

CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Adjourned Regular Meeting
Wednesday, May 5, 2021
2:00 p.m.

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

Shari L. Horne
Mayor

Carol Moore
Mayor Pro Tem

Cynthia Conners
Councilmember



Noel Hatch
Councilmember

Ed H. Tao
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

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

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

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

REGULAR MEETING SCHEDULE

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

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FOR ADDITIONAL INFORMATION

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

AFFIDAVIT OF POSTING

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

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



YOLIE TRIPPY, CMC, City Clerk

4-30-21

Date

NOVEL CORONAVIRUS (COVID-19) NOTICE

Please exercise caution when attending City Council meetings. If you attend this meeting, please wear a face covering, maintain a distance of six feet or more between yourself and others, wash your hands with soap and water before and after the meeting, and refrain from handshaking and other physical contact.

OPTIONS FOR PUBLIC COMMENTS

1. Attend the meeting in-person.

2. Submit public comments in writing. Written public comments may be submitted via email (cityhall@cityoflagunawoods.org) or by mail (Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637), provided that they are received by the City prior to 2:00 p.m. on the day of the meeting. Written public comments may be read or summarized to the City Council at the meeting, and parties submitting comments should be aware that their email addresses and any information submitted may be disclosed or become a matter of public record. No party should expect privacy of such information.

3. Make public comments by telephone. Dial (312) 626-6799. When prompted enter the following meeting ID: 981 9325 6322 followed by pound (#) and the following meeting passcode: 045742 followed by pound (#). When an item you wish to comment on is discussed, press *9 on your phone to raise your hand. When it is your turn, you will be unmuted and able to speak. Please note that your telephone number will be visible to the City. No party should expect privacy of such information.

4. Make oral public comments by computer (audio only).

- Visit www.zoom.us
- Click on “Join a Meeting” toward the top right of the webpage
- Enter the following meeting ID: 981 9325 6322
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 045742
- Enter a name and email address as required by Zoom

When an item you wish to comment on is discussed, click on “Raise Hand.” When it is your turn, you will be unmuted and able to speak. Please note that information you enter into Zoom will be visible to the City. No party should expect privacy of such information.

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. PRESENTATIONS AND CEREMONIAL MATTERS
- V. PUBLIC COMMENTS

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

VI. CONSENT CALENDAR

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

6.1 City Council Minutes

Recommendation: Approve the City Council meeting minutes for the regular meeting on March 17, 2021.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of March 2021.

6.3 Warrant Register

Recommendation: Approve the warrant register dated May 5, 2021 in the amount of \$596,597.55.

6.4 Employee Benefits

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AND ADOPTING AMENDMENTS OF THE INTERNAL REVENUE CODE SECTION 125 FLEXIBLE BENEFITS PLAN FOR CITY EMPLOYEES AND TAKING OTHER ACTIONS RELATED TO THE ADMINISTRATION, OPERATION, AND MAINTENANCE OF THE FLEXIBLE BENEFITS PLAN

6.5 Code Enforcement Services

Recommendation: Approve an agreement with Willdan Engineering for code enforcement services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.6 Law Enforcement Services

Recommendation: Approve an agreement with the County of Orange for law enforcement services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.7 EnerGov and Incode Software

Recommendation:

1. Waive the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding.

AND

2. Approve an agreement with Tyler Technologies, Inc. for Software as a Service (“SaaS”) pertaining to the use of EnerGov and Incode software and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.8 General Plan Housing Element Update Services

Recommendation:

1. Waive the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding.

AND

2. Authorize the City Manager to execute agreements with LSA Associates, Inc. in a total amount not to exceed \$95,000 for General Plan Housing Element Update services, subject to approval as to form by the City Attorney.

6.9 City Hall Refurbishment and Safety Project: Phase 2

Recommendation:

1. Approve final record plans and specifications reflecting completion of the “City Hall Refurbishment and Safety Project: Phase 2”.

AND

2. Accept project completion of the contract agreement with New Millennium Construction Services for the “City Hall Refurbishment and Safety Project: Phase 2”.

AND

3. Release contract retention in the amount of \$8,828.96 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

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

VII. PUBLIC HEARINGS

VIII. CITY COUNCIL BUSINESS

- 8.1 Regional Housing Needs Assessment (RHNA) and General Plan Housing Element Update

Recommendation: Provide direction to staff.

- 8.2 Ad Hoc Audit Committee

Recommendation: Appoint two members of the City Council to an Ad Hoc Audit Committee beginning immediately through November 17, 2021 to work with the City's independent auditors on matters related to the Fiscal Year 2020-21 audit.

IX. CITY COUNCIL REPORTS AND COMMENTS

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

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

9.7 Other Comments and Reports

X. CLOSED SESSION

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting:

Wednesday, May 19, 2021 at 2 p.m.

Laguna Woods City Hall

24264 El Toro Road, Laguna Woods, California 92637

6.0
CONSENT CALENDAR SUMMARY

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: May 5, 2021 Adjourned Regular Meeting

SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the May 5, 2021 Consent Calendar by single motion and City Council action.

Background

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

Summary

The May 5, 2021 Consent Calendar contains the following items:

- 6.1 Approve the City Council meeting minutes for the regular meeting on March 17, 2021.
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of March 2021.
- 6.3 Approval of the warrant register dated May 5, 2021 in the amount of \$596,597.55. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.

- 6.4 Adoption of a resolution approving and adopting amendments of the Internal Revenue Code Section 125 Flexible Benefits Plan for City employees and taking other actions related to the administration, operation, and maintenance of the Flexible Benefits Plan. Recent changes in federal law have allowed for limited-time increased election flexibility and carryovers between plan years for Health Flexible Spending Accounts (“HFSAs”) and Dependent Care Flexible Spending Accounts (“DCFSA”), as well as increased maximum contributions to DCFSA. The proposed resolution would implement those changes for eligible City employees at no additional cost to the City.
- 6.5 Approval of an agreement with Willdan Engineering for code enforcement services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The Request for Proposals (“RFP”) for code enforcement services was released on March 25, 2021 with proposals due by April 16, 2021. Willdan Engineering was the only firm to submit a proposal. Willdan Engineering has provided code enforcement services to the City since June 2, 2017.
- 6.6 Approval of an agreement with the County of Orange for law enforcement services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement includes a comparable level of service to the current fiscal year, at an annual cost of \$3,068,532 (a \$167,602, or approximately 5.78%, increase from the current fiscal year’s cost). The increase is primarily attributable to salary and benefit increases that were negotiated by the County of Orange and approved by the Orange County Board of Supervisors. Projections continue to show that law enforcement costs are increasing at an unsustainable rate.
- 6.7 [1] Waiver of the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding. The City’s procurement regulations generally require competitive bidding when the estimated cost of services is \$25,000 or more over the term of the agreement, but allow for the waiver of those provisions at the discretion of the City Council. Tyler Technologies provides the City’s existing permitting (EnerGov) and financial (Incode) software. At present, all Tyler Technologies software is based on the City’s computer servers. Staff recommends that the City Council waive competitive bidding requirements for the proposed agreement in order to allow the existing software to transition to Software as a Service (“SaaS”). SaaS is essentially a cloud-based approach wherein the existing software

would be hosted by Tyler Technologies. By transitioning to SaaS, the City expects to realize improved ease of maintenance, security, redundancy, and remote functionality. Tyler Technologies' SaaS services are audited at least annually in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements, and are compliant with SOC 1 and SOC 2 auditing procedures for data security.

AND

[2] Approval of an agreement with Tyler Technologies, Inc. for Software as a Service ("SaaS") pertaining to the use of EnerGov and Incode software and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement is for an initial three-year term with automatic one-year renewals unless terminated as provided.

- 6.8 [1] Waiver of the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding. The City's procurement regulations generally require competitive bidding when the estimated cost of services is \$25,000 or more over the term of the agreement, but allow for the waiver of those provisions at the discretion of the City Council. On March 5, 2021, the City Manager entered into an agreement with LSA Associates, Inc. for General Plan Housing Element Studies in the amount of \$36,500. LSA Associates was selected following attempts to complete the work through the City's as-needed planning services consultant and outreach to several other planning firms. Competitive bidding requirements were waived due to time sensitivities associated with the work (state law requires the General Plan Housing Element to be updated by October 15, 2021), pursuant to Laguna Woods Municipal Code sections 3.06.100(c)(1) and (2). With the need for the services provided by LSA Associates and the aforementioned time sensitivities continuing, as well as additional services likely to be required in the near future due to internal staffing constraints, staff recommends waiving competitive bidding to allow for an increase in the cost of services. The services provided by LSA Associates, and the General Plan Housing Element Update more broadly, are primarily funded by State of California grants.

AND

[2] Authorization for the City Manager to execute agreements with LSA Associates, Inc. in a total amount not to exceed \$95,000 for General Plan

Housing Element Update services, subject to approval as to form by the City Attorney. LSA Associates is an environmental consulting firm with more than 40 years of experience and nine offices throughout California.

- 6.9 [1] Approval of final record plans and specifications reflecting completion of the “City Hall Refurbishment and Safety Project: Phase 2” (available for review at City Hall); [2] acceptance of project completion of the contract agreement with New Millennium Construction Services for the “City Hall Refurbishment and Safety Project: Phase 2”; [3] release of contract retention in the amount of \$8,828.96 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention; and, [4] exoneration of project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange. The subject project is included in the Fiscal Years 2019-30 Capital Improvement Program.

6.1
CITY COUNCIL MINUTES

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**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
March 17, 2021
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Horne called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:03 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Conners, Hatch, Tao, Moore, Horne
 ABSENT: -

All Councilmembers participated via teleconference as permitted by Governor Newsom’s Executive Order N-29-20 (dated March 17, 2020).

