Section 16.04.A.2. of the Code disbursed by the District to the Municipality.

“Year” means calendar year unless otherwise expressly indicated.

II. PARTY CONTACTS

The District and the Municipality designate the following individuals as the primary points of contact and communication regarding the Municipal Program and the administration and implementation of this Agreement.

Los Angeles County Flood Control District		Municipality: Calabasas	
Name:		Name:	
Address:		Address:	
Phone:		Phone:	
Email:		Email:	

Either party to this Agreement may change the individual identified as the primary point of contact above by providing written notice of the change to the other party.

III. EXHIBITS INCORPORATED BY REFERENCE

The following exhibits to this Agreement, including any amendments and supplements hereto, are hereby incorporated herein and made a part of this Agreement:

EXHIBIT A – ANNUAL PLAN CONTENTS

EXHIBIT B – GENERAL TERMS AND CONDITIONS

EXHIBIT C – NATURE-BASED SOLUTIONS (Best Management Practices)

EXHIBIT D – OPERATIONS AND MAINTENANCE GUIDANCE DOCUMENT

IV. MUNICIPAL PROGRAM IMPLEMENTATION

- A. The Municipality shall annually prepare and submit to the District, an Annual Plan. The Annual Plan for the 2020-21 Fiscal Year shall be submitted to the District no later than 45-days after the execution of this Agreement by the last party to sign. An Annual Plan for each subsequent Fiscal Year shall be submitted not later than 90-days prior to the start of the Fiscal Year for which the Plan is prepared.
- B. The Municipality shall utilize the SCW Program Payments in compliance with Chapters 16 and 18 of the Code.
- C. The Municipality shall comply with the terms and conditions in Exhibits B, C, and D, of this Agreement, and all applicable provisions of Chapters 16 and 18 of the Code, specifically including, without limitation, Section 18.06.

V. SCW PROGRAM PAYMENTS TO MUNICIPALITIES

- A. The District shall disburse the Municipality's SCW Program Payment for the 2020-21 Fiscal Year within 45-days of the signed executed Agreement or within 14-days of the District's receipt of the Annual Plan for 2020-21 Fiscal Year in compliance with Exhibit A, whichever comes later. The initial disbursement of SCW Program Payments shall include the amount of revenue collected by the District at the time of Agreement execution; any additional funds that are subsequently collected will be disbursed by August 31, 2020.
- B. SCW Program Payments in subsequent Fiscal Years will generally be available for disbursement by August 31, provided a duly executed transfer agreement is in effect and subject to the Municipality's compliance with the conditions described in paragraph C, below; however the District may, in its discretion, change the date and number of the actual disbursements for any Fiscal Year based on the amount and timing of revenues actually collected by the District.
- C. For subsequent Fiscal Years, the District shall disburse the Municipality's SCW Program Payment upon satisfaction of the following conditions: (1) the District has received the Annual Progress/Expenditure Report required pursuant to Section 18.06.D of the Code; (2) the District has received Municipality's Annual Plan for that Fiscal Year, and (3) the Municipality has complied with the audit requirements of Section B-6 of Exhibit B.
- D. Notwithstanding any other provision of this Agreement, no disbursement shall be made at any time or in any manner that is in violation of or in conflict with federal, state, County laws, policies, or regulations.
- E. All disbursements shall be subject to and be made in accordance with the terms and conditions in this Agreement and Chapters 16 and 18 of the Code.

VI. Term of Agreement

This Agreement shall expire at the end of the 2023-24 Fiscal Year. The parties shall thereafter enter into a new agreement based on the most recent standard template agreement approved by the Board.

VII. Execution of Agreement

This Agreement may be executed simultaneously or in any number of counterparts, including both counterparts that are executed manually on paper and counterparts that are in the form of electronic records and are executed electronically, whether digital or encrypted, each of which shall be deemed an original and together shall constitute one and the same instrument.

The District and the Municipality hereby agree to regard facsimile/electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on this Agreement and on any addenda or amendments thereto, delivered or sent via facsimile or electronic mail or other electronic means, as legally sufficient evidence that such original signatures have been affixed to this Agreement and any addenda or amendments thereto such that the parties need not follow up facsimile/electronic transmissions of such documents with subsequent (non-facsimile/electronic) transmission of "original" versions of such documents.

Further, the District and the Municipality: (i) agree that an electronic signature of any party may be used to authenticate this Agreement or any addenda or amendment thereto, and if used, will have the same force and effect as a manual signature; (ii) acknowledge that if an electronic signature is used, the other party will rely on such signature as binding the party using such signature, and (iii) hereby waive any defenses to the enforcement of the terms of this agreement based on the foregoing forms of signature.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CALABASAS

By: _____

Name:

Title:

Date: _____

LOS ANGELES COUNTY
FLOOD CONTROL DISTRICT:

By: _____

Name:

Title:

Date: _____

EXHIBIT A – ANNUAL PLAN CONTENTS

- A-1. Description of all projects anticipated to be funded using the SCW Program Payment. Include a discussion of how the projects will result in the achievement of one or more SCW Program Goals, including quantitative targets and corresponding metrics for subsequent reporting of all applicable parameters.
- A-2. Description of all programs anticipated to be funded using the SCW Program Payment. Include a discussion of how the programs will result in the achievement of one or more SCW Program Goals; including quantitative targets and corresponding metrics for subsequent reporting of all applicable parameters.
- A-3. Description of all operation and maintenance activities anticipated to be funded using the SCW Program Payment. Include a discussion of how those activities will result in the achievement of one or more SCW Program Goals. Additional operation and maintenance activities, even if funded by other sources, should be referenced to provide an overview of anticipated overall project approach.
- A-4. Description of the stakeholder and community outreach/engagement activities anticipated to be funded with the SCW Program Payment, including discussion of how local NGOs or CBOs will be involved, if applicable, and if not, why. Additional outreach/engagement activities, even if funded by other sources, should be referenced to provide an overview of anticipated overall project approach.
- A-5. Description of post-construction monitoring for projects completed using the SCW Program Payment. Additional post-construction monitoring activities, even if funded by other sources, should be referenced to provide an overview of anticipated overall project approach.
- A-6. Provide the status of any projects that have been awarded (or are seeking award of) Institute for Sustainable Infrastructure (ISI) verification, if applicable.
- A-7. Provide the budget for the activities described in provisions A1 through A-5 SCW Program Payment.

EXHIBIT B – GENERAL TERMS AND CONDITIONS

B-1. Accounting and Deposit of Funding Disbursement

1. SCW Program Payments distributed to the Municipality shall be held in a separate interest-bearing account and shall not be combined with other funds. Interest earned from each account shall be used by the Municipality only for eligible expenditures consistent with the requirements of the SCW Program.
2. The Municipality shall not be entitled to interest earned on undisbursed SCW Program Payments; interest earned prior to disbursement is property of the District.
3. The Municipality shall operate in accordance with Generally Accepted Accounting Principles (GAAP).
4. The Municipality shall be strictly accountable for all funds, receipts, and disbursements for their SCW Program Payment.

B-2. Acknowledgement of Credit and Signage

The Municipality shall include appropriate acknowledgement of credit to the District's Safe, Clean Water Program for its support when promoting activities funded with SCW Program funds or using any data and/or information developed SCW Program funds. When the SCW Program Payment is used, in whole or in part, for construction of an infrastructure Project, signage shall be posted in a prominent location at Project site(s) or at the Municipality's headquarters and shall include the Safe, Clean Water Program color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Los Angeles County Flood Control District's Safe, Clean Water Program." At a minimum the sign shall be 2' x 3' in size. The Municipality shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

When the SCW Program Payment is used, in whole or in part, for a scientific study, the Municipality shall include the following statement in the study report: "Funding for this study has been provided in full or in part from the Los Angeles County Flood Control District's Safe, Clean Water Program." The Municipality shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

B-3. Acquisition of Real Property - Covenant

Any real property acquired in whole or in part with SCW Program funds shall be used for Projects and Programs that are consistent with the SCW Program Goals and with the provisions of Chapter 16 and 18 of the Code.

Any Municipality that acquires the fee title to real property using, in whole or in part, SCW Program funds shall record a document in the office of the Registrar-Recorder/County

Clerk containing a covenant not to sell or otherwise convey the real property without the prior express written consent of the District, which consent shall not be unreasonably withheld.

B-4. Amendment

Except as provided in Section II of the Agreement, no amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral or written understanding or agreement not incorporated in this Agreement is binding on any of the parties.

B-5. Assignment

The Municipality shall not assign this Agreement.

B-6. Audit and Recordkeeping

1. The Municipality shall retain for a period of seven (7) years, all records necessary in accordance with Generally Accepted Accounting Principles to determine the amounts expended, and eligibility of Projects implemented using SCW Program Payments. The Municipality, upon demand by authorized representatives of the District, shall make such records available for examination and review or audit by the District or its authorized representatives. Records shall include accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files, including documentation covering negotiated settlements, invoices, and any other supporting evidence deemed necessary to substantiate charges related to SCW Program Payments and expenditures.
2. The Municipality is responsible for obtaining an independent audit to determine compliance with the terms and conditions of this Agreement and all requirements applicable to the Municipality contained in chapters 16 and 18 of the Code. Municipality shall obtain an independent audit of their SCW Program Payments every three (3) years. Audits shall be funded with Municipal Program funds.
3. Municipality shall file a copy of all audit reports by the ninth (9th) month from the end of each three (3) year period to detail the preceding three (3) years of expenditures. Audit reports shall be posted on the District's publicly accessible website.

Every Third Fiscal Year		
Fiscal Year	Audit Begins	Audit Report Due to District
2020-21	7/1/2023	No later than 3/31/2024

4. Upon reasonable advanced request, the Municipality shall permit the Chief Engineer to examine the infrastructure Projects using SCW Program Payments. The Municipality shall permit the authorized District representative, including the Auditor-Controller, to examine, review, audit, and transcribe any and all audit

reports, other reports, books, accounts, papers, maps, and other records that relate to the SCW Program Payments. Examination activities are considered District administration of the SCW Program.

5. Expenditures determined by an audit to be in violation of any provision of Chapters 16 or 18 of the Code, or of this Agreement, shall be subject to the enforcement and remedy provisions of Section 18.14 of the Code.

B-7. Availability of Funds

District's obligation to disburse the SCW Program Payment is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason including, but not limited to, failure to fund allocations necessary for disbursement of the SCW Program Payment, the District shall not be obligated to make any disbursements to the Municipality under this Agreement. This provision shall be construed as a condition precedent to the obligation of the District to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Municipality with a right of priority for disbursement over any other Municipality. If any disbursements due to the Municipality under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the District that such disbursement will be made to the Municipality when sufficient funds do become available, but this intention is not binding. If this Agreement's funding for any Fiscal Year is reduced or deleted by order of the Board, the District shall have the option to either cancel this Agreement with no liability occurring to the District or offer an amendment to the Municipality to reflect the reduced amount.

B-8. Choice of Law

The laws of the State of California govern this Agreement.

B-9. Claims

Any claim of the Municipality is limited to the rights, remedies, and claims procedures provided to the Municipality under this Agreement. Municipal expenditures of a SCW Program Payment that involves the District shall utilize a separate and specific agreement to that Project that includes appropriate indemnification superseding that in this Agreement.

B-10. Compliance with SCW Program

The Municipality shall comply with and require its contractors and subcontractors to comply with all provisions of Chapters 16 and 18 of the Code.

B-11. Compliance with Law, Regulations, etc.

The Municipality shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable local, state and federal laws, rules, guidelines, regulations, and requirements.

B-12. Continuous Use of Municipal Projects; Lease or Disposal of Municipal Projects

The Municipality shall not abandon, substantially discontinue use of, lease, or dispose of all or a significant part or portion of any Project funded in whole or in part with SCW Program Payments during the useful life (defined as 30 years unless specified otherwise in annual plans and subsequent reports) of the Project without prior written approval of the District. Such approval may be conditioned as determined to be appropriate by the District, including a condition requiring repayment of a pro rata amount of the SCW Program Payments used to fund the Project together with interest on said amount accruing from the date of lease or disposal of the Project.

B-13. Disputes

Should a dispute arise between the parties, the party asserting the dispute will notify the other parties in writing of the dispute. The parties will then meet and confer within 21 calendar days of the notice in a good faith attempt to resolve the dispute.

If the matter has not been resolved through the process set forth in the preceding paragraph, any party may initiate mediation of the dispute. Mediation will be before a retired judge or mediation service mutually agreeable to the parties. All costs of the mediation, including mediator fees, will be paid one-half by the District and one-half by the Municipality. SCW Program Payments shall not be used to pay for any costs of the mediation.

The parties will attempt to resolve any dispute through the process set forth above before filing any action relating to the dispute in any court of law.

B-14. Final Inspection and Certification of Registered Professional

Upon completion of the design phase and before construction of a project, the Municipality shall provide certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist) that the design has been completed.

Upon completion of the project, the Municipality shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Agreement.

B-15. Force Majeure.

In the event that Municipality is delayed or hindered from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials not related to the price thereof, riots, insurrection, war, or other reasons of a like nature beyond the control of the Municipality, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

B-16. Funding Considerations and Exclusions

1. All expenditures of SCW Program Payments by Municipality must comply with the provisions of Chapters 16 and 18 of the Los Angeles County Flood Control District Code, including but not limited to the provisions regarding eligible expenditures contained in Section 16.05.A.2 and the provision regarding ineligible expenditures contained in Section 16.05.A.3.
2. SCW Program Payments shall not be used in connection with any Project implemented as an Enhanced Compliance Action ("ECA") and/or Supplemental Environmental Project ("SEP") as defined by State Water Resources Control Board Office of Enforcement written policies, or any other Project implemented pursuant to the settlement of an enforcement action or to offset monetary penalties imposed by the State Water Resources Control Board, a Regional Water Quality Control Board, or any other regulatory authority; provided, however, that SCW funds may be used for a Project implemented pursuant to a time schedule order ("TSO") issued by the Los Angeles Regional Water Quality Control Board if, at the time the TSO was issued, the Project was included in an approved watershed management program (including enhanced watershed management programs) developed pursuant to the MS4 Permit.