STAFF PRESENT: City Manager Macon, City Attorney Cosgrove, City Clerk Trippy

City Manager Macon and City Clerk Trippy participated in-person at the meeting location.

City Attorney Cosgrove participated via teleconference.

III. PLEDGE OF ALLEGIANCE

Councilmember Conners led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

Mayor Horne briefly commented on National Women’s Month, the Laguna Woods Village Vaccination Project, and Margaret Pearlman, Assemblywoman Petrie-Norris’ Woman of the Year.

V. PUBLIC COMMENTS – None

VI. CONSENT CALENDAR

Moved by Councilmember Conners, seconded by Councilmember Tao, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.15. This vote was conducted by roll call.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on January 20, 2021.

6.2 City Treasurer's Report

Received and filed the City Treasurer's Report for the month of February 2021.

6.3 Warrant Register

Approved the warrant register dated March 17, 2021 in the amount of \$831,513.15.

6.4 Fiscal Years 2019-21 Budget Adjustments

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2019-21 BUDGET AND WORK PLAN FOR FISCAL YEAR 2019-20 COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, RELATED TO ADJUSTMENTS OF PEG/CABLE TELEVISION FUND APPROPRIATIONS FOR THE CITY HALL TELEVISION BROADCAST IMPROVEMENT PROJECT, AND FEDERAL GRANTS FUND APPROPRIATIONS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT

6.5 As Needed Financial Consulting Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding.

AND

2. Approved an extension of the agreement with Irwin B. Bornstein for as needed financial consulting services and authorized the Mayor to execute the extension, subject to approval as to form by the City Attorney.

6.6 Information Technology Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding.

AND

2. Approved an extension of the agreement with Practical Data Solutions for information

technology services and authorized the Mayor to execute the extension, subject to approval as to form by the City Attorney.

6.7 Landscape Maintenance Services

Approved an extension of the agreement with BrightView Landscape Services for landscape maintenance services and authorized the Mayor to execute the extension, subject to approval as to form by the City Attorney.

6.8 Traffic Signal, Street Light, and City Hall Lighting Maintenance Services

Approved an extension of the agreement with Siemens Mobility, Inc. for traffic signal, street light, and City Hall lighting maintenance services and authorized the Mayor to execute the extension, subject to approval as to form by the City Attorney.

6.9 As Needed Waste Management Consulting Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding.

AND

2. Approved an extension of the agreement with Michael Balliet for as needed waste management consulting services and authorized the Mayor to execute the extension, subject to approval as to form by the City Attorney.

6.10 Solid Waste Handling Services Franchise Agreement

Approved a third amendment to the agreement between City of Laguna Woods and Waste Management Collection and Recycling, Inc. for solid waste handling services and authorized the Mayor to execute the amendment, subject to approval as to form by the City Attorney.

6.11 Tree Pruning and Removal Services

Approved an agreement with West Coast Arborists, Inc. for tree pruning and removal services and authorized the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.12 General Plan Annual Report

Received and filed the General Plan Annual Report for the 2021 calendar year.

6.13 Road Repair and Accountability Act of 2017 Project List

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A LIST OF FISCAL YEAR 2021-22 PROEJCTS PROPOSED TO RECEIVE FUNDING FROM THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017'S LOCAL STREETS AND ROADS FUNDING PROGRAM (ROAD MAINTENANCE AND REHABILITATION ACCOUNT), AS REQUIRED BY CALIFORNIA STREETS AND HIGHWAYS CODE SECTION 2034(A)(1), AND MAKING RELATED AUTHORIZATIONS

6.14 Rejection of Claim

Rejected the following claim: Richard Foley vs. City of Laguna Woods, Claimant: Richard Foley.

6.15 Laguna Woods Civic Support Fund

Appointed James Tung to the Board of Directors for the Laguna Woods Civic Support Fund as a resident member.

VII. PUBLIC HEARINGS – None

VIII. CITY COUNCIL BUSINESS

8.1 California Public Employees' Retirement System Contract

City Manager Macon made a presentation.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried unanimously on a 5-0 vote, to approve second reading and adopt an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

This vote was conducted by roll call.

8.2 Southern California Association of Governments' 2021 General Assembly Delegate and Alternate Delegate

Mayor Horne introduced the item and suggested that Mayor Pro Tem Moore be appointed as the delegate.

Mayor Pro Tem Moore suggested that she be appointed as the alternate and Mayor Horne be appointed as the delegate.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to appoint Mayor Horne as the delegate and Mayor Pro Tem Moore as the alternate at the Southern California Association of Governments' 2021 General Assembly. This vote was conducted by roll call.

Mayor Pro Tem Moore made comments.

8.3 Senior Mobility Program

City Manager Macon made a presentation.

City Manager Macon responded to a question from Councilmember Hatch.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to waive the Senior Mobility Program's annual enrollment fee of \$10 per person for Fiscal Year 2021-22. This vote was conducted by roll call.

8.4 Temporary Sign Permit and Special Event Permit Fees
(agendized by Mayor Horne)

Mayor Horne introduced the item.

City Manager Macon made comments.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to waive the temporary sign permit fee of \$75 and the special event permit fee of \$304 through June 30, 2021. This vote was conducted by roll call.

8.5 Local Control of Zoning and Housing Issues
(agendized by Mayor Pro Tem Moore)

Mayor Pro Tem Moore summarized the item.

Councilmembers discussed the item and Mayor Pro Tem Moore responded to related questions.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, EXPRESSING SUPPORT FOR ACTIONS TO FURTHER STRENGTHEN LOCAL DEMOCRACY, AUTHORITY, AND CONTROL AS RELATED TO LOCAL ZONING AND HOUSING

ISSUES

This vote was conducted by roll call.

8.6 City Council Meeting Schedule

City Manager Macon introduced the item and suggested that an adjourned regular City Council meeting be scheduled on April 7, 2021 at 2 p.m.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to schedule an adjourned regular City Council meeting to occur on April 7, 2021 at 2 p.m. Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637. This vote was conducted by roll call.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

Councilmember Conners provided a report and responded to questions from Mayor Horne.

9.2 Orange County Fire Authority

Councilmember Hatch provided a report.

9.3 Orange County Library Advisory Board

Mayor Pro Tem Moore stated that there had been no meeting since the last meeting. She acknowledged the 100th anniversary of the Orange County Public Library System, commented on a preschool program offered by OC Public Libraries, and responded to a question from Councilmember Hatch.

9.4 Orange County Mosquito and Vector Control District

Mayor Horne shared a video of a district virtual tour of the Orange County Mosquito and Vector Control District and provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Conners provided a report.

9.6 South Orange County Watershed Management Area

Mayor Pro Tem Moore provided a report and responded to a question from Mayor Horne.

Mayor Horne made brief comments.

9.7 Other Comments and Reports

Mayor Horne commented on Senior Rally Day and the California Senior Legislature.

Mayor Horne responded to a question from Councilmember Hatch.

Mayor Pro Tem Moore commented on James Tung's appointment to the Laguna Woods Civic Support Fund Board of Directors.

Mayor Horne expressed a desire to discuss the Laguna Woods Civic Support Fund at an upcoming meeting.

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 2:51 p.m. The next adjourned regular meeting will be at 2:00 p.m. on Wednesday, April 7, 2021 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, CMC, City Clerk

Approved: May 5, 2021

SHARI L. HORNE, Mayor

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6.2
CITY TREASURER'S REPORT

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City of Laguna Woods
City Treasurer's Report
 For the Month Ended March 31, 2021

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 2/28/21	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 3/31/21	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
Cash and Cash Equivalents							
Analyzed Checking Account (Note 1)	\$ 578,329	\$ 796,430	\$ (599,220)	\$ -	\$ 775,539	6.92%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 2 and 4)	\$ 5,490	\$ 5,241	\$ (5,629)	\$ -	\$ 5,103	0.05%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 10,284	\$ 5,351	\$ (5,241)	\$ -	\$ 10,394	0.09%	
Petty Cash	\$ 1,477	\$ 23	\$ (191)	\$ -	\$ 1,309	0.01%	
Total Cash and Cash Equivalents	\$ 595,581	\$ 807,046	\$ (610,282)	\$ -	\$ 792,345	7.07%	100.00%
Pooled Money Investment Accounts							
Local Agency Investment Fund (LAIF) (Notes 2 and 3)	\$ 6,210,022	\$ -	\$ -	\$ (3,500,000)	\$ 2,710,022	24.18%	
Orange County Investment Pool (OCIP) (Notes 2 and 3)	\$ 2,178,434	\$ 1,407	\$ (98)	\$ 3,500,000	\$ 5,679,743	50.67%	
Total Pooled Money Investment Accounts	\$ 8,388,455	\$ 1,407	\$ (98)	\$ -	\$ 8,389,764	74.85%	90.00%
Investments - Interest and Income Bearing							
Certificates of Deposit (fair value) (Note 2)	\$ 2,280,579	\$ -	\$ -	\$ (254,464)	\$ 2,026,115	18.08%	
Total Investments - Interest and Income Bearing	\$ 2,280,579	\$ -	\$ -	\$ (254,464)	\$ 2,026,115	18.08%	30.00%
TOTAL	\$ 11,264,615	\$ 808,453	\$ (610,380)	\$ (254,464)	\$ 11,208,224	100.00%	

Summary of Total Cash, Cash Equivalents, and Investments:

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (1,016,006)	\$ 1,791,545	\$ 775,539
Cash Balances, MBS Account	\$ 5,103	\$ -	\$ 5,103
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 10,394	\$ -	\$ 10,394
Petty Cash	\$ 1,309	\$ -	\$ 1,309
LAIF	\$ 2,710,022	\$ -	\$ 2,710,022
OCIP	\$ 5,679,743	\$ -	\$ 5,679,743
Certificates of Deposit	\$ 2,026,115	\$ -	\$ 2,026,115
Totals	\$ 9,416,679	\$ 1,791,545	\$ 11,208,224

(See NOTES on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
For the Month Ended March 31, 2021

ITEM 6.2

CASH AND INVESTMENTS

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 4)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)														
254673RS7	2018-5	DISCOVER BANK (#5649)	36 months	07/11/18	07/18/18	245,000	247,207	245,000	3.000	Semi-Annual	01/18/19	Green***	3.000	07/19/21
87164YQG2	2018-8	SYNCHRONY BANK RETAIL/MORGAN	60 months	05/19/17	05/19/17	100,000	102,611	98,716	2.470	Semi-Annual	11/19/17	Green***	2.400	05/19/22
90348JEA4	2018-6	UBS BANK USA	48 months	10/01/18	10/05/18	245,000	256,576	245,000	3.250	Monthly	11/05/18	Green***	3.250	10/05/22
61760ARV3	2018-7	MORGAN STANLEY PRIVATE BK NATL	60 months	11/06/18	11/15/18	245,000	266,092	245,000	3.550	Semi-Annual	05/15/19	Green***	3.550	11/15/23
02589AA28	2018-9	AMERICAN EXPRESS NATL	60 months	12/04/18	12/04/18	240,000	261,041	240,000	3.550	Semi-Annual	06/04/19	Green***	3.550	12/04/23
33715LCZ1	2018-10	FIRST TECHNOLOGY FED CU MTN VIEW	60 months	12/07/18	12/12/18	245,000	266,954	245,000	3.600	Monthly	01/12/19	Green***	3.600	12/12/23
949763ZA7	2019-1	WELLS FARGO BK N A	60 months	04/09/19	04/10/19	245,000	263,613	245,000	2.850	Monthly	05/10/19	Green*	2.850	04/10/24
75472RBB6	2020-1	RAYMOND JAMES BK NATL ASSN	60 months	02/06/20	02/14/20	245,000	256,902	245,000	1.750	Semi-Annual	08/14/20	Green***	1.750	02/14/25
59013KGJ9	2020-2	MERRICK BANK	60 months	03/24/20	03/31/20	100,000	105,118	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
Accrued Interest - Month End							10,394							
Total CDs						1,910,000	2,036,509	1,908,716						

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

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

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

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

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

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

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	2,710,022	2,710,022	2,710,022	Pending	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	5,679,743	5,679,743	5,679,743	Pending	N/A	N/A	N/A	N/A	N/A
Total PMIA						8,389,764	8,389,764	8,389,764						

(See NOTES on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
For the Month Ended March 31, 2021

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 2/28/21	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 3/31/21
Other Post-Employment Benefits (OPEB) Trust					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (CERBT holds all assets and administers the OPEB Trust)	\$ 137,210	\$ -	\$ (13)	\$ (698)	\$ 136,498
Total Other Funds - Held in Trust	<u>\$ 137,210</u>	<u>\$ -</u>	<u>\$ (13)</u>	<u>\$ (698)</u>	<u>\$ 136,498</u>

Notes:

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect March 2021 vendor invoicing processed after the date of this report.

Note 2 - During March 2021, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to the LAIF account and withdrew \$3,500,000. The amount was transferred to the City's OCIP account which currently yields higher interest rates. The balance includes an adjustment in the amount of \$31,363.52 to reflect the fair market value of the investment at June 30, 2020.

OCIP / The City transferred \$3,500,000 to OCIP from the City's LAIF account. There were no withdrawals from the OCIP account. The balance includes an adjustment in the amount of \$18,013.41 to reflect the fair market value of the investment at June 30, 2020.

Investments / The City withdrew \$245,000 upon maturity of BMW Bank North America Certificate of Deposit. The amount was transferred to the City's checking account. Investments were adjusted in the amount of (\$9,463.85) to report balances at fair market value as of March 31, 2021.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net loss of \$711.67 in March 2021.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported March 2021 net of related fees were:

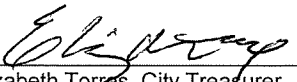
Pool	Earnings Post	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$0	N/A	See Notes	April 2021	Total pool interest yield for March 2021 was 0.357% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$1,407	December 2020	See Notes	See Notes	Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at March 31, 2021 was \$3,814.9. March 2021 interest rate was 0.624% and fees were 0.059%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$5,241.46 and transferred out \$5,628.53 in cash balances to the City's checking account in March 2021. Cash balances to be invested or paid out are classified separately on page 1 of 3. The City's portfolio also has \$10,394.18 in accrued interest, not yet vested.

City Treasurer's Certification

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

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


 Elizabeth Torres, City Treasurer

4/29/21
 Date

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6.3 WARRANT REGISTER

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WARRANT REGISTER

May 5, 2021

This Report Covers the Period 03/01/2021 through 03/31/2021

	Date	Vendor Name	Description	Amount
Debit		Automatic Bank Debits:		
Debit	03/02/2021	GLOBAL PAYMENTS / OPEN EDGE	Credit Card Processing Fees / February 2021	565.32
Debit	03/02/2021	AUTHORIZE.NET	Online Credit Card Processing Fees / February 2021	12.00
Debit	03/02/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 01/29/2021	2,993.57
Debit	03/02/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 01/29/2021	1,903.24
Debit	03/02/2021	BUSINESS PLANS	Employee Benefit Program / February 2021	96.51
Debit	03/04/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 02/26/2021	19,985.11
Debit	03/04/2021	ADP TAX	Payroll Taxes / Pay Period Ended 02/26/2021	9,008.66
Debit	03/05/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 02/26/2021	1,488.46
Debit	03/10/2021	BUSINESS PLANS	Employee Benefit Program / March 2021	44.88
Debit	03/11/2021	CALPERS - HEALTH	Employee Benefit Program / February 2021	6,778.54
Debit	03/12/2021	U.S. BANK	Bank Service Charges / February 2021	110.00
Debit	03/12/2021	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / March 2021	241,139.80
Debit	03/12/2021	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Periods Ended 1/29/2021 and 2/12/2021 and 2/26/21	561.60
Debit	03/16/2021	BUSINESS PLANS	Employee Benefit Program / March 2021	20.99
Debit	03/17/2021	BUSINESS PLANS	Employee Benefit Program / March 2021	54.80
Debit	03/16/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 2/12/2021	1,900.44
Debit	03/16/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 2/12/2021	2,993.56
Debit	03/18/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 03/12/2021	18,759.67
Debit	03/18/2021	ADP TAX	Payroll Taxes / Pay Period Ended 03/12/2021	8,635.95
Debit	03/18/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 03/12/2021	1,488.46
Debit	03/23/2021	BUSINESS PLANS	Employee Benefit Program / March 2021	2.21
Debit	03/23/2021	BUSINESS PLANS	Employee Benefit Program / March 2021	125.00
Debit	03/23/2021	BUSINESS PLANS	Employee Benefit Program / Calendar Year 2021	355.47
Debit	03/30/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 2/26/2021	1,934.10
Debit	03/30/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 2/26/2021	2,993.56
Debit	03/23/2021	BUSINESS PLANS	Employee Benefit Program / March 2021	6.61
Debit	03/31/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 03/26/2021	20,000.00
Debit	03/31/2021	ADP TAX	Payroll Taxes / Pay Period Ended 03/26/2021	8,992.59
Check Number		Warrants:		
4660	03/05/2021	360 BUSINESS CONSULTING	Website Hosting / February 2021	200.00
4661	03/05/2021	AT&T	Telephone / 452-0600 / February 2021	1,982.66
4662	03/05/2021	AT&T	Telephone / 639-0500 / February 2021	226.18
4663	03/05/2021	AT&T	Telephone / 458-3487 / February 2021	45.29
4664	03/05/2021	CIVIL SOURCE	Engineering Services / January 2021	10,465.00
4665	03/05/2021	CT&T CONCRETE PAVING INC	ADA Pedestrian Accessibility Improvement Project: Phase 4	5,847.40
4666	03/05/2021	DELTA DENTAL OF CALIFORNIA	Employee Benefits Program / March 2021	450.05
4667	03/05/2021	PARK CONSULTING GROUP, INC	Software Implementation Services / February 2021	8,212.50
4668	03/05/2021	PETTY CASH	Replenish Petty Cash / February 2021	-
4669	03/05/2021	PRACTICAL DATA SOLUTIONS	IT Support Services / February 2021	4,309.94
4670	03/05/2021	PROTELESIS	Telephone System Maintenance / February 2021	299.00
4671	03/05/2021	RUTAN & TUCKER, LLP	Legal Services / January 2021	487.50
4672	03/05/2021	SIEMENS MOBILITY, INC.	Traffic Maintenance / December 2020 - January 2021	3,609.50