B-17. Indemnification

The Municipality shall indemnify, defend and hold harmless the District, the County of Los Angeles and their elected and appointed officials, agents, and employees from and against any and all liability and expense, including defense costs, legal fees, claims, actions, and causes of action for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, or property damage, arising from or in conjunction with: (1) any Project or Program implemented by the Municipality, in whole or in part, with SCW Program Payments or (2) any breach of this Agreement by the Municipality.

B-18. Independent Actor

The Municipality, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the District.

The Municipality shall not contract work with a contractor who is in a period of debarment from any agency within the District. (LACC Chapter 2.202)

B-19. Integration

This is an integrated Agreement. This Agreement is intended to be a full and complete statement of the terms of the agreement between the District and Municipality, and expressly supersedes any and all prior oral or written agreements, covenants, representations and warranties, express or implied, concerning the subject matter of this Agreement.

B-20. Lapsed Funds

1. The Municipality shall be able to carry over uncommitted SCW Program Payments for up to five (5) years from the end of the fiscal year in which those funds are transferred from the District to the Municipality.
2. If the Municipality is unable to expend the SCW Program Payment within five (5) years from the end of the fiscal year in which those funds are transferred from the District to the Municipality, then lapsed funding procedures will apply. Lapsed funds are funds that were transferred to the Municipality but were not committed to eligible expenditures by the end of the fifth (5th) fiscal year after the fiscal year in which those funds were transferred from the District.
3. Lapsed funds shall be allocated by the Watershed Area Steering Committee of the respective Watershed Area to a new Project with benefit to that Municipality, if feasible in a reasonable time frame, or otherwise to the Watershed Area.
4. In the event that funds are to lapse, due to circumstances beyond the Municipality's control, then the Municipality may request an extension of up to twelve (12) months in which to commit the funds to eligible expenditures. Extension Requests must contain sufficient justification and be submitted to the District in writing no later than three (3) months before the funds are to lapse.
5. The decision to grant an extension is at the sole discretion of the District.
6. Funds still uncommitted to eligible expenditures after an extension is granted will be subject to lapsed funding procedures without exception.

<u>Fiscal Year Transferred</u>	<u>Funds Lapse After</u>	<u>Extension Request Due</u>	<u>Commit By</u>
2019-20	6/30/2025	No later than 3/31/2025	No later than 6/30/2026

B-21. Municipal Project Access

Upon reasonable advance request, the Municipality shall ensure that the District or any authorized representative, will have safe and suitable access to the site of any Project implemented by the Municipality in whole or in part with SCW Program Payments at all reasonable times.

B-22. Non-Discrimination

The Municipality agrees to abide by all federal, state, and County laws, regulations, and policies regarding non-discrimination in employment and equal employment opportunity.

B-23. No Third-Party Rights

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein

B-24. Notice

1. The Municipality shall notify the District in writing within five (5) working days of the occurrence of the following:
 - a. Bankruptcy, insolvency, receivership or similar event of the Municipality; or
 - b. Actions taken pursuant to State law in anticipation of filing for bankruptcy.
2. The Municipality shall notify the District within ten (10) working days of any litigation pending or threatened against the Municipality regarding its continued existence, consideration of dissolution, or disincorporation.
3. The Municipality shall notify the District promptly of the following:
 - a. Any significant deviation from the submitted Annual Plan for the current Fiscal Year, including discussion of any major changes to the scope of funded projects or programs, noteworthy delays in implementation, reduction in benefits or community engagement, and/or modifications that change the SCW Program Goals intended to be accomplished.
 - b. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Municipality agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the District has determined what actions should be taken to protect and preserve the resource. The Municipality agrees to implement appropriate actions as directed by the District.
 - c. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by District representatives with at least fourteen (14) days' notice to the District.

B-25. Municipality's Responsibility for Work

The Municipality shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Municipality shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The District will not mediate disputes between the Municipality and any other entity concerning responsibility for performance of work.

B-26. Reporting

The Municipality shall be subject to and comply with all applicable requirements of the District regarding reporting requirements. Municipalities shall report available data through the SCW Reporting Module, once available.

1. Annual Progress/Expenditure Reports. The Municipality shall submit Annual Progress/Expenditure Reports, using a format provided by the District, within six (6) months following the end of the Fiscal Year to the District to detail the activities of the prior year. The Annual Progress/Expenditure Reports shall be posted on the District's publicly accessible website and on the Municipality's website. The Annual Progress/Expenditure Report shall include:
 - a. Amount of funds received;
 - b. Breakdown of how the SCW Program Payment has been expended;
 - c. Documentation that the SCW Program Payment was used for eligible expenditures in accordance with Chapters 16 and 18 of the Code;
 - d. Description of activities that have occurred, milestones achieved, and progress made to date, during the applicable reporting period including comparison to the Annual Plan and corresponding metrics;
 - e. Discussion of any existing gaps between what was planned and what was achieved for the prior year, include any lessons learned;
 - f. Description of the Water Quality Benefits, Water Supply Benefits, and Community Investment Benefits and a summary of how SCW Program Payments have been used to achieve SCW Program Goals for the prior year, including graphical representation of available data and specific metrics to demonstrate the benefits being achieved through the years' investments.
 - g. Discussion of alignment with other local, regional, and state efforts, resources, and plans, as applicable. This includes discussion of opportunities for addressing additional SCW Program Goals, leveraging SCW Program Goals, and increasing regional capacity to supplement the SCW Program.
 - h. Additional financial or Project-related information in connection with activity funded in whole or in part using SCW Program Payments as required by the District.
 - i. Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), that projects implemented with SCW Program Payments were conducted in accordance with Chapters 16 and 18 of the Code.

- j. Report on annual and total (since inception of program) benefits provided by programs and projects funded by SCW Program Payment. This includes comparisons to annual plans and alignment with corresponding specific quantitative targets and metrics (note that SCW Reporting Module will facilitate calculation of benefits and graphical representation of pertinent data):
 - i. Annual volume of stormwater captured and treated
 - ii. Annual volume of stormwater captured and reused
 - iii. Annual volume of stormwater captured and recharged to a managed aquifer
 - iv. Annual creation, enhancement, or restoration of Community Investment Benefits. If none, discuss considerations explored and reasons to not include.
 - v. Annual acreage increases in Nature-Based Solutions and claimed level of NBS (with matrix demonstrating determination of good, better, best, as outlined in Exhibit C). If none, discuss considerations explored and reasons to not include.
 - vi. Annual expenditures providing DAC Benefits. If none, discuss considerations explored and reasons to not include.
2. Documentation of the Community Outreach and Engagement utilized for and/or achieved with the SCW Program Payment described in the Annual Plan Exhibit A. This information must be readily accessible to members of the public.
3. As Needed Information or Reports. The Municipality agrees to promptly provide such reports, data, and information as may be reasonably requested by the District including, but not limited to material necessary or appropriate for evaluation of the SCW Program or to fulfill any reporting requirements of the County, state or federal government.

B-27. Representations, Warranties, and Commitments

The Municipality represents, warrants, and commits as follows:

1. Authorization and Validity. The execution and delivery of this Agreement, including all incorporated documents, by the individual signing on behalf of Municipality, has been duly authorized by the governing body of Municipality, as applicable. This Agreement constitutes a valid and binding obligation of the Municipality, enforceable in accordance with its terms, except as such enforcement may be limited by law.
2. No Violations. The execution, delivery, and performance by the Municipality of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date set forth on the first page hereof, or result in any breach or default under any contract, obligation, indenture, or other

instrument to which the Municipality is a party or by which the Municipality is bound as of the date set forth on the first page hereof.

3. No Litigation. There are no pending or, to the Municipality's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which affect the Municipality's ability to complete the Annual Plan.
4. Solvency. None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of the Municipality. As of the date set forth on the first page hereof, the Municipality is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Municipality is able to pay its debts as they become due.
5. Legal Status and Eligibility. The Municipality is duly organized and existing and in good standing under the laws of the State of California. The Municipality shall at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority.
6. Good Standing. The Municipality must demonstrate it has not failed to comply with previous County and/or District audit disallowances within the preceding five years.

B-28. Travel

Any reimbursement for necessary ground transportation and lodging shall be at rates not to exceed those set by the California Department of Human Resources; per diem costs will not be eligible expenses. These rates may be found at <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred by the Municipality. No travel outside the Los Angeles County Flood Control District region shall be reimbursed unless prior written authorization is obtained from the Program Manager.

B-29. Unenforceable Provision

In the event that any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

B-30. Withholding of Disbursements and Material Violations

Notwithstanding any other provision of this Agreement, the District may withhold all or any portion of the SCW Program Payment for any Fiscal Year in the event that:

1. The Municipality has violated any provision of this Agreement; or

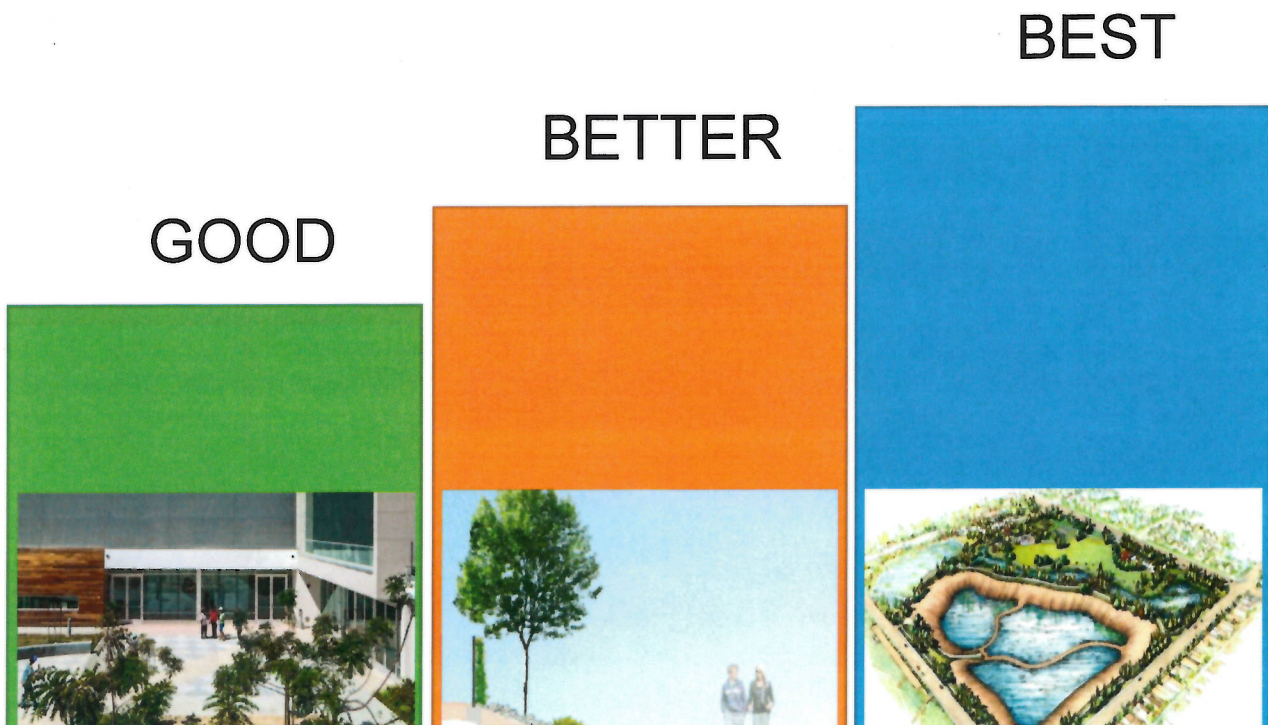
2. The Municipality fails to maintain reasonable progress in achieving SCW Program Goals, following an opportunity to cure.
3. Failure to remain in Good Standing, described in Section B-26 of Exhibit B.
4. Failure to submit annual reports on meeting SCW Program Goals.

EXHIBIT C – NATURE BASED SOLUTIONS (NBS) BEST MANAGEMENT PRACTICES

Municipalities shall consider incorporation of Nature-based solutions (NBS) into their projects. NBS refers to the sustainable management and use of nature for undertaking socio-environmental challenges, including climate change, water security, water pollution, food security, human health, and disaster risk management. As this environmental management practice is increasingly incorporated into projects for the SCW Program, this guidance document may be expanded upon to further quantify NBS practices based on benefits derived from their incorporation on projects.

The SCW Program defines NBS as a Project that utilizes natural processes that slow, detain, infiltrate or filter Stormwater or Urban Runoff. These methods may include relying predominantly on soils and vegetation; increasing the permeability of Impermeable Areas; protecting undeveloped mountains and floodplains; creating and restoring riparian habitat and wetlands; creating rain gardens, bioswales, and parkway basins; enhancing soil through composting, mulching; and, planting trees and vegetation, with preference for native species. NBS may also be designed to provide additional benefits such as sequestering carbon, supporting biodiversity, providing shade, creating and enhancing parks and open space, and improving quality of life for surrounding communities. NBS include Projects that mimic natural processes, such as green streets, spreading grounds and planted areas with water storage capacity. NBS may capture stormwater to improve water quality, collect water for reuse or aquifer recharge, or to support vegetation growth utilizing natural processes.