CITY OF LAGUNA WOODS

WARRANT REGISTER

May 5, 2021

ITEM 6.3

This Report Covers the Period 03/01/2021 through 03/31/2021

Date	Vendor Name	Description	Amount	
4673	03/05/2021	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / March 2021	83.95
4674	03/12/2021	AT&T	White Pages / March 2021	4.53
4675	03/12/2021	SAFEGUARD BUSINESS SYSTEMS	Printing Services	217.74
4676	03/12/2021	SOUTHERN CALIFORNIA EDISON	Street Lighting - Residential / February 2021	1,827.36
4677	03/19/2021	ARC DOCUMENT SOLUTIONS, LLC.	Printing Services	23.87
4678	03/19/2021	BALLIET, MICHAEL	Waste Management Consulting Services / January 2021	1,062.50
4679	03/19/2021	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / January - February 2021	30,533.50
4680	03/19/2021	CALIFORNIA INTERNET LP	City Hall Internet Service / February - April 2021	976.35
4681	03/19/2021	CALIFORNIA YELLOW CAB	Taxi Voucher Services / February 2021	959.00
4681	03/19/2021	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Services / February 2021	2,092.00
4682	03/19/2021	COUNTY OF ORANGE	Automated Fingerprint Identification System / March 2021	726.00
4683	03/19/2021	EL TORO WATER DISTRICT	Water Service / January 2021	2,780.14
4684	03/19/2021	G2 CONSTRUCTION, INC	Catch Basin Maintenance / February 2021	2,200.00
4685	03/19/2021	HDL COREN & CONE	Property Tax Consulting Services / FY 2021-22	2,100.00
4686	03/19/2021	ITERIS, INC	Traffic Engineering / February 2021	2,600.00
4687	03/19/2021	KONE INC.	City Hall Elevator Maintenance / March 2021	225.00
4688	03/19/2021	MICHAEL BAKER INTERNATIONAL	Planning Services / January 2021	12,839.19
4689	03/19/2021	NIGUEL CHILDREN'S CENTER	Deposit Permit Refund	526.22
4690	03/19/2021	OBR ARCHITECTURE, INC.	City Hall/Public Library Project	3,160.00
4691	03/19/2021	ORANGE COUNTY REGISTER-NOTICES	Public Notices / February 2021	1,832.00
4692	03/19/2021	PV MAINTENANCE INC	Streets, City Hall & Park Maintenance / February 2021	14,664.72
4693	03/19/2021	RICOH USA, INC.	Copier Usage / February 2021	81.44
4694	03/19/2021	RUTAN & TUCKER, LLP	Legal Services / January 2021	11,160.42
4695	03/19/2021	SOUTHERN CALIFORNIA EDISON	Electric Services / February 2021	5,605.68
4696	03/19/2021	STAPLES	Office and Janitorial Supplies / February 2021	1,201.56
4697	03/19/2021	SUNSET PROPERTY SERVICES	Street Sweeping Services / February 2021	2,832.00
4698	03/19/2021	THE GAS COMPANY	Gas Service - City Hall / February 2021	119.45
4699	03/19/2021	TONY'S LOCKSMITH & SAFE SERV.	City Hall Maintenance / March 2021	897.55
4700	03/19/2021	VITUITY - URGENT CARE SERVICES, PC	Employee Health Services / February 2021	600.00
4701	03/19/2021	WILLDAN ENGINEERING	Code Enforcement Services / February 2021	3,596.00
4702	03/19/2021	WLC ARCHITECTS	City Hall Refurbishment & Safety Project: Phase 2	250.00
4703	03/19/2021	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / February 2021	1,646.25
4704	03/25/2021	ADT COMMERCIAL	Fire & Security Monitoring / April - June 2021	240.00
4705	03/25/2021	AT&T	Telephone / 583-1105 / February 2021	23.49
4706	03/25/2021	AT&T	Telephone / 581-9821 / February 2021	115.91
4707	03/25/2021	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / December 2020	643.52
4708	03/25/2021	CAPTIONING UNLIMITED	Closed Captioning / March 2021	100.00
4709	03/25/2021	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / February 2021	9,087.17
4710	03/25/2021	CIVIL SOURCE	Engineering Services / February 2021	7,612.50
4711	03/25/2021	DC PLUMBING, HEATING AND AIR CONDITIONING	City Hall Maintenance / January & March 2021	2,023.94
4712	03/25/2021	HARDY & HARPER, INC	Pavement Management Plan Project	9,613.60
4713	03/25/2021	J&M TROPHIES	Office Supplies	15.09
4714	03/25/2021	KEY CODE MEDIA, INC.	City Hall Television Broadcast Improvement Project	1,558.42
4715	03/25/2021	MARC DONOHUE	Administrative Services / March 2021	350.00
4716	03/25/2021	MICHAEL BAKER INTERNATIONAL	Planning Services / February 2021	20,653.36

CITY OF LAGUNA WOODS

ITEM 6.3

WARRANT REGISTER

May 5, 2021

This Report Covers the Period 03/01/2021 through 03/31/2021

Date	Vendor Name	Description	Amount	
4717	03/25/2021	NAVIA BENEFIT SOLUTIONS, INC	125 Cafeteria Plan Administration / March 2021	100.00
4718	03/25/2021	OMNI ENTERPRISE INC	Janitorial Services / February 2021	3,520.00
4719	03/25/2021	RICOH USA, INC.	Copier Lease / April 2021	214.20
4720	03/25/2021	SIEMENS MOBILITY, INC.	Traffic Maintenance / February 2021	2,269.95
4721	03/25/2021	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	569.20
4722	03/25/2021	WILLDAN ENGINEERING	Building Official, Permit Counter & Inspection Services / February 2021	39,832.50
			Total Bank Debits and Warrants:	\$ 596,488.07

Petty Cash Expenditures Paid Out (See Note 2)

FedEx Office	City Hall/Public Library Project	\$26.88	
Mahopac	City Hall Refurbishment & Safety Project: Phase 2	\$29.95	
Amazon	City Hall Refurbishment & Safety Project: Phase 2	\$13.57	
Amazon	City Hall Refurbishment & Safety Project: Phase 2	\$10.76	
Home Depot	City Hall Refurbishment & Safety Project: Phase 2	\$22.94	
Melissa Leanza	Mileage Reimbursement	\$5.38	
		Total Petty Cash:	\$109.48

TOTAL \$ 596,597.55

NOTES:

Note 1 - City Councilmembers are eligible to receive either a salary or vehicle reimbursement allowance in the amount of \$300 per month (\$3,600 per year). Such compensation is included in the City's regular payroll (see "ADP Payroll Services" under "Automatic Bank Debits"), unless waived by the Councilmember. For the month of March 2021, the following Councilmembers received compensation in the amount of \$300: Conners, Hatch, Horne and Tao.

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

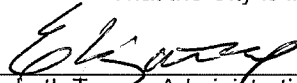
Note 3 - The table below summarizes credit card expenditures paid via Check #4721 to U.S. Bank totaling \$569.20:

League of California Cities	Training Seminar	\$100.00	
GoDaddy.com	Website Domain Registration & Software Subscription	\$128.20	
Adobe	Office Supplies	\$78.50	
Microsoft	Office 365 Subscription	\$262.50	
		Total Credit Card Reimbursement:	\$569.20

Administrative Services Director/City Treasurer's Certification

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

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


Elizabeth Torres, Administrative Services Director/City Treasurer

4/29/21
Dated

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6.4 EMPLOYEE BENEFITS

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RESOLUTION NO. 21-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AND ADOPTING AMENDMENTS OF THE INTERNAL REVENUE CODE SECTION 125 FLEXIBLE BENEFITS PLAN FOR CITY EMPLOYEES AND TAKING OTHER ACTIONS RELATED TO THE ADMINISTRATION, OPERATION, AND MAINTENANCE OF THE FLEXIBLE BENEFITS PLAN

WHEREAS, the City has an Internal Revenue Code Section 125 Flexible Benefits Plan for City employees, for which various support services are provided by BusinessPlans, Incorporated; and

WHEREAS, the City desires to amend the existing Internal Revenue Code Section 125 Flexible Benefits Plan in order to implement recent changes in federal law (including H.R. 133, Consolidated Appropriations Act, 2021 and H.R. 1319, American Rescue Plan Act of 2021); and

WHEREAS, federal law allows for certain amendments to be made effective retroactive to January 1, 2020 and others retroactive to January 1, 2021.

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

SECTION 1. The City Council hereby approves and adopts amendments of the Internal Revenue Code Section 125 Flexible Benefits Plan, attached hereto as Exhibit A and Exhibit B, to be effective as set forth therein.

SECTION 2. The Mayor is hereby authorized to execute the amendments of the Internal Revenue Code Section 125 Flexible Benefits Plan attached hereto as Exhibit A and Exhibit B.

SECTION 3. The City Manager and/or Administrative Services Director/City Treasurer are hereby authorized to take actions necessary to follow the processes and procedures established by BusinessPlans, Incorporated to operate and maintain the Internal Revenue Code Section 125 Flexible Benefits Plan including, without limitation, execution of agreements, documents, and certifications as may be necessary or advantageous.

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

PASSED, APPROVED AND ADOPTED on this XX day of XX 2021.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 21-XX** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the XX day of XX 2021, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

**CITY OF LAGUNA WOODS
SECTION 125 FLEXIBLE BENEFITS PLAN
AMENDMENT 2021-I**

**ARTICLE I
PREAMBLE**

- 1.1 **Adoption and effective date of amendment.** The City of Laguna Woods (the “Employer”) adopts this Amendment to the City of Laguna Woods Section 125 Flexible Benefits Plan (the “Plan”). The Employer intends this Amendment as good faith compliance with the requirements of the Consolidated Appropriations Act (the “Act”). This Amendment shall be effective on or after the date the Employer elects in Section 2.1 below.
- 1.2 **Supersession of inconsistent provisions.** This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any reference to “Section” in this Amendment refers only to sections within this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to any Plan article, section, or other numbering designations.

**ARTICLE II
AMENDMENTS**

- 2.1 **Effective Date.** The provisions of this Amendment, unless otherwise indicated are effective as of January 1, 2020 (the “Effective Date”).
- 2.2 **H.R. 133 Consolidated Appropriations Act Amendment(s).** The Employer hereby amends the Plan as follows:

A. Carryover of Unused Funds in Health and Dependent Care FSAs for 2020 and 2021 Plan Years.

1. Any unused amounts in a Participant’s Health Flexible Spending Account or Dependent Care Flexible Spending Account at the end of the 2020 Plan Year may be carried over for use for eligible expenses incurred during the 2021 Plan Year.
2. Any unused amounts in a Participant’s Health Flexible Spending Account or Dependent Care Flexible Spending Account at the end of the 2021 Plan Year may be carried over for use for eligible expenses incurred during the 2022 Plan Year.

B. Mid-Year Changes under the Health and/or Dependent Care FSA.

Notwithstanding other provisions of the Plan to the contrary, for the Plan Year beginning January 1, 2021 and ending December 31, 2021 only, eligible employees may make prospective changes to their Health Flexible Spending Account and/or Dependent Care Flexible Spending Account elections as follows:

1. Eligible employees may increase an existing election or make a new election on a prospective basis at any time in 2021 without the requirement of the occurrence of a change in status.

ITEM 6.4 – Exhibit A

2. Election changes must be made in the form and manner required by the Administrator.
3. Election changes must be submitted by the 15th of the month in order to be effective the 1st day of the following month.

* * * * *

This amendment has been executed this _____ day of _____ 2021.

Name of Plan: City of Laguna Woods Section 125 Flexible Benefits Plan

Name of Employer: City of Laguna Woods

By: _____

EMPLOYER

Shari L. Horne, Mayor

**CITY OF LAGUNA WOODS
SECTION 125 FLEXIBLE BENEFITS PLAN
AMENDMENT 2021-II**

**ARTICLE I
PREAMBLE**

- 1.1 **Adoption and effective date of amendment.** The City of Laguna Woods (the “Employer”) adopts this Amendment to the City of Laguna Woods Section 125 Flexible Benefits Plan (the “Plan”). The Employer intends this Amendment as good faith compliance with the requirements of American Rescue Plan Act of 2021 (the “Act”). This Amendment shall be effective on or after the date the Employer elects in Section 2.1 below.
- 1.2 **Supersession of inconsistent provisions.** This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any reference to “Section” in this Amendment refers only to sections within this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to any Plan article, section, or other numbering designations.

**ARTICLE II
AMENDMENT**

- 2.1 **Effective Date.** The provisions of this Amendment, unless otherwise indicated are effective as of January 1, 2021 (the “Effective Date”).
- 2.2 **H.R. 1319 American Rescue Plan Act Amendment.** The Employer hereby amends the Plan as follows:
 - A. **Increase in Dependent Care Flexible Spending Account Contribution.**
 - 1. For Plan Year beginning January 1, 2021 and ending December 31, 2021 only, the maximum contribution to a Participant’s Dependent Care Flexible Spending Account will be \$10,500 (\$5,250 for married individuals filing separately).

* * * * *

This amendment has been executed this ____ day of _____ 2021.

Name of Plan: City of Laguna Woods Section 125 Flexible Benefits Plan

Name of Employer: City of Laguna Woods

By: _____
EMPLOYER
Shari L. Horne, Mayor

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CODE ENFORCEMENT SERVICES

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**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
WILLDAN ENGINEERING
FOR CODE ENFORCEMENT SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 1st day of July 2021 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Willdan Engineering ("CONSULTANT").

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of SECTION 19 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on July 1, 2021 and ending at 11:59 p.m. on June 30, 2023. Such term may be extended upon written agreement of both parties to this AGREEMENT through a maximum of 11:59 p.m. on June 30, 2025.

SECTION 2. SCOPE OF SERVICES.

CONSULTANT shall perform the services set forth in EXHIBIT "A" "SCOPE OF SERVICES" and made a part of this AGREEMENT. All work to be performed by CONSULTANT shall be coordinated with, and approved by City Manager of CITY or his or her designee. CONSULTANT shall not begin work on any individual task or assignment until authorized by the City Manager of CITY or his or her designee to proceed.

SECTION 3. ADDITIONAL SERVICES.

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in EXHIBIT "A" "SCOPE OF SERVICES", unless such additional services are authorized in advance and in writing by the City Council or the City Manager of CITY or his or her designee. CONSULTANT shall be compensated for any such additional services only in the amounts and in the manner agreed to by the City Council or City Manager of CITY or his or her designee.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "B" "COMPENSATION" and made a part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY. This

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AGREEMENT does not state, convey, imply, or infer a specific, minimum or expected amount of work or compensation for as needed services or reimbursables. Compensation for services shall not exceed the amounts specified in EXHIBIT "B" "COMPENSATION".

(b) No later than the 15th of each month CONSULTANT shall furnish to CITY an **original** invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the categories required by CITY, which are subject to change at the discretion of CITY. CITY shall independently review each invoice submitted by the CONSULTANT to determine whether the work performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event that any charges or expenses are disputed by CITY, the original invoice shall be returned by CITY to CONSULTANT for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by CITY, CITY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT's invoice.

(d) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not be deemed to waive any defects in work performed by CONSULTANT, nor to constitute any waiver of any type of relief or remedy, legal or equitable, arising out of any breach or nonperformance of any aspect of the AGREEMENT by CONSULTANT.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

CITY may inspect and accept or reject any of CONSULTANT's work under this AGREEMENT, either during performance or when completed. CITY shall reject or finally accept CONSULTANT's work in its discretion within sixty (60) days after submitted to CITY. Any rejection of work by CITY shall be by written explanation. Acceptance of any of CONSULTANT's work by CITY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, sections 15 and 16, pertaining to indemnification and insurance, respectively.

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files, and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents, notwithstanding any billing or compensation disputes that may then exist between CITY and CONSULTANT.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's and any of CONSULTANT's subcontractors' performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all drafts of studies or planning documents, correspondence, notices, ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for five (5) years from the end of the term of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit, and copying, at any time during regular business hours, upon written request by CITY, Federal government, State of California, or their designated representatives. Copies of such documents or records shall be provided directly to the requesting party for inspection, audit, and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where CITY has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, CITY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to CITY, as well as to its successors-in-interest and authorized representatives.

(d) CONSULTANT shall prepare and submit to CITY reports concerning the performance of the work in this AGREEMENT as CITY shall require.

SECTION 8. STATUS OF CONSULTANT.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, official, employee or agent of CITY. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt, or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's

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officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY.

(c) Neither CONSULTANT, nor any of CONSULTANT's officers, officials, employees, or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to CITY'S employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights.

(d) This AGREEMENT shall in no way prohibit the CITY from entering into other agreements or contracts, hiring staff or making other such arrangements with other persons and/or entities relative to the services set forth in EXHIBIT "A" "SCOPE OF SERVICES".

SECTION 9. STANDARD OF PERFORMANCE.

CONSULTANT represents and warrants that it has the qualifications, experience, personnel, and facilities necessary to properly perform the services required under this AGREEMENT in a thorough, competent, and professional manner. CONSULTANT shall at all times faithfully, competently and to the best of its ability, experience, and talent, perform all services described herein. In meeting its obligations under this AGREEMENT, CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of CONSULTANT under this AGREEMENT.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

(a) CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this AGREEMENT, including but not limited to regulations and rules pertaining to any grant awards or third-party funding with which this AGREEMENT is funded in whole or in part. CONSULTANT shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this AGREEMENT. CITY shall not be responsible for monitoring CONSULTANT's compliance with federal, state, and local laws, statutes, codes, ordinances, or regulations. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

(b) CONSULTANT shall not be debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs, or from receiving Federal contracts, subcontracts, or financial or nonfinancial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CFR 85.35) or other Federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of this AGREEMENT.

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, religion, creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy, childbirth or related medical conditions, veteran status, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, sex, age over 40 years, or any other basis protected by applicable federal, state, or local law, including association with individuals with one or more of these protected characteristics or perception that an individual has one or more of these protected characteristics in connection with or related to the performance of this AGREEMENT.

SECTION 12. UNAUTHORIZED ALIENS.

CONSULTANT shall comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended from time to time or replaced by a successor statute, and in connection therewith, shall not employ unauthorized aliens as defined therein. The term "unauthorized aliens" means and includes "undocumented foreign nationals" as defined in the proposed Federal Correcting Hurtful and Alienating Names in Government Expression (CHANGE) Act (H.R. 3785, introduced October 21, 2015). Should CONSULTANT so employ such unauthorized aliens for the performance of work and/or services covered by this AGREEMENT, and should the any liability or sanctions be imposed against CITY for such use of unauthorized aliens, CONSULTANT shall reimburse CITY for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by CITY.

SECTION 13. CONFLICTS OF INTEREST.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of CITY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, official, employee, agent, or subcontractor without the express written consent of the City Manager of CITY or his or her designee. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

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(a) All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without prior written authorization from the City Manager of CITY or his or her designee, except as may be required by law.

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager of CITY or his or her designee or unless requested by the City Attorney of CITY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives CITY notice of such court order or subpoena.

(c) If CONSULTANT, or any officer, employee, agent or subcontractor of CONSULTANT, provides any information or work product in violation of this AGREEMENT, then CITY shall have the right to reimbursement and indemnity from CONSULTANT for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of CONSULTANT's conduct.

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, officials, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT or the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing, or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION.

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT or by the negligent or willful acts or omissions of CONSULTANT, its agents,

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officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation the violation of any federal, state, and local law, statute, code, ordinance, regulation, or rule.

(b) If any action or proceeding is brought against INDEMNITEES by reason of any of the matters against which CONSULTANT has agreed to indemnify INDEMNITEES as provided above, CONSULTANT, upon notice from CITY, shall defend INDEMNITEES at CONSULTANT's expense by counsel acceptable to CITY, such acceptance not to be unreasonably withheld. INDEMNITEES need not have first paid for any of the matters to which INDEMNITEES are entitled to indemnification in order to be so indemnified. The insurance required to be maintained by CONSULTANT under Section 16 shall insure CONSULTANT's obligations under this section, but the limits of such insurance shall not limit the liability of CONSULTANT hereunder. The provisions of this section shall survive the expiration or earlier termination of this AGREEMENT.