Municipalities are to include in each Annual Progress/Expenditure Report whether and how their project achieves a good, better, or best for each of the 6 NBS methods in accordance with the guidance below. Additionally, Annual Progress/ Expenditure Reports should include discussion on any considerations taken to maximize the class within each method. If at least 3 methods score within a single class, the overall project can be characterized as that class. Municipalities must attach a copy of the matrix for each project with the good, better, or best column indicated for each method, to facilitate District tracking of methods being utilized.



METHODS	GOOD	BETTER	BEST
Vegetation/Green Space	Use of climate-appropriate, eco-friendly vegetation (groundcover, shrubs, and trees) / green space 5%-15% covered by new climate-appropriate vegetation	Use of native, climate-appropriate, eco-friendly vegetation (groundcover, shrubs, and trees) / green space 16%-35% covered by new native vegetation	Establishment of plant communities with a diversity of native vegetation (groundcover, shrubs, and trees) / green space that is both native and climate-appropriate More than 35% covered by new native vegetation
Increase of Permeability	Installation of vegetated landscape – 25%-49% paved area removed Redesign of existing impermeable surfaces and/or installation of permeable surfaces (e.g. permeable pavement and infiltration trenches)	Installation of vegetated landscape – 50%-74% paved area removed Improvements of soil health (e.g., compaction reduction)	Installation of vegetated landscape – 75%-100% paved area removed Creation of well-connected and self-sustained natural landscapes with healthy soils, permeable surfaces, and appropriate vegetation
Protection of Undeveloped Mountains & Floodplains	<ul style="list-style-type: none"> • Preservation of native vegetation • Minimal negative impact to existing drainage system 	<ul style="list-style-type: none"> • Preservation of native vegetation • Installation of new feature(s) to improve existing drainage system 	<ul style="list-style-type: none"> • Creation of open green space • Installation of features to improve natural hydrology
Creation & Restoration of Riparian Habitat & Wetlands	<ul style="list-style-type: none"> • Partial restoration of existing riparian habitat and wetlands • Planting of climate appropriate vegetation - between 11 and 20 different climate-appropriate or native plant species newly planted • No potable water used to sustain the wetland 	<ul style="list-style-type: none"> • Full restoration of existing riparian habitat and wetlands • Planting of native vegetation - between 21 and 40 different native plant species newly planted • No potable water used to sustain the wetland 	<ul style="list-style-type: none"> • Full restoration and expansion of existing riparian habitat and wetlands Planting of plant communities with a diversity of native vegetation – between 41 and 50 different native plant species newly planted • No potable water used to sustain the wetland

<p>New Landscape Elements</p>	<p>Elements designed to capture runoff for other simple usage (e.g. rain gardens and cisterns), capturing the 85th percentile 24-hour storm event for at least 50% of the entire parcel</p>	<p>Elements that design to capture/redirect runoff and filter pollution (e.g. bioswales and parkway basins), capturing the 85th percentile 24-hour storm event from the entire parcel</p>	<p>Large sized elements that capture and treat runoff to supplement or replace existing water systems (e.g. wetlands, daylighting streams, groundwater infiltration, floodplain reclamation), capturing the 90th percentile 24-hour storm event from the entire parcel and/or capturing off-site runoff</p>
<p>Enhancement of Soil</p>	<p>Use of soil amendments such as mulch and compost to retain moisture in the soil and prevent erosion Planting of new climate-appropriate vegetation to enhance soil organic matter</p>	<p>Use of soil amendments such as mulch and compost that are locally generated to retain moisture in the soil, prevent erosion, and support locally based composting and other soil enhancement activities Planting of new native, climate-appropriate vegetation to enhance soil organic matter</p>	<p>Use of soil amendments such as mulch and compost that are locally generated, especially use of next-generation design with regenerative adsorbents (e.g. woodchips, biochar) to retain moisture in the soil, prevent erosion, and support on-site composting and other soil enhancement activities Planting of new native, climate appropriate vegetation to enhance soil organic matter</p>

EXHIBIT D – OPERATIONS AND MAINTENANCE GUIDANCE DOCUMENT

Municipalities shall operate and maintain infrastructure projects for the useful life of the project and are to consider using the following guidance for operations and maintenance for infrastructure projects. Operational maintenance is the care and upkeep of Projects that may require detailed technical knowledge of the Project's function and design. Project specific operational and maintenance plans shall consider the activities listed below and set forth specific activities and frequencies (not limited to those below) as determined to be appropriate by the Municipalities and best practices, including stakeholder engagement as applicable. Operational maintenance is to be performed by the operator of the Project with a purpose to make the operator aware of the state of readiness of the Project to deliver stormwater and urban runoff benefits.

1. Litter Control

- Regular removal of litter, nonhazardous waste materials, and accumulated debris near planted areas, rock areas, decomposed granite areas, rest areas, fence perimeters, adjoining access roads and driveways, drains, pedestrian trails, viewing stations, shelter houses, and bicycle pathways.
- Regular inspection and maintenance of pet waste stations
- Maintaining trash receptacles
- Removal of trash, debris, and blockages from bioswales
- Inspection and cleaning of trash booms
- Inspection of weir gates and stop logs to clean debris, as required.

2. Vegetation Maintenance

- Weed control
 - Recognition and removal of weeds, such as perennial weeds, morning glory, vine-type weeds, ragweed, and other underground spreading weeds.
 - Avoiding activities that result in weed seed germination (e.g. frequent soil cultivation near trees or shrubs)
 - Regular removal of weeds from landscape areas, including from berms, painted areas, rock areas, gravel areas, pavement cracks along access roads and driveways, drains, pedestrian trails, viewing stations, park shelters, and bicycle paths.
- Tree and shrubbery trimming and care
 - Removal of dead trees and elimination of diseased/damaged growth
 - Prevent encroachment of adjacent property and provide vertical clearance
 - Inspect for dead or diseased plants regularly
- Wetland vegetation and landscape maintenance
 - Installation and maintenance of hydrophytic and emergent plants in perennially wet and seasonal, intermittent habitats.
 - Draining and drawdown of wetland and excessive bulrush removal

- Weed and nuisance plant control
- Removal of aquatic vegetation (e.g. algae and primrose) using appropriate watercraft and harvesting equipment
- Wildflower and meadow maintenance
- Grass, sedge, and yarrow management
- Removal of unwanted hydroseed

3. Wildlife Management

- Exotic species control
- Provide habitat management; promote growth of plants at appropriate densities and promote habitat structure for animal species
- Protect sensitive animal species (e.g. protection during critical life stages including breeding and migration)
- Avoid disturbances to nesting birds
- Avoid spread of invasive aquatic species

4. Facility Inspection

- Inspect project sites for rodent and insect infestations on a regular basis
- Inspect for and report graffiti in shelter houses, viewing stations, benches, paving surfaces, walls, fences, and educational and directional signs
- Inspect facilities for hazardous conditions on roads and trails (e.g. access roads and trails, decomposed granite pathways, and maintenance roads)
- Inspect shade structures for structural damage or defacement
- Inspect hardscapes
- Inspect and maintain interpretive and informational signs
- Inspect site furnishings (e.g. benches, hitching posts, bicycle racks)
- Maintain deck areas (e.g. benches, signs, decking surfaces)
- Visually inspect weirs and flap gates for damage; grease to prevent locking.
- Inspect all structures after major storm events, periodically inspect every 3 months, and operate gates through full cycles to prevent them from locking up.

5. Irrigation System Management

- Ensuring automatic irrigation controllers are functioning properly and providing various plant species with proper amount of water.
 - Cycle controller(s) through each station manually and automatically to determine if all facets are functioning properly.
 - Inspection should be performed at least monthly.
 - Recover, replace, or refasten displaced or damaged valve box covers.
 - Inspect and repair bubbler heads.

- Repair and replace broken drip lines or emitters causing a loss of water (to prevent ponding and erosion).
 - Maintain drip system filters to prevent emitters from clogging. Inspection and cleaning should occur at least monthly.
 - Inspect and clean mainline filters, wye strainers, basket filters, and filters at backflow devices twice a year.
 - Maintain and check function of the drip system.
- Keeping irrigation control boxes clear of vegetation
 - Operating irrigation system to ensure it does not cause excessively wet, waterlogged areas, and slope failure
 - Utilizing infrequent deep watering techniques to encourage deep rooting, drought tolerant plant characteristics to promote a self-sustaining, irrigation free landscape
 - Determine watering schedules based on season, weather, variation in plant size, and plant varieties. At least four times a year (e.g. change of season), reschedule controller systems.
 - Turn off irrigation systems at the controller at the beginning of the rainy season, or when the soil has a high enough moisture content.
 - Use moisture sensing devices to determine water penetration in soil.

6. Erosion Management and Control

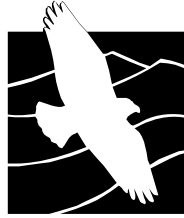
- Inspect slopes for erosion during each maintenance activity
- Inspect basins for erosion
- Take corrective measures as needed, including filling eroded surfaces, reinstalling or extending bank protection, and replanting exposed soil.

7. Ongoing Monitoring Activities

- Monitor controllable intake water flow and water elevation
- Examine inflow and outflow structures to ensure devices are functioning properly and are free of obstructions.
- Water quality sampling (quarterly, unless justified otherwise)
- Checking telemetry equipment
- Tracking and reporting inspection and maintenance records

8. Vector and Nuisance Insect Control

- Monitoring for the presence of vector and nuisance insect species
- Adequate pretreatment of influent wastewater to lessen production of larval mosquitos
- Managing emergent vegetation
- Using hydraulic control structures to rapidly dewater emergent marsh areas
- Managing flow velocities to reduce propagation of vectors



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: JULY 8, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM: RAY TAYLOR, INTERIM CITY MANAGER
SCOTT H. HOWARD, CONTRACT CITY ATTORNEY
MATTHEW T. SUMMERS, ASSISTANT CITY ATTORNEY
COLANTUONO HIGHSMITH & WHATLEY, PC**

SUBJECT: ADOPTION OF RESOLUTION NO. 2020-1693, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020, FOR THE SUBMISSION TO THE VOTERS OF A PROPOSED ORDINANCE IMPOSING A CANNABIS BUSINESS GENERAL TAX. THE PROPOSED TAX IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PER CEQA GUIDELINES, TITLE 24 CAL. CODE OF REGS., SECTION 15378, SUBD. (B)(4).

MEETING

DATE: JULY 15, 2020

SUMMARY RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2020-1693 submitting a proposed cannabis businesses gross receipts general tax to the voters at the November 3, 2020 General Election. [Requires a 4/5 vote of all City Council Members.]

REPORT:

Background: On November 8, 2016, the Control, Regulate, & Tax Adult Use of Marijuana Act ("AUMA") was approved by California voters with the passage of Proposition 64. The AUMA permits local jurisdictions to regulate and/or ban adult

use cannabis cultivation, distribution and delivery, transportation, manufacturing, testing laboratories, dispensaries, and microbusiness facilities.

Thereafter, the State legislature passed the Medicinal and Adult Use Cannabis Regulation & Safety Act, which created a comprehensive state licensing and regulatory framework for the cultivation, manufacturing, testing laboratories, distribution, retail (storefront and non-storefront), and microbusinesses of both adult and medicinal use of cannabis.

No Recommended Change in Existing Prohibition of Cannabis Businesses. Under Business and Professions Code section 26200, part of Prop. 64, the City Council retains the power to decide whether or not to allow commercial cannabis businesses in the City. The City currently prohibits all commercial cannabis businesses. (Calabasas Municipal Code sections 8.13.030 and 17.12.125.) At this time, staff does not recommend that the City Council amend these sections to allow commercial cannabis businesses.

Instead, staff recommends that the City Council consider a proposed cannabis business gross receipts general tax, which, if approved by the City's voters, would then be in place if the Legislature ever adopts a law requiring all cities in California to allow commercial cannabis businesses. Several legislators have proposed legislation that would require all cities to allow commercial cannabis businesses, on various terms and conditions, in each of the last two years. To date, all such bills have failed. Staff recommends the Council consider and provide direction on a proposed cannabis tax, to ensure a tax would be in place, if approved by the voters, if such legislation ever succeeds.

General Cannabis Business Tax. Staff recommends the City Council consider submitting a proposed general cannabis business gross receipts tax to the voters at the November 3, 2020 general election. If approved by a majority of the City's voters at that election, the proceeds of the proposed general tax on gross receipts of cannabis businesses may be spent on any lawful City purpose.

Tax Structure and Rate: If approved by the voters, the tax measure would add Article 7, Cannabis Business General Tax to Title 3, Chapter 56 of the Calabasas Municipal Code and would allow for a tax on commercial cannabis businesses to raise revenue for general fund purposes. This measure would impose a gross receipts tax on the privilege of conducting the following activities within the City's jurisdiction: transporting, dispensing, manufacturing, producing, processing, preparing, storing, testing, providing, donating, selling, delivering, distributing, or testing cannabis or cannabis products by commercial cannabis businesses in the City. The tax would be imposed on gross receipts of commercial cannabis business up to a maximum of ten percent. The tax would raise a limited amount of revenue unless and until the state legislature legalizes cannabis businesses everywhere in the state.

If adopted, the tax would apply immediately to cannabis delivery businesses that deliver to customers within the City, an updated point that staff has confirmed since the Council's last consideration of this matter. If adopted and if the state legislature requires all cities to allow cannabis dispensaries, then the tax would apply to such dispensaries and would be expected to generate significant additional revenue.

The proposed measure seeks voter approval for a maximum tax of ten percent. If the City Council would like to, it can amend the proposed maximum tax rate up until 88 days before the election. Once approved, the City Council would have the power to implement a lower tax rate than the maximum rate of ten percent and/or establish differing tax rates for each of different categories of cannabis business activities.

The City Manager, in consultation with the Chief Financial Officer and City Attorney, would be responsible for adopting administrative policies to promulgate rules, regulations, and procedures to implement and administer the tax to ensure the efficient and timely collection. The City Manager would also be responsible for organizing an independent audit of the cannabis taxes to verify that tax revenues have been properly collected and expended in accordance with will of the voters. With respect to delivery, it is in the intention of the City Manager and staff to send tax-due notice letters to all known cannabis dispensaries advertising in the City and to all known cannabis dispensaries within 25 miles that deliver to the City, putting them on notice of their obligation to pay the Calabasas cannabis taxes on their deliveries into the City, if the tax passes.

Ballot Label for Cannabis Tax Measure: The ballot label is the description of the proposed tax that is stated on the ballot and included in the voter information guides. State law requires the ballot label to include the type, rate, duration, and estimated revenue from the proposed tax. (Elections Code § 13119.) The ballot label must also be neutral and no more than 75 words. Staff recommends that the City Council closely review the proposed ballot label, as this is the language in the ballot itself reviewed by all voters. The proposed ballot label has 71 words and reads as follows:

Shall the measure imposing a City of Calabasas cannabis business tax of up to 10% of gross receipts of cannabis businesses operating in the City, including deliveries, raising approximately \$10,000 each year until voters decide otherwise, with additional revenue expected if the state or City allow cannabis dispensaries to operate in the City, to fund general City services, including public safety, roads and transportation, and parks and recreation purposes, be adopted?

Election Process and Timing: To be on the November 2020 ballot, the Council would need to adopt the Resolution and submit the ballot measure to the Los Angeles County Registrar of Voters 88 days before the date of the general election — August

7, 2020. Should the Council wish to pull the measure off the ballot after submitting it, it must do so by August 12, 2020 or 83 days before the election.

Staff has evaluated the possibility of an uncontested election for the City Council. Under Elections Code section 10229, if two or fewer persons are nominated by the end of the nomination period for the two City Council seats up for election, then the City Council may cancel the election, appoint the nominated persons, and if less nominees than available seats, appoint any eligible voter, or else may allow the election to proceed. If two or fewer persons are nominated for the two City Council seats up for election, the window to make this decision is very short, opening five days after the close of nominations (August 7, 2020 if both incumbents file nomination papers or August 12, 2020 if any incumbent does not file to run) and closing 75 days before the election, here August 20, 2020.

However, there is an exception to this rule — Elections Code section 10229, subdivision (c) provides that a City election may not be cancelled if a City measure has qualified for the ballot. If the Council is interested in retaining this option, staff has developed a conditional effective date option for the resolution [Option 2 for Section 9]: providing that this resolution only takes effect if, at the applicable close of nominations, three or more candidates have been nominated for the two City Council seats up for election. Under this optional approach, if two or fewer candidates are nominated, then the tax would not be placed on the ballot and the Council could consider, if it wanted, cancelling the election and appointing the nominees. If instead three or more candidates are nominated, then the tax would be placed on the ballot and the Council election would proceed as usual. If the Council is not inclined to take this approach, then staff recommends the standard effective date [Option 1 for Section 9], which would place this tax on the ballot and which would prevent cancelling the election.

FISCAL IMPACT:

Passage of the cannabis tax measure will result in increased revenue from the tax on gross receipts, initially no more than \$10,000 from taxes on deliveries into the City, and potentially significantly greater amounts if cannabis businesses are permitted to physically locate and operate within the City. If a storefront dispensary were to operate in the City, staff estimates that it would result in up to \$300,000 in annual revenue, per dispensary, based on an estimated gross receipts of \$3 million for the store and a 10 percent tax rate. These revenues may be spent on any lawful City purpose as approved by the City Council, as the proposed tax is a general tax.

With respect to actual election itself, staff estimates that based on costs incurred during the March 3, 2020, election, estimated cost for the November election and printing of a supplemental voter information guide will be approximately over \$103,000, which is about \$3,000 higher than the \$100,000 budgeted amount.

RECOMMENDATION:

Staff recommends that the Council adopt the Resolution No. 2020-1693, submitting the proposed cannabis businesses general tax to the voters.

ATTACHMENT:

Resolution No. 2020-1693

-Its Exhibit A, Proposed Cannabis Tax Ordinance

**ITEM 3 ATTACHMENT
CITY COUNCIL RESOLUTION NO. 2020-1693**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS,
CALIFORNIA, SUBMITTING TO THE QUALIFIED ELECTORS OF THE
CITY OF CALABASAS A GENERAL CANNABIS TAX MEASURE AT THE
GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2020.**

WHEREAS, Elections Code section 9222 authorizes the City Council to submit a measure to the voters to levy a tax for general purposes to be approved or rejected by a simple majority of the qualified voters of the city voting in an election on the issue; and;

WHEREAS, the City Council proposes to the City's voters an ordinance to impose a general tax on commercial cannabis activity in the City (the "Ordinance"), attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, the general tax on commercial cannabis activity shall be used for any lawful purpose, including public safety, roads and transportation, parks and recreation, as well as other general City services; and

WHEREAS, the Ordinance imposes a general tax of up to ten percent (10%) of gross receipts on commercial cannabis activity, with the rate to be set by the City Council by Resolution within the ten percent limit, to be collected as set forth in the Ordinance; and

WHEREAS, under California Constitution, article XIII C, section 2, subdivision (b) and Government Code section 53723, no local government may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote of the qualified electors voting in the election; and

WHEREAS, the qualified voters of the City of Calabasas have the authority under Article XIII C, section 2 of the California Constitution to approve general tax proposals such as a tax on cannabis manufacturing, distribution, retail, and other related commercial cannabis activities within the City; and

WHEREAS, California Constitution, article XIII C, section 2, subdivision (c) requires the approval of a simple majority of voters to approve this general tax if it is to be effective; and

WHEREAS, on July 15, 2020 the City Council adopted this Resolution to present the Ordinance to voters at the General Election for November 3, 2020 (the "Election") so they may determine whether to impose a general tax on the commercial cannabis activity in the City; and

WHEREAS, the City Council desires to submit the Tax to the electorate at the Election;

NOW, THEREFORE, BE IT RESOLVED, THAT THE CITY COUNCIL OF THE CITY OF CALABASAS DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Recitals:

All of the foregoing recitals are true and correct

SECTION 2. General Municipal Election:

Pursuant to Elections Code sections 324 and 10201, the City Council of the City of Calabasas hereby calls and notices a General Municipal Election to be held on November 3, 2020, to submit the following measure to the voters:

Shall the measure imposing a City of Calabasas cannabis business tax of up to 10% of gross receipts of cannabis businesses operating in the City, including deliveries, raising approximately \$10,000 each year until voters decide otherwise, with additional revenue expected if the state or City allow cannabis dispensaries to operate in the City, to fund general City services, including public safety, roads and transportation, and parks and recreation purposes, be adopted?	YES
	NO

SECTION 3. Request to Consolidate, Conduct Election, and Canvas Returns:

The Los Angeles County Board of Supervisors is hereby requested to authorize the Los Angeles County Registrar of Voters to render services necessary for the conduct of the General Municipal Election called by this Resolution. Pursuant to Elections Code section 10403, the City Council hereby requests that the Los Angeles County Board of Supervisors consolidate the General Municipal Election with the Statewide General Election to be held on November 3, 2020 and order the General Municipal Election to be conducted by the Los Angeles County Registrar of Voters. The City Council acknowledges and requests that the consolidated election be held and conducted in the manner prescribed in Elections Code section 10418. The ballots to be used in the election shall be in form and content as required by law.

The City Clerk is authorized and directed to work with the Los Angeles County Registrar of Voters and to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia as needed to properly and lawfully conduct the election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections. Pursuant to Elections Code section 10002, the City will reimburse Los Angeles County for the actual cost incurred in conducting the election upon receipt of a bill stating the amount due.

The notice of the time and place of holding the election is hereby given, and the City Clerk and Los Angeles County Registrar of Voters are authorized to give further notice of the election, as required by law, and the City Clerk shall forward a certified copy of this resolution to the Clerk of the Los Angeles County Board of Supervisors as required by law.

SECTION 4. Implementation:

The City Clerk is directed to file with the Los Angeles County Board of Supervisors certified copies of this Resolution, with a copy to the Los Angeles County Registrar of Voters, pursuant to Elections Code section 10403. The City Clerk is further authorized and directed to perform all other acts necessary or required by law to implement this Resolution and related to the election.

SECTION 5. Impartial Analysis:

The City Clerk shall transmit a copy of the Measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the Measure, not to exceed 500 words in length, showing the effect of the Measure on the existing law and the operation of the measure, and transmit such impartial analysis to the City Clerk within ten (10) days of the adoption of this Resolution.

SECTION 6. Ballot Arguments:

Any and all members of the City Council are hereby authorized to prepare a written argument in favor of the measure on behalf of the City Council, not to exceed 300 words, as specified in section 9282 of the California Elections Code.

Arguments against the Measure may not exceed 300 words and must be submitted to the City Clerk in compliance with sections 9282 and 9283 of the California Elections Code by the deadline established by the City Clerk.

SECTION 7. Rebuttal Arguments:

Under Elections Code Section 9285, when the elections official has selected the arguments for and against the measure, not exceeding 300 words each, which will be printed and distributed to the voters, the elections official shall send a copy of an argument in favor of the proposition to the authors of the selected argument against the measure and a copy of an argument against the measure to the authors of the selected argument in favor of the measure immediately upon receiving the arguments.

The author or a majority of the authors of an argument relating to a City measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument. A rebuttal argument may not be signed by more than five authors. The rebuttal arguments shall be filed with the City Clerk, signed, with the printed name(s) and signatures(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers, not more than 10 days after the final date for filing direct arguments. The rebuttal arguments shall be accompanied by the Form of Statement To Be Filed By Author(s) of Argument, available upon request from the City Clerk. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 8. CEQA:

The City Council determines this Resolution is exempt from review under the California Environmental Quality Act (CEQA). Pursuant to section 15061(b)(3) of the CEQA Guidelines, CEQA applies only to projects which have the potential for causing a significant effect on the environment. The calling and noticing of a General Municipal Election is not a project within the meaning of CEQA Guidelines section 15378, subsection (b)(3).

SECTION 9. Effective Date

[[Option 1: This resolution shall take effect on the day of adoption.]]

[[Option 2: This resolution shall take effect only if three or more individuals have been nominated by the applicable deadline for nominations for the two City Council seats up for election at the November 3, 2020 General Municipal Election under Elections Code section 10220, 10224, and 10225. If fewer than three individuals are nominated by the applicable deadline for nominations for the two City Council seats up for election at the November 3, 2020 General Municipal Election

under Elections Code section 10220, 10224, and 10225, then this resolution shall not take effect.]]

SECTION 10. Certification:

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 15th day of July 2020.

Alicia Weintraub, Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

APPROVED AS TO FORM:

Scott H. Howard
Colantuono Highsmith & Whatley
City Attorney

ORDINANCE NO. 2020-384

**AN ORDINANCE OF THE CITY OF CALABASAS,
CALIFORNIA ADDING ARTICLE 7 TO TITLE 8, CHAPTER
1 OF THE CALABASAS MUNICIPAL CODE TO ESTABLISH
A GENERAL BUSINESS LICENSE TAX ON CANNABIS
BUSINESS ACTIVITY**

WHEREAS, California voters approved Proposition 215 (Health and Safety Code Section 11362.5), entitled the Compassionate Use Act (CUA), in 1996, which exempts patients and their primary caregivers from criminal prosecution or sanctions under H&S Code Sections 11357 and 11358 for qualified use and cultivation of medical cannabis; and

WHEREAS, the California Legislature passed Senate Bill 420 (H&S Code Sections 11362.7 et seq.) in 2003 to create the Medical Marijuana Program (MMPA), which established a voluntary program for the issuance of medical cannabis identification cards for qualified patients, set limits on the amount of cannabis any individual could possess, and provided an exemption from state criminal liability for persons “who associate within the State of California in order collectively or cooperatively to cultivate marijuana for medical purposes”; and

WHEREAS, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA”) was passed by California voters on November 8, 2016, as Proposition 64; and

WHEREAS, many of the AUMA’s provisions took effect on November 9, 2016; and

WHEREAS, among other effects, the AUMA authorizes the adult use of cannabis by persons aged 21 years or older, and regulates personal and commercial activities related to adult cannabis use; and

WHEREAS, on June 27, 2017, the Governor signed into law Senate Bill 94 creating a single regulatory mechanism for both medical and adult-use cannabis — the “Medicinal and Adult-Use Cannabis Regulation and Safety Act” (MAUCRSA). Under MAUCRSA, local governments retain broad authority over most cannabis activity and businesses; and

WHEREAS, the City has no local tax on cannabis business operations; and

WHEREAS, AUMA and MAUCRSA do not preempt local taxation of cannabis operations; and

WHEREAS, this ordinance proposes such a tax on the terms presented for consideration by the voters; and

WHEREAS, the City Council desires that revenue generated from this cannabis tax be spent for general City purposes; and

WHEREAS, this cannabis tax is imposed to raise revenue and not for regulation; and

WHEREAS, this cannabis tax does not modify the City's existing prohibition against cannabis businesses operating in the City under Calabasas Municipal Code sections 8.13.030 and 17.12.125; and

WHEREAS, this ordinance is intended to ensure a cannabis tax is in place in the event that the state requires the City to allow cannabis businesses.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF CALABASAS, CALIFORNIA DO ORDAIN AS FOLLOWS:

SECTION 1. Findings. The People of the City of Calabasas hereby determine that the foregoing findings are true and correct, and incorporate them herein by reference.

SECTION 2. Code Amendment. The Calabasas Municipal Code is hereby amended to add Article 7, Cannabis Business General Tax to Title 3, Chapter 56 as set forth below, enacting a general tax on the privilege of conducting business relating to cannabis in the City of Calabasas.