(c) The provisions of this section do not apply to CLAIMS occurring as a result of the CITY's sole negligence or willful acts or omissions.

SECTION 16. INSURANCE.

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "C" "INSURANCE" and made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager of CITY or his or her designee. CONSULTANT agrees to provide CITY with copies of required policies upon request.

SECTION 17. ASSIGNMENT.

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. CITY has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this Agreement or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling CITY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. CITY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors. CONSULTANT shall be solely liable and responsible for the actions, conduct, and performance of subcontractors, including but not limited to ensuring their compliance with Section 10 of this AGREEMENT (Compliance with Applicable Laws; Permits and Licenses).

SECTION 18. CONTINUITY OF PERSONNEL.

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CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall obtain approval, in writing, from CITY of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to any such performance.

SECTION 19. TERMINATION OF AGREEMENT.

(a) CITY may terminate this AGREEMENT, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(b) CONSULTANT may terminate this AGREEMENT at any time upon sixty (60) days written notice of termination to CITY. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(c) If CONSULTANT fails to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, CITY may terminate this AGREEMENT immediately upon written notice.

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY which is in CONSULTANT's possession shall be returned to CITY immediately upon demand by CITY, notwithstanding any billing disputes that may then exist under this AGREEMENT. CONSULTANT shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT, prepared as set forth in SECTION 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in SECTION 4 of this AGREEMENT.

SECTION 20. DEFAULT.

In the event that CONSULTANT is in default under the terms of this AGREEMENT, the CITY shall not have any obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and may terminate this AGREEMENT immediately by written notice to the CONSULTANT.

SECTION 21. EXCUSABLE DELAYS.

CONSULTANT shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of CONSULTANT. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state, or local governments, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this AGREEMENT shall be equitably adjusted for any delays due to such causes.

SECTION 22. COOPERATION BY CITY.

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All public information, data, reports, records, and maps as are existing and available to CITY as public records, and which are necessary for carrying out the work as outlined in the EXHIBIT "A" "SCOPE OF SERVICES", shall be furnished to CONSULTANT in a reasonable way to facilitate, without undue delay, the work to be performed under this AGREEMENT.

SECTION 23. NOTICES.

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopy or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY: City of Laguna Woods
Attn: City Manager
24264 El Toro Road
Laguna Woods, CA 92637

To CONSULTANT: Willdan Engineering
ATTN: Deputy Director of Building & Safety
2401 East Katella Avenue, Suite 300
Anaheim, CA 92806

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 24. AUTHORITY TO EXECUTE.

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

SECTION 25. BINDING EFFECT.

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 26. MODIFICATION OF AGREEMENT.

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the City Council or City Manager of CITY. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 27. WAIVER.

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Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

SECTION 28. LAW TO GOVERN; VENUE.

This AGREEMENT shall be interpreted, construed, and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Orange. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the District of California in which CITY is located.

SECTION 29. ATTORNEYS FEES, COSTS, AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 30. ENTIRE AGREEMENT.

This AGREEMENT, including the attached EXHIBITS "A" through "C", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 31. SEVERABILITY.

If a term, condition, or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void, or unenforceable provision(s).

SECTION 32. NO THIRD-PARTY BENEFICIARIES.

This AGREEMENT, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and CONSULTANT. No other parties or entities are intended to be, nor shall be considered, beneficiaries of the performance by either party of any of the obligations under this AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Shari L. Horne, Mayor

CONSULTANT:

By _____
Al Brady, Deputy Director of Building & Safety

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

CONSULTANT shall perform and complete code enforcement services by providing all labor, tools, equipment, materials, and supplies necessary to complete work in a professional, thorough, and timely manner, in accordance with standards and specifications as contained in this AGREEMENT.

Regular Code Enforcement Services

CONSULTANT shall provide regular code enforcement services including, but not limited to, enforcing the Laguna Woods Municipal Code; CITY ordinances, regulations, or policies; codes or regulations otherwise applicable to CITY (e.g., cases of unpermitted construction related to the California Building Standards Code); and, conditions of entitlement, land use approvals, permits, or licenses. Regular code enforcement services may include, but are not limited to:

- Receiving and responding to inquiries and complaints, including by interviewing persons reporting possible code violations; taking steps to identify the existence of reported code violations; providing public education and outreach; resolving disputes; and, referring matters to and coordinating with local, state, and federal authorities or other parties;
- Conducting field checks, inspections, investigations, interviews, consultations, research, and other activities to ensure compliance with codes and identify code violations;
- Taking enforcement actions, including by issuing notices of violation, administrative citations, and stop work orders; levying and collecting fees and civil fines; collaborating with other agencies and service providers; delivering, mailing, and posting legal notices; preparing cases for administrative and legal proceedings (including preparing documents to support inspection and abatement warrants); and, conducting abatement activities;
- Preparing, compiling, and disseminating qualitative and quantitative documentation and data, including correspondence, reports, inventories, logs, records, and photographs; and
- Providing testimony and evidence for administrative and legal proceedings.

Regular code enforcement services may also include, but are not limited to:

- Removing illegal temporary signs from CITY-owned or controlled property, including rights of way, medians, parkways, parks, light poles, bus shelters, structures, and equipment;
- Conducting field checks and inspections of CITY-owned or controlled property for graffiti; vandalism; damaged, faded, or missing road signs; inoperative lighting; trash and litter; depleted pet supplies (at CITY's dog park); and, overgrown vegetation; and
- Providing public education and outreach to individuals and businesses on provisions of the Laguna Woods Municipal Code, as well as proposed or pending changes.

Special Code Enforcement Services

On an as-needed basis, CONSULTANT may develop, or assist in the development of, plans, procedure manuals, enforcement policies, ordinances, grant applications, or other administrative projects. Work associated with any individual code enforcement case is excluded from “special code enforcement services” and is considered a regular code enforcement service.

Schedule

CONSULTANT shall provide 10 hours per week of regular code enforcement services on either Mondays and Wednesdays, or Tuesdays and Thursdays, for five (5) hours each day, subject to mutual agreement by CITY and CONSULTANT. On one day per month to be regularly scheduled by CITY and CONSULTANT, services shall also be provided between the hours of 5 and 8 p.m. for a total of 13 hours of regular code enforcement services for that week. Regular code enforcement services shall not be provided on any day when Laguna Woods City Hall is closed, unless previously authorized in writing by CITY. CITY reserves the right to cancel any regular code enforcement service day with at least 48 hours advance notice.

CONSULTANT shall provide additional regular or special code enforcement services on an as-needed basis, on any day of the week (including weekends and holidays), within two (2) hours of a request by CITY. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation for as-needed code enforcement services.

Standards for Personnel

1. CONSULTANT shall designate a project manager who shall be responsible for overseeing all work performed under this AGREEMENT and coordinating the same with CITY. He/she/they shall have at least three (3) years of experience involving code enforcement services and be fluent in the English language.
2. At all times, CONSULTANT’s assigned personnel responsible for providing regular code enforcement services shall possess the following minimum qualifications:
 - Three (3) years of law enforcement experience in the State of California; or
 - Three (3) years of code enforcement experience in the State of California; or
 - California Association of Code Enforcement Officers (CACEO) officer certification; or
 - International Code Council Property Maintenance and Housing Inspector certification; or
 - International Code Council Zoning Inspector certification; or
 - P.C. 832 Arrest, Search, and Seizure certification; or
 - Such other experience, education, certification, and/or training to demonstrate knowledge of legal and effective investigations, as determined adequate by CITY staff.

Other Requirements

1. CONSULTANT shall provide, or ensure that its assigned personnel responsible for providing regular code enforcement services possess, a cellular telephone on which they can be reliably contacted at no additional cost to CITY.
2. CONSULTANT's assigned personnel responsible for providing regular code enforcement services shall be provided by CONSULTANT with all equipment necessary to perform regular code enforcement services including, but not limited to, calibrated noise meters, cellular telephones, digital cameras or other devices capable of embedding the time and date in photographs, and personal protective equipment to safely enter and inspect spaces impacted by hoarding and similar circumstances.
3. CONSULTANT's assigned personnel responsible for providing regular code enforcement services shall document the work that they perform on paper forms and Microsoft Word and Excel documents, as well as in code enforcement software (currently GoEnforce; subject to change from time-to-time at CITY's sole discretion), in form sufficient to CITY.
4. CONSULTANT's assigned personnel responsible for providing regular code enforcement services shall retrieve and respond to all emails, voicemails, and messages received prior to the beginning of each shift, no later than the end of that same shift, and document the same in form sufficient to CITY.
5. CITY will not provide CONSULTANT's personnel with physical workspace at City Hall. CITY's code enforcement software is web-based; the code enforcement email account and voicemail can be accessed remotely. CONSULTANT's personnel are expected to limit their presence at City Hall to meetings, consultations with CITY staff, research, and filing.
6. Code enforcement work often occurs within the private gated community of Laguna Woods Village. CONSULTANT shall be responsible for obtaining gate access passes for its personnel, under its own corporate name (i.e., not in the City's name).

EXHIBIT "B"
COMPENSATION

CONSULTANT shall be compensated on an hourly basis using the following rates:

<u>Service</u>	<u>Hourly Rate</u> <u>Weekdays¹</u>	<u>Hourly Rate</u> <u>Weekends/Federal</u> <u>Holidays¹</u>
Regular Code Enforcement Services	\$60 per hour	\$90 per hour
Special Code Enforcement Services	\$65 per hour	\$97.50 per hour

¹ Hourly rates are not subject to minimums or maximums and are all-inclusive with the exception of reproduction; oversized and specialty printing; and, courier and mailing services, all of which must be authorized by CITY, in advance, and may only be charged to CITY at cost (as evidenced by receipts), except for reproduction and oversized and specialty printing which shall be subject to a 10% markup over cost (as evidenced by receipts). CONSULTANT shall not be reimbursed for any other expenses including, but not limited to, telephone; mileage; vehicle; travel; lodging; food; drink; computer, voice, or data line usage; and, the provision or maintenance of required uniforms or equipment.