Section 3.56 Cannabis Business General Tax

Sections

- 3.56.010 Title.
- 3.56.020 Effective Date.
- 3.56.030 Purpose.
- 3.56.040 Definitions.
- 3.56.050 Cannabis Business Tax.
- 3.56.060 Registration of Cannabis Businesses.
- 3.56.070 Payment Obligation.
- 3.56.080 Tax Payment Does Not Authorize Activity.
- 3.56.090 Cannabis Tax is Not a Sales Tax.
- 3.56.100 Amendments, Rate Adjustments, and Administration.
- 3.56.110 Returns and Remittances.
- 3.56.120 Failure to Pay Timely.
- 3.56.130 Refunds.
- 3.56.140 Enforcement.
- 3.56.150 Successor and Assignee Responsibility.
- 3.56.160 Debts, Deficiencies, and Assessments.
- 3.56.170 Apportionment.

Section 3.56.010. Title.

(a) This ordinance shall be known as the “Cannabis Business Tax Ordinance.”

Section 3.56.020. Effective Date.

(a) This ordinance shall take effect ten days after the certification of its approval by a simple majority of the City’s voters at a regularly scheduled general election, pursuant to California Constitution, Article XIII C, section 2, subdivision (c).

Section 3.56.030. Purpose

(a) This ordinance is intended to achieve the following purposes, among others, and shall be interpreted to accomplish such purposes:

- (1) Impose a tax on the privilege of conducting the following activities within the City’s jurisdiction: transporting, dispensing, manufacturing, producing, processing, preparing, storing, testing, providing, donating, selling, or delivering, or distributing cannabis, cannabis products, cannabis accessories, or cannabinoid preparations delivering, or distributing cannabis, cannabis products, cannabis accessories, or cannabinoid preparations commercial cannabis businesses in the City of Calabasas, under the Control, Regulate and Tax Adult Use of Marijuana Act and the Medicinal and Adult-Use Cannabis Regulation and Safety Act (California Business and Professions Code sections 26000, *et seq.*). as they now exist or may be amended from time to time, and local law, whether or not conducted in compliance with such laws;
- (2) Impose a general tax that generates revenue that may be used by the City for any lawful purpose, including, but not limited to, general City services, public safety, road and transportation purposes, parks and recreation purposes, and other City services;
- (3) Specify the type of tax and rate of tax to be levied and the method of collection, and general fund purposes; and
- (4) Comply with all requirements for imposition of a general tax.

(b) This chapter is enacted solely to raise revenue and not for regulation.

It is not a sales and use tax, a tax upon income, a transient occupancy tax, utility user tax, or a tax upon real property, and does not change any obligations under those taxes. It shall apply to all persons engaged in cannabis businesses in the City. The tax imposed by this chapter is a general tax under Articles XIII A and XIII C of the California Constitution.

(c) This chapter does not authorize the conduct of any business or activity in the City but provides for the taxation of such businesses or activities as

they occur. Neither the imposition of such tax by the City nor the payment of such tax by the taxpayer shall imply that the activity being taxed is lawful. This chapter shall apply to each cannabis business in the City, whether or not such business has a permit issued pursuant to the City of Calabasas Municipal Code.

Section 3.56.040. Definitions

(a) "Adult use" of cannabis or cannabinoid preparations means the use permitted by Section 11362.1 of the California Health & Safety Code.

(b) "Cannabis" means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part thereof; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" does not include:

(1) Industrial hemp, as defined in Section 11018.5 of the California Health & Safety Code; or

(2) The weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other products.

(c) "Cannabis, adult-use" means cannabis or cannabis products intended to be sold for use by adults 21 years of age and over who do not possess a physician's recommendation for the use of cannabis issued in accordance with the Compassionate Use Act of 1996 (California Health and Safety Code; § 11362.5).

(d) "Cannabis accessories" is defined as that term is defined in California Health and Safety Code section 11018.2.

(e) "Cannabis business" means any business that conducts any, all, or a portion of the following activities: transporting, dispensing, manufacturing, producing, processing, preparing, storing, testing, providing, donating, selling, retailing, delivering, or distributing cannabis, cannabis products, cannabis accessories, or cannabinoid preparations by commercial cannabis businesses, in the City of Calabasas, under the Control, Regulate and Tax Adult Use of Marijuana Act and the Medicinal and Adult-Use Cannabis Regulation and Safety Act (California Business and Professions Code sections 26000, et seq.). as they now exist or may be amended from time to time, and local law, whether or not conducted in compliance with such laws.

(f) "Cannabinoid preparations" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including but not limited to concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

(g) "Delivery" or "delivering" means the commercial transfer of cannabis or cannabinoid preparations to a customer and is a component of retail commercial cannabis activity. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer or independently licensed under California law that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabinoid preparations.

(h) "Gross receipts" means the following: (1) the total amount of consideration actually received or receivable from all sales; (2) the total amount of

compensation actually received or receivable for the performance of any act or service, of whatever nature, for which a charge is imposed or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise; (3) any and all rents, royalties, fees, commissions, or dividends received or receivable, and (4) gains realized from trading in stocks or bonds, however designated. Included in "gross receipts" shall be all receipts, cash, credits and property of any kind or nature, without any deduction or setoff therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever except the following shall be excluded therefrom:

1. Credit allowed on property accepted as part of the purchase price and which property may later be sold, at which time the sales price shall be included as "gross receipts";

2. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;

3. Such part of the sale price of property returned by purchasers upon rescission of a contract of sale as is refunded either in cash or by credit;

4. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded;

5. Amounts collected for others where the business is acting as an agent or trustee to the extent that such amounts are paid to those for whom collected, provided the agent or trustee has furnished the administrator with the names and addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustee;

6. Receipts from investments where the holder of the investment receives only interest and/or dividends, royalties, annuities, and gains from the sale or exchange of stock or securities solely for a person's own account, not derived in the ordinary course of business;

7. Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;

8. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible, provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected they shall be included in the amount of gross receipts for the period when they are recovered;

9. Transactions between a partnership and its partners;

10. Transactions between a limited liability company and its member(s), provided the limited liability company has elected to file as a Subchapter K entity under the Internal Revenue Code and that such

transaction(s) shall be treated the same as between a partnership and its partner(s) as specified in Subsection 10., above; and

11. Receipts from services or sales in transaction between affiliated corporations; an affiliated corporation is defined as a corporation:

- a. Which owns at least eighty percent of the voting and non-voting stock of such other corporation; or
- b. The voting and non-voting stock of which is owned at least eighty percent by such other corporation with which such transaction is had; or
- c. At least eighty percent of the voting and non-voting stock of which is owned by a common parent corporation which also has such ownership of the corporation with which such transaction is had.

As to any person engaged in the business of manufacturing or processing any goods, wares, merchandise, article or commodity at a fixed place of business within the City which does not generate gross receipts as defined herein within the City, gross receipts shall be deemed to include the total of all expenses incurred in the manufacturing or processing of such goods at the business location within the City for payroll, utilities, depreciation, and/or rent. As to any person engaged in the business of operating an administrative headquarters at a fixed place of business within the City who does not have gross receipts as defined herein within the city, gross receipts shall be deemed to include the total gross payroll of all persons employed at such administrative headquarters.

Notwithstanding the foregoing, for any cannabis microbusiness, which conduct cannabis manufacturing, distribution, and retail activities, the gross receipts of such business shall include the gross receipts earned at each of the three stages of the cannabis microbusiness activities, including the gross receipts earned or which would be earned upon the value of cannabis manufactured by the cannabis microbusiness, the gross receipts earned or which would be earned upon the value of cannabis distributed by the cannabis microbusiness, and the gross receipts earned or which would be earned upon the value of cannabis sold by the cannabis microbusiness; whether or not, for each stage of the cannabis microbusiness, the product of the cannabis manufacturing, distribution, and retail activities is sold or transferred from the cannabis microbusiness.

(i) "Medical use" of cannabis or cannabinoid preparations means the use permitted by the Compassionate Use Act (California Health & Safety Code, § 11362.5) and the Medical Marijuana Program Act (California Health & Safety Code, § 11362.7 et seq.).

(j) "Person" includes any individual, firm, co-partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust,

receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

(k) "Primary Caregiver" is defined as that term is defined in California Health and Safety Code section 11362.7, subdivision (d).

(l) "Qualified Patient" means a seriously ill person who obtains a written recommendation from a physician licensed to practice medicine in the State of California to use cannabis for personal medical purposes. In addition, persons currently under the care of a physician for a "serious medical condition" as that term is defined in California Health and Safety Code section 11362.7, subdivision (h) are presumed to be "qualified patients."

(m) "Manufacture" means the production, preparation, or compounding of cannabis products, including extraction processes, infusion processes, the packaging or repackaging of manufactured cannabis or cannabis products, and labeling or relabeling the packages of manufactured cannabis or cannabis product.

(n) A "manufacturing" or "manufacturing operation" means all aspects of the manufacture, extraction and/or infusion processes, including processing, preparing, holding, storing, packaging, or labeling of cannabis products. "Manufacturing" shall also include any processing, preparing, holding, or storing of components and ingredients.

(o) A "volatile solvent" shall mean any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

(p) A "non-volatile solvent" shall mean any solvent used in the extraction process that is not a volatile solvent, including carbon dioxide.

(q) A "microbusiness" shall mean any commercial adult-use cannabis business that engages in commercial manufacturing, distribution, and retail sales of cannabis for adult-use and medical purposes.

(r) Any term defined in this Section also means the very term as defined in the California Business & Professions Code or the California Health & Safety Code, unless otherwise specified.

Section 3.56.050. Cannabis Business General Tax

(a) There is hereby imposed on every cannabis business in the City an annual tax at a rate to be established from time to time by resolution of the City Council. The tax for all cannabis businesses shall be imposed with respect to the gross receipts of such businesses up to a maximum of ten percent (10%), of the business' gross receipts. The tax imposed under this section shall be due and payable as provided in section 8.56.120.

(b) The City Council may by resolution, in its discretion, implement a tax rate lower than the maximum rate established in subsection (a) of this section for all persons engaged in a cannabis business in the City, or establish differing tax rates for each of different categories of cannabis business activities. The City Council may, by resolution, also decrease or increase any such tax rate from time to time, provided

that the tax rate shall not, at any time, be above the maximum tax rates established in subsection (a) of this section.

(c) All gross receipts earned from transporting, dispensing, manufacturing, producing, processing, preparing, storing, testing, providing, donating, selling, retailing, delivering, or distributing cannabis, cannabis products, cannabis accessories, or cannabinoid preparations by commercial cannabis businesses, in the City of Calabasas, to an authorized medical cannabis patient or authorized medical cannabis patient's designated primary caregiver who possesses a county-issued medical cannabis identification card issued and valid under the provisions of Health and Safety Code Section 11362.71, et seq. shall be exempt from taxation under this chapter.

Section 3.56.060. Registration of Cannabis Business

(a) All persons engaging in a cannabis business, whether an existing, newly-established or acquired business, shall register with the City Manager's office by the later of (i) 30 days of commencing operation or (ii) by the effective date of the ordinance adding this section to the Cannabis Municipal Code and shall annually renew such registration no less frequently than one calendar year after the date of the most recent registration. In registering, such persons shall furnish to the City Manager a sworn statement, upon a form provided by the City Manager, setting forth the following information:

- (1) The name of the business;
- (2) The names and addresses of each owner;
- (3) The nature or kind of all business activity to be conducted;
- (4) The place or places where such business is to be carried on; and
- (5) Any further information which the City Manager may require.

(b) Registrants shall pay an annual registration fee in an amount established from time to time by ordinance or resolution of the City Council to recover the City's costs to implement the taxes imposed under this chapter, the registration requirement of this section, and the other provisions of this chapter. As a regulatory fee, such fee shall be limited to the City's reasonable regulatory costs.

(c) The tax registration certificate required, and the License required under Title 4, Chapter 26 of this Code may constitute a single document.

Section 3.56.070. Payment Obligation

All taxpayers subject to a tax under this this chapter shall pay that tax regardless of any rebate, exemption, incentive, or other reduction set forth elsewhere in this Code, except as required by state or federal law. Failure to pay such a tax shall be subject to penalties, interest charges, and assessments as provided in this chapter and the City may use any or all other code enforcement remedies available at law or in equity. No provision of this Code shall be interpreted to reduce a tax rate established under this chapter or otherwise reduce the taxes paid hereunder unless the provision specifically expresses that reduction.

Section 3.56.080. Tax Payment Does Not Authorize Activity

The payment of a tax imposed under this chapter shall not be construed to authorize the conduct or continuance of any illegal business or of a legal business in an illegal manner. Nothing in this chapter authorizes or implies the lawfulness of any activity connected with the distribution or possession of cannabis unless otherwise authorized and allowed in strict and full conformance with this Code, including without limitation the provisions of Title 8, Chapter 13. Nothing in this chapter shall be applied or construed as authorizing the sale, cultivation (including nurseries), transportation, distribution, manufacture, compounding, conversion, processing, preparation, testing, storage, packaging, delivery and sale (wholesale and/or retail sales) of cannabis, cannabis products, or any accessories for the use of recreational cannabis or cannabis products.

Section 3.56.090 Cannabis Tax is Not a Sales Tax

The taxes provided for under this chapter are excise taxes on the privilege of conducting a cannabis business in the City and legally incident on those engaged in such business. They are not sales or use taxes and shall not be calculated or assessed as such. Nevertheless, at the option of the taxpayer, the tax may be separately identified on invoices, receipts and other evidences of transactions.

Section 3.56.100. Amendments, Rate Adjustments, and Administration

(a) The voters of the City of Calabasas approved this chapter. Any amendment to this chapter to increase the taxes above the maximum rate provided in Section 3.56.050 requires further voter approval. The voters authorize the City Council to set the tax rates at or below the maximum rate or rates for differing categories of cannabis businesses, or otherwise to amend, modify, change, or revise any other provision of this chapter as the City Council deems in the best interest of the City. In addition, the City Council may establish exemptions, incentives, or other reductions, and penalties and interest charges or assessments for failure to pay the tax when due, as otherwise allowed by the City Charter, the City's Municipal Code, and California law.