Hourly rates will not increase during the term of this AGREEMENT.

EXHIBIT "C"
INSURANCE

A. Insurance Requirements. CONSULTANT shall provide and maintain insurance, acceptable to the City Manager of CITY or his or her designee or City Attorney, in full force and effect throughout the term of this AGREEMENT, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONSULTANT, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. CONSULTANT shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of CITY.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT.

(4) Errors and omissions liability insurance appropriate to the CONSULTANT's profession.

2. Minimum Limits of Insurance. CONSULTANT shall maintain limits of insurance no less than:

(1) General Liability: \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate for bodily injury, personal injury, and property damage.

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

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

ITEM 6.5

B. Other Provisions. Insurance policies required by this AGREEMENT shall contain the following provisions:

1. All Policies. Each insurance policy required by this AGREEMENT shall be endorsed and state that the coverage shall not be suspended, voided, cancelled by the insurer or either party to this AGREEMENT, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the City Manager of CITY or his or her designee.

2. General Liability and Automobile Liability Coverages.

(1) CITY, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities CONSULTANT performs; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT; or automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, and their respective elected and appointed officers, officials, or employees.

(2) CONSULTANT's insurance coverage shall be primary insurance with respect to CITY, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self insurance maintained by CITY, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, CONSULTANT's insurance.

(3) CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager of CITY or his or her designee otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against CITY, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by CONSULTANT.

C. Other Requirements. CONSULTANT agrees to deposit with CITY, at or before the effective date of this contract, certificates of insurance necessary to satisfy CITY that the insurance provisions of this contract have been complied with. The City Attorney may require that CONSULTANT furnish CITY with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. CITY reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

ITEM 6.5

1. CONSULTANT shall furnish certificates and endorsements from each subcontractor identical to those CONSULTANT provides.

2. Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CITY or its respective elected or appointed officers, officials, employees and volunteers or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions and requirements of this AGREEMENT.

6.6
LAW ENFORCEMENT SERVICES

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A. TERM:

The term of this Agreement shall commence July 1, 2021 and terminate June 30, 2022 unless earlier terminated by either party or extended in the manner set forth herein.

B. OPTIONAL TERMINATION OR EXTENSION:

1. COUNTY or CITY may terminate this Agreement, without cause, upon one-hundred and eighty (180) days written notice to the other party.
2. If COUNTY and CITY have not entered into a written agreement by June 30, 2022 for COUNTY to provide to CITY, during all or part of the period between July 1, 2022 and June 30, 2023, law enforcement services similar to those specified herein, then SHERIFF, on behalf of COUNTY, and CITY's Manager, on behalf of CITY, are authorized to execute a written amendment to this Agreement that provides as follows and does not materially alter other terms of the Agreement: SHERIFF shall continue to provide to CITY all or a designated part of the law enforcement services specified herein, for a specified time period between July 1, 2022 and August 31, 2022 and CITY shall pay COUNTY the full costs of providing such services. Such full costs may be greater than those listed herein for the period July 1, 2021 through June 30, 2022. SHERIFF and CITY Manager shall file copies of any such amendments to this Agreement with the Clerk of COUNTY's Board of Supervisors and CITY's Clerk.

C. REGULAR SERVICES BY COUNTY:

1. COUNTY, through its Sheriff-Coroner and deputies, officers and employees, hereinafter referred to as "SHERIFF", shall render to CITY law enforcement services as hereinafter provided. Such services shall include the enforcement of lawful State statutes and lawful municipal ordinances of CITY other than licensing ordinances.

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C. REGULAR SERVICES BY COUNTY: (Continued)

2. The night, day and evening patrol and supervisory shifts will be established by SHERIFF. Personnel of each shift may work varying and different times and may be deployed to other shifts when, in the opinion of SHERIFF and CITY Manager, the need arises. Any long-term shift deployment change will be reported to CITY's Council.
3. The level of service, other than for licensing, to be provided by COUNTY for the period July 1, 2021 through June 30, 2022, is set forth in Attachment A and incorporated herein by this reference.
4. For any service listed in Attachment A in this Agreement that is provided to CITY at less than 100% of a full-time SHERIFF position, COUNTY retains the option to terminate such service in the event the other city or cities that contract(s) for the balance of the time of the employee providing the service no longer pay(s) for such service and CITY does not request the Agreement be amended to provide for payment of 100% of the cost of the employee providing such service. The Maximum Obligation of CITY set forth in Subsection G-2 will be adjusted accordingly.
5. All services contracted for in this Agreement may not be operational on the precise date specified in this Agreement. In those instances, SHERIFF shall notify CITY Manager of the date or dates such service or services are to be implemented. COUNTY shall reduce the monthly charges to CITY, based on the actual date of implementation of the service or services. Charges shall be reduced on the next monthly billing tendered in accordance with Subsection G-3 of this Agreement.
6. During emergencies, such as mutual aid situations, SHERIFF will attempt to staff the CITY's Emergency Operations Center (EOC) with a Captain or Sergeant to assist the CITY with the operations of the EOC. Such services may be considered supplemental to the contract and chargeable to the CITY

C. REGULAR SERVICES BY COUNTY: (Continued)

on a time and material basis to the extent the services provided are at a level greater than that specified in Attachment A of this Agreement.

7. With respect to the licensing ordinances of CITY listed in Attachment B hereto, which is incorporated herein by this reference, SHERIFF shall receive applications for CITY licenses pursuant to said ordinances and complete investigations relating to such applications. Such investigations shall be forwarded to CITY Manager. COUNTY shall not provide any advisory, administrative, hearing or litigation attorney support or services related to licensing. COUNTY shall not provide any administrative or investigatory services related to the licensing ordinances listed in Attachment B hereto, except the investigations relating to initial applications for which this subsection provides.

In the event, CITY amends Attachment B, CITY's Manager, on behalf of CITY, and SHERIFF, on behalf of COUNTY, have authority to execute an amendment of this Agreement to substitute CITY's amended Attachment B hereto, as long as said Amendment to this Agreement does not materially change any other provision of this Agreement.

8. With the limitations set forth below, SHERIFF, on behalf of COUNTY, and CITY Manager, on behalf of CITY, are authorized to execute written amendments to this Agreement to increase or decrease the level of service set forth in Attachment A, when SHERIFF and CITY Manager mutually agree that such increase or decrease in the level of service is appropriate. Any such amendment to the Agreement shall concomitantly increase or decrease the cost of services payable by CITY set forth in Attachment C and incorporated herein by this reference, and the Maximum Obligation of CITY set forth in Subsection G-2, in accordance with the current year's COUNTY law enforcement cost study. SHERIFF and CITY Manager shall

C. REGULAR SERVICES BY COUNTY: (Continued)

file copies of any such amendments to this Agreement with the Clerk of COUNTY's Board of Supervisors and CITY's Clerk. Amendments to this Agreement executed by SHERIFF and CITY Manager may not, in the aggregate, increase or decrease the cost of services payable by CITY by more than one percent (1%) of the total cost originally set forth in Attachment C and the Maximum Obligation originally set forth in Subsection G-2.

Prior approval by COUNTY's Board of Supervisors and CITY's Council is required before execution of any amendment that brings the aggregate total of changes in costs payable by CITY to more than one percent (1%) of the total cost originally set forth in Attachment C and the Maximum Obligation originally set forth in Subsection G-2 of this Agreement.

9. SHERIFF shall consider input from the CITY Manager regarding the selection and assignment of a Captain to provide services to CITY.

D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY:

1. Enhanced services for events on CITY property. At the request of CITY, through its City Manager, SHERIFF may provide enhanced law enforcement services for functions, such as community events, conducted on property that is owned, leased or operated by CITY. SHERIFF shall determine personnel and equipment needed for such enhanced services. To the extent the services provided at such events are at a level greater than that specified in Attachment A of this Agreement, CITY shall reimburse COUNTY for such additional services, at an amount computed by SHERIFF, based on the current year's COUNTY law enforcement cost study. The cost of these enhanced services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after each such event.

D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)

2. Supplemental services for occasional events operated by private individuals and entities on non-CITY property. At the request of CITY, through its City Manager, and within the limitations set forth in this Subsection D-2, SHERIFF may provide supplemental law enforcement services to preserve the peace at special events or occurrences that occur on an occasional basis and are operated by private individuals or private entities on non-CITY property. SHERIFF shall determine personnel and equipment needed for such supplemental services, and will provide such supplemental services only if SHERIFF is able to do so without reducing the normal and regular ongoing services that SHERIFF otherwise would provide to CITY pursuant to this Agreement. Such supplemental services shall be provided only by regularly appointed full-time peace officers, at rates of pay governed by a Memorandum of Understanding between COUNTY and the bargaining unit(s) representing the peace officers providing the services. Such supplemental services shall include only law enforcement duties and shall not include services authorized to be provided by a private patrol operator, as defined in Section 7582.1 of the Business and Professions Code. Law enforcement support functions, including, but not limited to, clerical functions and forensic science services, may be performed by non-peace officer personnel if the services do not involve patrol or keeping the peace and are incidental to the provision of law enforcement services. CITY shall reimburse COUNTY its full, actual costs of providing such supplemental services at an amount computed by SHERIFF, based on the current year's COUNTY law enforcement cost study. The cost of these supplemental services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after each such event.