(b) The City Manager, in consultation with the Chief Financial Officer and City Attorney, may adopt administrative policies to promulgate rules, regulations, and procedures to implement and administer this chapter to ensure the efficient and timely collection of the taxes imposed by this chapter, including without limitation, formulation and implementation of penalties and interest to be assessed for failure to pay the taxes as provided. Such policies shall be: (i) effective upon the date specified in the policy; (ii) signed by the City Manager and City Attorney; and (iii) be made publicly available through the City Clerk.

(c) The City shall annually audit the cannabis taxes imposed by this chapter to verify that tax revenues have been properly collected and expended in accordance with the law.

(d) Pursuant to California Constitution, Article XIII B, the appropriation limit for the City is increased to the maximum extent over the maximum period of

time allowed under law consistent with the revenues generated by the taxes and fee imposed by this chapter.

Section 3.56.110. Returns and Remittances

(a) The taxes imposed by this chapter shall be due and payable as follows:

(1) Each cannabis business owing tax under this chapter shall provide a tax return to the City Manager within thirty days following the last day of the month stating the tax owed for that month, and the basis of its calculation. The taxpayer shall remit the tax owed to the City Manager when the return is due whether or not a return is filed as required.

(2) All tax returns shall be completed on forms provided by the City Manager.

(3) Tax returns and payments for all outstanding taxes, fees, penalties and interest owed the City are immediately due upon cessation of business for any reason.

(b) Whenever any payment, statement, report, request or other communication is received by the City Manager after the time prescribed by this section for its receipt but is in an envelope postmarked on or before the date prescribed by this section for its receipt, the City Manager shall regard such payment, statement, report, request, or other communication as timely. If the due date falls on Saturday, Sunday, or a City holiday, the due date shall be the last earlier business day on which City Hall is open to the public.

(c) Unless otherwise specifically provided by this chapter, the taxes imposed by this chapter shall be deemed delinquent if not paid on or before the due date specified in subsection (a) of this section.

(d) The City Manager need not send a delinquency or other notice or bill to any person subject to a tax or fee imposed by this chapter and failure to send such notice or bill shall not affect the validity of any tax, fee, interest or penalty due under this chapter.

3.56.120. Failure to Pay Timely

(a) Any person who fails or refuses to pay any tax or fee imposed by this chapter when due shall pay penalties and interest as follows:

(1) A penalty equal to ten (10) percent of the tax or fee, in addition to the amount of the tax; and

(2) An additional penalty equal to twenty-five (25) percent of the amount of the tax or fee if unpaid for more than a month beyond the due date; and

(3) Interest charges on the amount of any and all unpaid taxes, fees, or penalties at the rate of one percent (1%) interest per month from the date due until paid. Interest shall be applied at the rate of one percent (1.0%) per month on the first day of the month for the full

month and will continue to accrue monthly on the tax and penalty until the balance is paid in full.

(b) If a check is submitted in payment of a tax or fee and is returned unpaid by the bank upon which drawn, and the check is not redeemed before the due date, the taxpayer will be liable for the tax or fee due plus penalties and interest as provided for in this section plus any amount allowed under state law for the returned check.

(c) The tax due shall be that amount due and payable from the latter of (i) the effective date of the taxes under this chapter as determined by resolution of the City Council or (ii) the first date on which the cannabis business first operated in the City.

(d) The City Manager may waive some or all of the penalties imposed by this section as to any person if:

(1) The person provides evidence satisfactory to the City Manager that failure to pay timely was due to circumstances beyond the control of the person and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, and the person paid the delinquent tax or fee and accrued interest owed the City upon applying for a waiver.

(2) A waiver authorized by this subsection shall not apply to the tax, fee, or interest and may be granted only once during any 24-month period.

Section 3.56.130. Refunds

(a) No refund shall be made of any tax collected pursuant to this chapter, except as provided in this section.

(b) No refund of any tax collected pursuant to this chapter shall be made because of the discontinuation, dissolution, or other termination of a cannabis business.

(c) Any person entitled to a refund of sums paid under this chapter may elect to have such refund applied as a credit against future obligations under this chapter.

(d) Whenever any tax, fee, penalty, or interest under this chapter has been overpaid, paid more than once, or has been erroneously or illegally collected or received by the City, such amount shall be refunded to the person who paid the tax upon a timely written claim for refund filed with the City Manager.

(e) The City Manager may examine and audit all the books and business records of the claimant to determine eligibility to the claimed refund. No claim for refund shall be allowed if the claimant refuses to allow such examination of the claimant's books and business records.

(f) A sum erroneously paid under this chapter due to an error of the City shall be refunded to the claimant in full upon a timely claim. If an error is attributable to the claimant, the City may retain an amount established by

ordinance or resolution of the City Council from time to time in an amount sufficient to recover the City's cost to process the claim and refund the balance.

(g) The City Manager shall initiate a refund of any sum overpaid or erroneously collected under this chapter whenever the overpayment or erroneous collection is disclosed by a City audit for the period of time unprotected by the duty to file a timely claim under the Government Claims Act.

Section 3.56.140. Enforcement

(a) The City Manager shall enforce this chapter.

(b) The City Manager may audit and examine all business locations, books and records of cannabis businesses, including both state and federal income tax returns, California sales tax returns, or other evidence documenting the gross receipts of a cannabis business to ascertain any tax due under this chapter and to verify any returns or other information any person submits to the City under this chapter. If a cannabis business, after written demand by the City Manager, refuses to make available for audit, examination or verification such locations, books, and records as the City Manager requests, the City Manager may, after full consideration of all such information as is available make an assessment of the tax or fee due and demand payment from the tax- or fee-payer, together with any penalties and interest due for late payment.

(c) The conviction and punishment of any person for failure to pay a sum required under this chapter shall not excuse or exempt such person from any civil action for the debt. No civil action shall prevent a criminal prosecution for any violation of this chapter or of any state law requiring the payment of all taxes. No election of remedies shall apply to the enforcement of this chapter or any other provision of this Code and the City may pursue one or more remedies in its discretion provided only that no double recovery shall be permitted.

(d) Any person violating any of the provisions of this chapter or any regulation or rule adopted pursuant to it, or knowingly or intentionally misrepresenting any material fact to the City in procuring a certificate or document from the City under this chapter, or under Title 4, Chapter 26, shall be deemed guilty of a misdemeanor unless the City Attorney, in his or her discretion, elects to prosecute it as an infraction.

(e) In addition to the penalty imposed for a failure to timely pay any tax or fee imposed by this chapter, pursuant to Section 8-1.712, the City Manager shall have the discretion to issue an administrative citation with respect to said failure and impose an administrative fine in the amount of \$2,000 for each month that any payment of tax is overdue. Each cannabis business subject to any such administrative citation and fine shall have the opportunity to appeal same pursuant to the process set forth in Title 8 of this Code.

(f) In the event that any appeal as to an administrative citation and fine pursuant to this Section 8-1.714, or any other action in relation thereto takes place, the City shall be entitled to recover its attorneys' fees and administrative

costs incurred unless the appeal in question is granted, or the cannabis business initiating any other action is the prevailing party.

Section 3.56.150 Successor and Assignee Responsibility

(a) If any person, while liable for any amount under this chapter, sells, assigns or otherwise transfers half or more of a taxed cannabis business, whether voluntarily or involuntarily, the person's successor, assignee or other transferee, or other person or entity obtaining ownership or control of the business ("transferee") shall pay that amount when due. A transferee shall notify the City Manager of a transfer 30 days before the transfer date; or if the agreement to sell, transfer, or otherwise dispose of the business is made less than 30 days before the date of transfer, on the first day the City is open for business after the transfer.

(b) A transferee shall be deemed to have satisfied an unpaid liability if the transferee complies with the requirements of California Revenue and Taxation Code Section 7283.5 and this section by withholding from the purchase price, for the benefit of the City, an amount sufficient to cover the liability, or by otherwise paying the liability and obtaining from the City Manager a "Tax Clearance Certificate" showing that all outstanding liability has been paid through the date of transfer.

(c) Within 90 days of receiving a written request from a transferee, the City Manager may issue a "Tax Clearance Certificate" stating either the amount due as to the business under this chapter or stating that there is no liability due for the business through a stated date. The City Manager may also request financial records from the transferor to audit the amount due under this chapter. The City Manager shall issue a tax clearance certificate within 30 days of completing the audit, stating any amount owed, unless the City Manager determines the records provided for audit are insufficient to determine whether taxes, fees, penalties and/or interest are due and in what amounts. If so, the City Manager may rely on available information to estimate any amount due and shall issue a tax clearance certificate stating that amount. A written application for an appeal hearing on the amount assessed on a tax clearance certificate must be made within 10 days after the City Manager serves or mails the certificate. The appeal provision of Title 8 of this Code shall apply. If a timely application for a hearing is not made, the tax clearance certificate shall serve as conclusive evidence of the liability under this chapter associated with the business through the date stated on the certificate.

Section 3.56.160. Debts, Deficiencies, and Assessments

(a) The amount of any tax, fee, penalties, and interest imposed by this chapter shall be deemed a debt to the City and any person operating a cannabis business without first having procured a business license(s) and paid all requisite business license taxes, as provided in this Chapter and Titles 6 and 8 shall be liable in an action in the name of the City in any court of competent jurisdiction for the amount due.

(b) If no return or statement is timely filed, or if the City Manager is not satisfied that any return or other statement filed under this chapter is correct, or that the amount due is correctly computed, the City Manager may determine that amount and make a deficiency determination upon available information. The City Manager may make one or more deficiency determinations for a period or periods. When a person discontinues engaging in a taxed business, the City Manager may make a deficiency determination may at any time within three years thereafter as to any liability arising from engaging in such business whether or not a deficiency determination is issued before the date the tax would otherwise be due. Whenever a deficiency determination is made, a notice shall be given to the person concerned as are notices of assessment under subsections (b), (c), and (d) of this section.

(c) Under any of the following circumstances, the City Manager may make and give notice of an assessment of taxes, fees, penalties and interest owed under this chapter:

(1) If the person has not filed any statement or return required by this chapter;

(2) If the person has not paid any tax, fee, penalty or interest due under this Ordinance;

(3) If the person has not, after demand by the City Manager, filed a corrected statement or return, or adequate substantiation of the information contained in a statement or return previously filed, or paid any additional amount due under this chapter;

(4) If the City Manager determines nonpayment of any amount due under this chapter or Titles 6 or 8 is due to fraud, a penalty of 25 percent of the amount of otherwise due shall be added thereto in addition to penalties and interest otherwise stated in this chapter.

(5) The notice of assessment shall separately set forth any amount the City Manager knows or estimates to be due under this chapter, including any penalties or interest accrued to the date of the notice.

(6) A notice of assessment shall be served upon the tax- or fee-payer either by personal service or by a deposit in the United States mail, postage prepaid, addressed to the address appearing on the cannabis business tax registration certificate, City cannabis license issued under Title 4, Chapter 26, or such other address as he or she may provide the City Manager in writing for notices under this chapter; or, should the person have no business tax certificate issued and no address provided to the City Manager for such purpose, then to such person's last known address. Service by mail is complete upon deposit in the United States mail as provided in this paragraph.

(c) Within 10 days after service of a notice of assessment, the tax- or fee-payer may apply in writing to the City Manager for a hearing on the assessment. If no timely application for a hearing is made, the amount assessed shall be final and conclusive. Within 30 days of the receipt of an application for hearing, the City Manager shall cause the matter to be set for hearing The City

Manager shall give notice of such hearing to the person requesting it not later than five days before the hearing. At such hearing, the applicant may appear and offer evidence why the assessment should not be confirmed. After such hearing, the City Manager shall determine the amount due under this chapter and shall give written notice to the person as prescribed in this chapter for giving notice of assessment. That decision is final as to the City, but either the City or the applicant may seek judicial review as provided by California Code of Civil Procedure section 1094.5.

Section 3.56.170. Apportionment

(a) No tax imposed by this chapter shall be applied to occasion an undue burden upon interstate commerce or violate the equal protection and due process clauses of the Constitutions of the United States or the State of California.

(b) If any case where a business tax imposed under this chapter is believed by a taxpayer to place an undue burden upon interstate commerce or violate such constitutional clauses, the taxpayer may apply to the City Manager for an adjustment of the tax. It shall be the taxpayer's obligation to request in writing for an adjustment within one year after the date of payment of the tax. If the taxpayer does not request in writing within one year from the date of payment, then the taxpayer shall be conclusively deemed to have waived any adjustment for that year and all prior years.

(c) The taxpayer shall, by sworn statement and supporting testimony, show the method of business and the gross volume of business and such other information as the City Manager may deem necessary to determine the extent, if any, of such undue burden or violation. The City Manager shall then conduct an investigation and shall fix as the tax for the taxpayer an amount that is reasonable and nondiscriminatory, or if the tax has already been paid, shall order a refund of the amount over and above the tax so fixed. In fixing the tax to be charged, the City Manager shall have the power to base the tax upon a percentage of gross receipts or any other measure which will assure that the tax assessed shall be uniform with that assessed on businesses of like nature, so long as the amount assessed does not exceed the tax as prescribed by this chapter.

(d) Should the City Manager determine the gross receipt measure of tax to be the proper basis, the City Manager may require the taxpayer to submit a sworn statement of the gross receipts and pay the amount of tax as determined by the City Manager.

SECTION 3. Amendment. To the extent authorized by Article XIII C of the California Constitution, this ordinance may be amended by the City Council without a vote of the People. Voter approval is required for any amendment that would increase, within the meaning of Government Code section 53750(h), the tax rates beyond the maximum rates authorized by this Ordinance.

SECTION 4. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby. The People hereby declare that they would have adopted this Ordinance and each portion thereof regardless of the fact that an invalid portion or portions may have been present in the Ordinance.

SECTION 5. CEQA. This measure to be submitted to the voters adopts a general tax to help compensate the City for the increased burden on law enforcement and public safety response due to the security issues created by commercial cannabis activity in the City, to raise revenue for public safety, road and transportation purposes, parks and recreation, and other general City services. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant impact on the environment. Therefore, under CEQA Guidelines section 15060, review under CEQA is not required.

SECTION 6. Effective Date. This Ordinance relates to the levying and collecting of the City's cannabis tax and shall not take effect until ten days after the certification of its approval by a majority vote of the electorate voting at the general election to be held on November 3, 2020 under Elections Code sections 9217 and 9222.

SECTION 7. Certification; Publication. Upon approval by the voters, the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause it to be published according to law.

PASSED, APPROVED AND ADOPTED this _ day of _ 2020.

Alicia Weintraub, Mayor

ATTEST:

APPROVED AS TO FORM:

Maricela Hernandez, City Clerk
Master Municipal Clerk
California Professional Municipal Clerk

Scott H. Howard
Colantuono Highsmith & Whatley
City Attorney



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: JULY 7, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RON AHLERS, CHIEF FINANCIAL OFFICER
MICHAEL MCCONVILLE, MANAGEMENT ANALYST

SUBJECT: UPDATE ON CALABASAS OPEN SMALL BUSINESS GRANT PROGRAM

MEETING DATE: JULY 15, 2020

SUMMARY RECOMMENDATION:

Recommendation that Council receive and file this status update on the Calabasas Open Small Business Grant Program.

DISCUSSION:

The Calabasas Open Small Business Grant Program provides a one-time emergency grant, up to \$10,000, to eligible Calabasas based small businesses to assist with COVID-19 reopening costs. The FY 2020-21 approved appropriation amount is \$1 million, with \$500,000 being utilized for the first phase of the program.

The goal of the Program is to remove barriers to accessing capital for the City's small businesses that were required to close, or partially close, as a result of the pandemic. Providing these much needed funds to the City's small businesses allows stores to reopen as soon as possible, while also stimulating the local economy.

Updated Anticipated Timeframes & Deadlines

- I. Application Submission: June 15 – June 19
- II. Application Review: June 22 – July 2
- III. Final Approval & Notice of Grant Award: July 6 – July 17
- IV. Checks Mailed to Businesses: July 20 – July 31

SIGNIFICANT ACTIVITY AND UPDATES:

Application Review: June 22 – July 2

Sixty-five (65) applications were reviewed on a first come, first served basis, with first come defined as the date and time the online applications were received by the City of Calabasas. A review panel consisting of two City staff members reviewed each application to confirm that eligibility and completeness requirements were met, and screened businesses according to sales tax and transit occupancy (hotel bed) tax priority. Lastly, the panel provided a grant award amount recommendation for each eligible small business based on the reasonable costs associated with each request.

At this time, the panel has recommended that approximately two-thirds of the applications receive at least \$300,000 in grant awards. The final recommendation, and subsequent approved amount, will vary due to the panel having to clarify incomplete or ambiguous Grant Funds Use Description Statements.

Final Approval & Notice of Grant Award: July 6 – July 17

The panel recommendation will be forwarded to the City's Chief Financial Officer for final review and approval. Applicants will then be notified via email as to the eligibility status of their application. Businesses that meet program eligibility requirements will be provided an approved grant dollar amount.

In the event that an applicant is denied funding, that determination is final and there is no appeals process.

Checks Mailed to Businesses: July 20 – July 31

Small businesses will receive approved grant award checks via mail to the address listed on their applications.

FISCAL IMPACT/SOURCE OF FUNDING:

The City Council has approved a \$500,000 allocation from the Disaster Recovery Fund (46) (Woolsey Fire Settlement) as the funding source for the first phase of the Calabasas Open Small Business Grant Program.

REQUESTED ACTION:

That Council receive and file this status update on the Calabasas Open Small Business Grant Program.

ATTACHMENTS:

1. Calabasas Open Grant Application List, updated 07/07/2020

Calabasas Open Grant Application List, updated 07/07/2020

ID	Name Of Business	Business Address	Grant Request Amount
112	Julia Wong Designs, Inc	4349 Park Vicente, Calabasas, CA 91302	\$10,000.00
111	Nehoray & Drake, LLP	24007 Ventura Blvd Suite 110 Calabasas, CA 91302	\$10,000.00
110	La Paz Mexican Restaurant	4505 Las Virgenes Rd. suite 101 Calabasas CA 91302	\$10,000.00
109	Integration Studios Inc (dba: Pilates Body Conditioning)	Pilates Body Conditioning 23564 Calabasas Rd. Ste 203 Calabasas, CA 91302	\$9,000.00
108	TK Nails INC.	26527 Agoura Rd #108 Calabasas, CA 91302	\$10,000.00
107	Robert Bovshow A Professional Corporation	15643 Sherman Way #240 Van Nuys, CA 91406	\$5,000.00
106	K-T Nails	22251 Mulholland Hwy	\$10,000.00
105	Little Learners LLC	Calabasas Klubhouse 3655 Old Topanga Rd. Calabasas Ca 90290 Camp Calabasas 26210 Adamor Rd Calabasas Ca 91302	\$10,000.00
104	Little Blue Boutique	4774 Park Granada #7	\$8,325.00
103	OPTX By Wayne Fletcher	23673 Calabasas Rd	\$3,600.00
102	MICHAEL'S PIZZA	5669 LAS VIRGENES RD., CALABASAS, CA 91302	\$10,000.00
101	JAG Interiors, Inc	23911 Ventura Blvd 5000	\$9,900.00
100	sepidan co (Parkway kebab and grill)	5659 Las Virgenes Rd	\$10,000.00
99	BCBC Nail Spa	4732 Common Way., Ste. I Calabasas, CA 91302	\$10,000.00
98	Elegant Look, Inc.	4937 Las Virgenes Road #100 A, Calabasas California 91302	\$10,000.00
97	BCBC Nail Spa	26799 Agoura Rd., Ste. C4 Calabasas, CA 91302	\$10,000.00
96	The Nail Spa	5749 Las Virgines Rd., Ste. A Calabasas, CA 91302	\$10,000.00
95	Marmalade Cafe	4783 Commons Way Suite E Calabasas Ca 91302	\$10,000.00
94	Luna Optometry	22247 Mulholland Highway Calabasas, CA 91302	\$3,971.57
93	Florentyna's A Fine Flower Company	4774 Park Granada Blvd. S#1	\$10,000.00
92	HIIT FIT 5 LLC / F45 TRAINING CALABASAS	23693 CALABASAS RD. STE A CALABASAS, CA 91302	\$10,000.00
91	Illuminate Educational Therapy	4768 Park Granada Suite 106 Calabasas, CA 91302	\$10,000.00
90	SHARKY'S WOODFIRED MEXICAN GRILL/TMH Management Group, Inc.	26527 Agoura Rd #124 Calabasas, CA 91302	\$10,000.00
89	AHA Group DBA Fantastic Sams Calabasas	26500 Agoura Rd. #100 Calabasas, CA 91302	\$10,000.00
88	Fig and sprig	4774 park Granada Calabasas 91302	\$10,000.00
87	Hair By Kristie Nicole	Regency Salon Studios 23361 Mulholland Dr. Calabasas, Ca 91302	\$10,000.00
86	Focus & Testing, Inc.	5016 Parkway Calabasas, Suite 101 Calabasas, CA 91302	\$10,000.00
85	NAIL'D INC.	3840 Old Topanga Canyon Rd. Suite E Calabasas, CA 91302	\$10,000.00
84	Kumon Center of Calabasas-West	4774 Park Granada Suite 9 Calabasas, CA 91302	\$6,000.00
83	Calabasas Cupcake Bouquets	4774 Park Granada, Calabasas, 91302	\$10,000.00
82	Silver & Gold Spoon (Green Basil Restaurant)	5665 Las virgenes rd, Calabasas , Ca 91302	\$10,000.00

81	Pilates Fitness inc	22315 Mulholland Highway Calabasas, Ca 91302	\$10,000.00
80	Calabasas Dining Group LLC (Rosti Restaurant)	23663 Calabasas Rd, Calabasas California 91302	\$10,000.00
79	Calabasas Auto Spa	24115 Calabasas Rd. Calabasas, CA 91302	\$10,000.00
78	Escentials	26527 Agoura Rd , suite 106 Calabasas, CA 91302	\$10,000.00
77	Hilton Garden Inn - Calabasas	24150 Park Sorrento Calabasas, CA 91302	\$10,000.00
76	Payam Khalepari A professional Dental corp DBA Calabasas Smiles	26787 Agoura Rd E-5 Calabasas CA 91302	\$10,000.00
74	Stanton R. Bernstein	22816 Sparrow Dell Drive Calabasas, CA 91302	\$10,000.00
73	Calabasas Med Spa, PC	23659 Calabasas Road, Calabasas, CA 91302	\$8,250.00
72	Mediterranean Pita Grill	26527 Agoura Rd. #120 Calabasas, CA 91302	\$10,000.00
71	Calabasas Liquor Market	5657 Las Virgenes Road Calabasas, CA 91302	\$9,350.00
70	toscanova restaurant	4799 Commons Way a, Calabasas, CA 91302	\$7,550.00
69	Calabasas Orthodontics - Stuart J. Hoffman, D.M.D., M.S.	4764 Park Granada, Suite 104 Calabasas, CA 91302	\$3,250.00
68	Davidson Law Group, ALC	5400 Park Granada Blvd, Suite 202	\$7,000.00
67	BLUSH BOUTIQUE	23671 CALABASAS RD CALABASAS, CA. 91302	\$10,000.00
66	Lovi's Delicatessen	24005 Calabasas Road Calabasas, CA 91302	\$10,000.00
65	VIKTOR BENES BAKERY	22277 MULHOLLAND HWY CALABASA CALIFORNIA 91302	\$10,000.00
64	CQ Nails INC.	26500 Agoura Rd. STE 107 Calabasas, CA 91302	\$10,000.00
63	Doby Foods, Inc. DBA TIFA Chocolate & Gelato	23655 Calabasas Road Calabasas, CA 91302	\$10,000.00
62	Santa Fe Cafe	5679 Las Virgenes Rd., Calabasas, CA 91302	\$10,000.00
61	First Artists Management, Inc.	4764 Park Granada, Suite 110, Calabasas CA 91302	\$10,000.00
60	Old Town Hair Company	23548 Calabasas Rd #104 Calabasas, CA 91302	\$10,000.00
59	Salon Nuuvo	26777 Agoura Rd B3, Calabasas CA 91302	\$10,000.00
58	Fuhrakoon Corp	3912 LOST SPRINGS DR	\$10,000.00
57	Pedalers Fork	23504 Calabasas RD. Calabasas, CA, 91302	\$10,000.00
56	Chow House LP	23536 Calabasas Road, Calabasas, CA 91302	\$10,000.00
55	Hear Clear Hearing Aids, Inc.	4764 Park Granada suite 109 Calabasas, Ca., 91302	\$9,000.00
54	Blackbird General Store, Inc.	23504 Calabasas Rd., #2, Calabasas, CA 91302	\$10,000.00
53	Calakids	23675 Calabasas Rd. Calabasas, CA 91302	\$10,000.00
52	Mrs Cleaners	3840 Old Topanga Canyon Road Suite D Calabasas CA 91302	\$9,450.00
51	Davis Research LLC	23801 Calabasas Road #1036, Calabasas, CA 91302	\$10,000.00
49	Net Results Tennis LLC	23564 Calabasas Rd # 103 - 104, Calabasas, CA 91302	\$10,000.00
48	Atmosphere Events & Catering	23400 Park Sorrento Calabasas, CA 91302	\$6,525.00
47	Rezaie Corp (Courtyard Salon)	23645 Calabasas Road Calabasas CA 91302	\$10,000.00
46	French.us	23528 Calabasas Road Calabasas CA 91302	\$10,000.00
Total		65	\$606,171.57



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: JULY14, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM: RAYMOND TAYLOR
INTERIM CITY MANAGER**

**MAUREEN TAMURI AIA, AICP
COMMUNITY DEVELOPMENT DIRECTOR**

**SUBJECT: DISCUSSION OF RECENT STATE AND LOCAL ORDERS REGARDING
THE COVID-19 PANDEMIC, AND DIRECTION TO STAFF**

MEETING

DATE: JULY 15, 2020

SUMMARY RECOMMENDATION:

That the City Council discuss the recent State and Local Orders regarding the Covid- 19 Pandemic, and provide direction to Staff.

BACKGROUND:

To date, the City of Calabasas has issued thirteen Executive Orders in order to control the spread of the Covid-19 virus throughout the community. Faced with a growing case surge throughout the State, including Los Angeles County, the Governor's Order of July 13, 2020, places new restrictions on indoor business operations in order to limit exposure and reduce transmission. A list of the State's affected businesses under the latest State Order is provided as Attachment A to this report.

As of July 13, 2020, the County Department of Public Health reported a total of 151 confirmed cases in the City. While this number is low in comparison to other communities, there is evidence that the City's orders on exposure control

requirements, such as the use of masks, social distancing and limits on social activities, are not being heeded by some, raising concerns about disease transmission impacts to City residents.

At the request of the Mayor, this item was placed on the Agenda to seek guidance from the Council on options to address limitations on businesses, as well as enforcement efforts against individuals and entities in violation of State and local Orders.

DISCUSSION:

The following provides a brief overview of two areas for which Council guidance and direction is sought:

- a) Accommodation of an expanded outdoor business program, and
- b) Enforcement of Order Violations.

Outdoor Business Program

Within hours of the receipt of the Governor's orders on Monday, July 13, questions from re-opened businesses regarding establishing outdoor operations were directed to the City. Looking at two business types from whom questions were received, fitness centers and personal services, Staff noted that policy questions best addressed by the Council were raised regarding accommodation of such commercial activities through the use of outdoor sidewalks, parking areas or even City facilities.

Fitness Centers: The State permits their outdoor operation, and use of an open-air tent for sun protection. Parking lot areas could be cordoned off to accommodate equipment and class areas at some impact to centers if landlords were open to temporary accommodation. Staff also identified that certain City facilities, such as an outdoor park area, could also be made available on a temporary basis if desired by the Council.

Personal Care Services: Outdoor operation of businesses such as hairdressers, barbers and nail salons is also permitted under State orders, but present greater logistical challenges. Transportation of water may be required, as well as use of electrical service for hairdryers, trimming and other tools. The simple act of cutting hair, or use of aerosol products, all generate materials, which travel in the wind; outdoor siting will need to consider adjacent pedestrian areas and restaurant operations in particular.

Using these two examples of impacted business, Staff seeks direction from the Council on its position regarding allowing temporary outdoor accommodation of

these types of operations. One option is to expand the City's existing outdoor dining program administered by the Community Development Department to be an outdoor operations program allowing any suitable business to be approved for outdoor operations through a Temporary Use Permit, subject to appropriate rules and regulations.

Enforcement of Orders

On a daily basis, complaints are received by a wide variety of individuals and entities regarding order violations. There are two areas of greatest concern:

- a) Failure to wear a mask in a public area; and
- b) Interior gatherings of individuals beyond the initial household.

A violation or failure to comply with County Public Orders is a crime punishable by fine, imprisonment or both under the California Health and Safety Code (Section 120295), as well as the Los Angeles County Code (Section 11.02.080). These remedies are available to the Los Angeles County Sheriff's office, but to date, have not been used to the City's knowledge. The Sheriff has endorsed a posture of "Education and Compliance" regarding these County Health Department mandates. Furthermore, it is our understanding the District Attorney's office is currently not pursuing these matters in court.

Mask Violations: Code Enforcement and Building Inspection staff have responded when individual cases arise, such as the operation of a business which would be closed to the public, or when we learn of reports of patrons not abiding by mask requirements. However, on many occasions we have been unsuccessful in in gaining an individual's cooperation in adhering to mask requirements, or the inability to identify and find individuals who have been reported as not wearing masks. However, Staff has just ordered 100 stake signs to place throughout the City reminding all of the City's requirement to wear a mask in public.

The Interim City Manager has contacted the West Hollywood City Attorney regarding that city's more aggressive measures to enforce face marks and social distancing requirements through an administrative citation program. He The West Hollywood City Attorney reinforced that West Hollywood is uniquely positioned to undertake enforcement due to its small geographical area and concentrated population. He also mentioned that the Sheriff's Station is located in the community and it's solely devoted to only serving West Hollywood, as opposed to a situation where the Lost Hills Station serves five cities. He further reported that there has been "push back" by some in the community over enforcement, but by and large, most residents find it acceptable.

Social Gatherings: Perhaps of equal or even greater concern are reports of large household parties which are of particular concern due to the potential of disease transmission. Most recently, a private home party in the community of up to 50 to 100 individuals was broadcast on YouTube. In such situations, the City must rely on Lost Hills Station to disperse such events, which unfortunately did not occur in this circumstance.

Staff notes that enforcement for large gatherings is of critical importance in fighting community spread. The City previously issued a letter to all HOA's on June 29, 2020, seeking their assistance in reminding their residents of laws limiting social gatherings, and curtailing such events in their communities.

Using the examples above, Staff seeks the Council's interest in establishing greater enforcement efforts to address violations of these and other Executive Orders through either direction to the Lost Hills Station and/or greater use of the City's code enforcement staff.

FISCAL IMPACT/SOURCE OF FUNDING:

No action is required by this discussion, and there is correspondingly no financial impact at this time. However, should the Council desire additional enforcement efforts, assistance to Staff from the City Prosecutor's office may be required, and is available through the annual budget to this department.

REQUESTED ACTION:

That the City Council discuss the recent State and local orders regarding the Covid-19 Pandemic, and provide direction to Staff as desired.

ATTACHMENTS:

- A. CDPH Guidance on Closure of Sectors in Response to COVID-19 July 13, 2020



SONIA Y. ANGELL, MD, MPH
State Public Health Officer & Director

State of California—Health and Human
Services Agency
**California Department of
Public Health**



GAVIN NEWSOM
Governor

July 13, 2020

TO: All Californians

SUBJECT: Guidance on Closure of Sectors in Response to COVID-19

Guidance on Closure of Sectors in Response to COVID-19

July 13, 2020

Summary

COVID-19 transmission rates continue to rise across the state, including increasing numbers of cases in rural counties that had not previously experienced significant infection rates. Despite the closure of certain indoor sectors in counties on the County Monitoring list, those counties continue to demonstrate concerning levels of disease transmission that impact not only the general population but vulnerable populations in the community.

This guidance and the Statewide Public Health Officer Order, dated July 13, 2020:

- Closes, on a statewide basis, indoor operations for certain sectors, and both indoor and outdoor operations for bars and similar establishments, consistent with the June 28 and July 1 restrictions on counties on the County Monitoring List.
- Closes, for counties on the County Monitoring List for three or more consecutive days, indoor operations for additional sectors which promote the mixing of populations beyond households and make adherence to physical distancing with face coverings difficult. Within these sectors, and in the affected counties, those specified businesses that are not able to continue their business through outdoor operations must close that portion of their business effective immediately in order to further mitigate the spread of the virus.

Background

As part of the State's efforts to address COVID-19, the State monitors county specific data to determine whether and how to modify the pace of reopening. Additionally, the State provides technical assistance, support and interventions to counties that have concerning levels of disease transmission, hospitalizations, or insufficient testing. Counties on the County Monitoring List are under active monitoring by the State, and may receive targeted engagement and technical support from CDPH and other agencies and departments including the Business, Consumer Services and Housing Agency, the Department of Industrial Relations and the California Department of Food and Agriculture.

As of July 13, there are 29 counties that have been on the County Monitoring List for three consecutive days:

- Colusa
- Contra Costa
- Fresno
- Glenn
- Imperial
- Kings
- Los Angeles
- Madera
- Marin
- Merced
- Monterey
- Napa
- Orange
- Placer
- Riverside
- Sacramento
- San Benito
- San Bernardino
- San Diego
- San Joaquin
- Santa Barbara
- Solano
- Sonoma
- Stanislaus
- Sutter
- Tulare
- Ventura
- Yolo
- Yuba

Proposed Action

Given current rates of disease transmission and the increase in hospitalization and ICU utilization, CDPH is:

- Closing, on a statewide basis, consistent with the June 28 and July 1 restrictions on counties on the County Monitoring List, the following sectors:
 - Dine-in Restaurants (indoor)

- Wineries and Tasting Rooms (indoor)
- Movie Theater (indoor)
- Family Entertainment Centers (indoor)
- Zoos and Museums (indoor)
- Cardrooms (indoor)
- Brewpubs, breweries, bars, and pubs (indoor and outdoor), unless an exception below applies:
 1. Bars, pubs, brewpubs, and breweries, may operate outdoors if they are offering sit-down, outdoor, dine-in meals. Alcohol can be sold only in the same transaction as a meal. When operating outdoors, they must follow the dine-in restaurant guidance and should continue to encourage takeout and delivery service whenever possible.
 2. Bars, pubs, brewpubs, and breweries that do not provide sit-down meals themselves, but can contract with another vendor to do so, can serve dine-in meals when operating outdoors provided both businesses follow the dine-in restaurant guidance and alcohol is sold only in the same transaction as a meal.
 3. Venues that are currently authorized to provide off sale beer, wine, and spirits to be consumed off premises and do not offer sit-down, dine-in meals must follow the guidance for retail operations and offer curbside sales only.
 4. Concert, performance, or entertainment venues must remain closed until they are allowed to resume modified or full operation through a specific reopening order or guidance. Establishments that serve full meals must discontinue this type of entertainment until these types of activities are allowed to resume modified or full operation.
- Closing, for counties on the Monitoring List for three or more consecutive days, additional **indoor** operations for certain sectors which promote the mixing of populations beyond households and make adherence to physical distancing with face coverings difficult. Within those sectors, those that are not able to continue their business through outdoor operations must close that portion of their business effective immediately in order to further mitigate the spread of the virus. This applies to the following sectors/events:
 - Gyms and Fitness Centers
 - Places of Worship
 - Indoor Protests
 - Offices for Non-Critical Infrastructure Sectors
 - Personal Care Services (including nail salons, massage parlors, and tattoo parlors)
 - Hair Salons and Barbershops
 - Malls

These actions remain in effect until further notice.

All industry or sector guidance documents that have been issued to date, including all infectious control measures outlined in those guidance documents, including the use of face coverings, which is mandated statewide apply in outdoor settings, and thus must be adhered to. Outdoor operations may be conducted under a tent, canopy, or other sun shelter, but only as long as no more than one side is closed, allowing sufficient outdoor air movement.

Justification

The data is clear that community spread of infection is of increasing concern across the state, and continues to grow in those counties on the County Monitoring List. The number of hospitalized patients with COVID has increased between 50-100% in all regions in California, with a state average increase of 77% since June 12. In that same time,

the number of counties with case rates over 100 per 100,000 residents has gone from 3 counties to 31 counties, confirming state-wide increased transmission of COVID. While these counties are primarily located in the south and central valley, there are now counties on the monitoring list from all regions of California. Beyond the impact on the general population, community spread increases the likelihood of expanded transmission of COVID-19 in congregate settings such as nursing homes, homeless shelters, jails and prisons. Infection of vulnerable populations in these settings can be catastrophic, both in terms of high rates of morbidity and mortality of individual residents, as well as through the high demand such infections would place on the hospital delivery system. We are seeing these increases already in many of the counties. Higher levels of community spread also increase the likelihood of infection among individuals at high risk of serious outcomes from COVID-19, including the elderly and those with underlying health conditions who might live or otherwise interact with an infected individual.

California's Pandemic Resiliency Roadmap for reopening is a risk-based framework that guides state and local governments on a path to re-opening activities and industries under strict workplace modifications. The above outlined sectors operating indoors create an environment that increases levels of community mixing of individuals outside of one's own household, increasing the risk of escalating the R-effective, or effective transmission rate, of COVID-19.

As described in the June 28 guidance and July 1 guidance, the sectors required to modify operations statewide under this guidance are sectors where there is increased risk of transmission due to a number of features of the business and the behaviors that occur within them. Because of noted trends in community spread statewide, well beyond those on the monitoring list, it is necessary to expand changes made to sectors in our order of June 28 and July 1 statewide.

Additionally, given the increased level of community transmission, this guidance requires additional sectors to close indoor operations in counties on the County Monitoring List for three or more consecutive days. Counties continue to be added to the county monitoring list and evidence of community transmission persists in these jurisdictions, requiring enhanced intervention through the additional sectors modifications.

The rationale for moving activities outdoors to reduce risk is anchored in the science of disease transmission and recent studies show that transmission is greater in indoor settings due to the release of infectious particles into the air when someone speaks, coughs, sneezes, or sings, which is exacerbated in indoor spaces particularly when lacking appropriate ventilation.

Physical distancing also protects an individual with brief exposures or outdoor exposures. When distanced, there is not enough time to achieve the infectious viral load when standing six (6) feet apart or where wind and the infinite outdoor space for viral dilution reduces viral load. A study, which still needs to be peer-reviewed, suggests that the

odds an infected person transmitting the virus in a closed environment was 18.7 times greater compared to an open-air environment. (1)

In the setting of an increasing body of evidence demonstrating that transmission is decreased when activities are conducted outside, and risk for exposure is increased when mixing beyond those with whom one lives, in an effort to mitigate to potential spread of COVID 19, the state is requiring that additional settings where patrons gather to be served or participate in the businesses' primary activity be moved outdoors.

(1) Nishiura et al. (2020)

Closed environments facilitate secondary transmission of coronavirus disease 2019 (COVID-19)

<https://www.medrxiv.org/content/10.1101/2020.02.28.20029272v2>

California Department of Public Health
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Department Website (cdph.ca.gov)



Page Last Updated : July 13, 2020

12-Aug

1	CC	Presentation	LAFCO presentation on MSR
2	CC	Presentation	Introduction of Gabriel Graham, COG Homeless Liaison
3	CC	New Business	Sheriff's Crime Report
4	Comms./CD	New Business	CTC recommendation regarding cell service
5	CS	New Business	Update on Wild Walnut Park
6	CC	New Business	Discussion of the March 3, 2020, election issues

Future Items

7	CC	Consent	Conflict of Interest Code
8	CD	New Business	Story poles
9	CD	New Business	Ordinance regulating construction work hours
10	CC	Presentation	Chuck Becerra and Sheriff's discussion on use of force
11	PW	New Business	Update regarding anticoagulants
12	PW	New Business	Designated parking space violation ordinance
13	CD	New Business	Mobile home park lease (September)
14	CD/Finance	New Business	Annexation update
15	CA	New Business	Closed session regarding State's mandate for affordable housing
16	CD	Public Hearing	West Village Project

2020 Meeting Dates

22-Jul - Canceled	28-Oct
12-Aug	3-Nov General Municipal Election
26-Aug	10-Nov Special
9-Sep	11-Nov Canceled - Veteran's Day
23-Sep	25-Nov Canceled - Thanksgiving Eve
14-Oct	9-Dec - Election Certification/ Council Reorg.
	23-Dec - Canceled