D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)

3. Supplemental services for events operated by public entities on non-CITY property. At the request of CITY, through its City Manager, and within the limitations set forth in this subsection D-3, SHERIFF may provide supplemental law enforcement services to preserve the peace at special events or occurrences that occur on an occasional basis and are operated by public entities on non-CITY property. SHERIFF shall determine personnel and equipment needed for such supplemental services, and will provide such supplemental services only if SHERIFF is able to do so without reducing services that SHERIFF otherwise would provide to CITY pursuant to this Agreement. CITY shall reimburse COUNTY its full, actual costs of providing such supplemental services at an amount computed by SHERIFF, based on the current year's COUNTY law enforcement cost study. The cost of these supplemental services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after each such event.
4. Notwithstanding the foregoing, CITY, through its permit process, may utilize the services of SHERIFF at events, for which CITY issues permits, that are operated by private individuals or entities or public entities. SHERIFF shall determine personnel and equipment needed for said events. If said events are in addition to the level of services listed in Attachment A of this Agreement, CITY shall reimburse COUNTY for such additional services at an amount computed by SHERIFF, based upon the current year's COUNTY law enforcement cost study. The cost of these services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after said services are rendered.

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D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)

5. In accordance with Government Code Section 51350, COUNTY has adopted Board Resolution 89-1160 which identifies Countywide services, including but not limited to helicopter response. SHERIFF through this contract provides enhanced helicopter response services. The cost of enhanced helicopter response services is included in the cost of services set forth in Attachment C and in the Maximum Obligation of CITY set forth in Subsection G-2. COUNTY shall not charge any additional amounts for enhanced helicopter services after the cost of services set forth in Attachment C and in the Maximum Obligation set forth in Subsection G-2 has been established without written notification to the CITY.

E. PATROL VIDEO SYSTEMS:

1. As part of the law enforcement services to be provided to CITY, COUNTY has provided, or will provide, patrol video systems (hereinafter called "PVS") that are or will be mounted in patrol vehicles designated by COUNTY for use within CITY service area.
2. SHERIFF has the exclusive right to use said PVS for law enforcement services related to this Agreement.
3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition and installation of PVS that are or will be mounted in patrol vehicles assigned to CITY, and b) recurring costs, as deemed necessary by COUNTY, including the costs of maintenance and contributions to a fund for replacement and upgrade of such PVS when they become functionally or technologically obsolete. The costs to be paid by CITY for recurring costs, including maintenance and replacement/upgrade of PVS, are included in the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement unless CITY has already paid such costs. CITY shall not be charged additional amounts for maintenance or

E. PATROL VIDEO SYSTEMS: (Continued)

replacement/upgrade of said PVS during the period July 1, 2021 through June 30, 2022.

4. If, following the initial acquisition of PVS referenced above, CITY requires PVS for additional patrol cars designated for use in the CITY service area, COUNTY will purchase said additional PVS. Upon demand by COUNTY, CITY will pay to COUNTY a) the full costs of acquisition and installation of said additional PVS, and b) the full recurring costs for said PVS, as deemed necessary by COUNTY, including the costs of maintenance, and contributions to a fund for replacement and upgrade of such PVS when they become functionally or technologically obsolete. Said costs related to additional PVS are not included in, and are in addition to, the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement.
5. COUNTY will replace and/or upgrade PVS as needed. The costs of replacing/upgrading PVS shall be paid by COUNTY from the replacement/upgrade funds to be paid by CITY in accordance with the foregoing. CITY shall not be charged any additional charge to replace or upgrade PVS.

F. LICENSING SERVICES BY CITY:

Upon receipt from COUNTY of investigations of applications for licenses referred to in Subsection C-7 of this Agreement, CITY Manager shall determine whether to grant or deny the licenses and will issue the licenses or notify the applicants of denial. CITY shall provide all attorney services related to the granting, denial, revocation and administration of said licenses and the enforcement of CITY ordinances pertaining to said licenses.

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G. PAYMENT:

1. Pursuant to Government Code Section 51350, CITY agrees to pay to COUNTY the full costs of performing the services mutually agreed upon in this Agreement. The costs of services include salaries, wages, benefits, mileage, services, supplies, equipment, and divisional, departmental and COUNTY General overhead.
2. Unless the level of service set forth in Attachment A is increased or decreased by mutual agreement of the parties, or CITY is required to pay for increases as set forth in Subsection G-4, the Maximum Obligation of CITY for services, other than Licensing Services, set forth in Attachment A of this Agreement, to be provided by COUNTY for the period July 1, 2021 through June 30, 2022 shall be \$3,068,532 as set forth in Attachment C.
The overtime costs included in the Agreement are only an estimate. SHERIFF shall notify CITY of actual overtime worked during each fiscal year. If actual overtime worked is above or below budgeted amounts, billings will be adjusted accordingly at the end of the fiscal year. Actual overtime costs may exceed CITY's Maximum Obligation.
3. COUNTY shall invoice CITY monthly. During the period of July 1, 2021 through June 30, 2022, said invoices will require payment by CITY of one-twelfth (1/12) of the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement, as said Maximum Obligation may have been increased or decreased pursuant to mutual agreement of the parties. In addition, if a determination is made that increases described in Subsection G-4 must be paid, COUNTY thereafter shall include the pro-rata charges for such increases in its monthly invoices to CITY for the balance of the period between July 1, 2021 and June 30, 2022.

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G. PAYMENT: (Continued)

4a. At the time this Agreement is executed, there may be unresolved issues pertaining to potential changes in salaries and benefits for COUNTY employees. The costs of such potential changes are not included in the Fiscal Year 2021-22 cost set forth in Attachment C nor in the Fiscal Year 2021-22 Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. If the changes result in the COUNTY incurring or becoming obligated to pay for increased costs for or on account of personnel whose costs are included in the calculations of costs charged to CITY hereunder, CITY shall pay COUNTY, in addition to the Maximum Obligation set forth in Subsection G-2 of this Agreement, the full costs of said increases to the extent such increases are attributable to work performed by such personnel after July 1, 2021, and CITY's Maximum Obligation hereunder shall be deemed to have increased accordingly. CITY shall pay COUNTY in full for such increases on a pro-rata basis over the portion of the period between July 1, 2021 and June 30, 2022 remaining after COUNTY notifies CITY that increases are payable. If the changes result in the COUNTY incurring or becoming obligated to pay for decreased costs for or on account of personnel whose costs are included in the calculations of costs charged to CITY hereunder, COUNTY shall reduce the amount owed by the CITY to the extent such decreases are attributable to work performed by such personnel during the period July 1, 2021 through June 30, 2022, and CITY's Maximum Obligation hereunder shall be deemed to have decreased accordingly. COUNTY shall reduce required payment by CITY in full for such decreases on a pro-rata basis over the portion of the period between July 1, 2021 and June 30, 2022 remaining after COUNTY notifies CITY that the Maximum Obligation has decreased.

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G. PAYMENT: (Continued)

- 4b. If CITY is required to pay for increases as set forth in Subsection G-4a above, COUNTY, at the request of CITY, will thereafter reduce the level of service to be provided to CITY, as set forth in Attachment A of this Agreement to a level that will make the Maximum Obligation of CITY hereunder for the period July 1, 2021 through June 30, 2022 an amount specified by CITY that is equivalent to or higher or lower than the Maximum Obligation set forth in Subsection G-2 for said period at the time this Agreement originally was executed. The purpose of such adjustment of service levels will be to give CITY the option of keeping its Maximum Obligation hereunder at the pre-increase level or at any other higher or lower level specified by CITY. In the event of such reduction in level of service and adjustment of costs, the parties shall execute an amendment to this Agreement so providing. Decisions about how to reduce the level of service provided to CITY shall be made by SHERIFF with the approval of CITY.
5. CITY shall pay COUNTY in accordance with COUNTY Board of Supervisors' approved County Billing Policy, which is attached hereto as Attachment D and incorporated herein by this reference.
6. COUNTY shall charge CITY late payment penalties in accordance with the County Billing Policy.
7. As payment for the Licensing Services described in Subsection C-7 of this Agreement, COUNTY shall retain all fees paid by applicants for licenses pursuant to CITY ordinances listed in Attachment B hereto. Retention of said fees by COUNTY shall constitute payment in full to COUNTY for costs incurred by COUNTY in performing the functions related to licensing described in Subsection C-7; provided, however, that if any of said fees are waived or reduced by CITY, CITY shall pay to COUNTY the difference

G. PAYMENT: (Continued)

between the amount of fees retained by COUNTY and the fees that were set forth in the ordinances listed in Attachment B at the time this Agreement was executed. If CITY increases the fee schedule for the licensing ordinances set forth in Attachment B, either party shall have the right to seek amendment of this Agreement with respect to the division of the increased fees between CITY and COUNTY.

8. Fees generated or collected by SHERIFF contract personnel for copying of documents related to the services provided in this Agreement will be at COUNTY-established rates and will be credited to CITY on an annual basis.
9. Narcotic asset forfeitures will be handled pursuant to Attachment E hereto, which is incorporated herein by this reference.

H. NOTICES:

1. Except for the notices provided for in Subsection 2 of this Section, all notices authorized or required by this Agreement shall be effective when written and deposited in the United States mail, first class postage prepaid and addressed as follows:

CITY: ATTN: CITY MANAGER
 24264 EL TORO ROAD
 LAGUNA WOODS, CA 92653

COUNTY: ATTN: LAW ENFORCEMENT CONTRACT MANAGER
 SHERIFF-CORONER DEPARTMENT
 320 NORTH FLOWER STREET, SUITE 108
 SANTA ANA, CA 92703

2. Termination notices shall be effective when written and deposited in the United States mail, certified, return receipt requested and addressed as above.

I. STATUS OF COUNTY:

COUNTY is, and at all times shall be deemed to be, an independent contractor. Nothing herein contained shall be construed as creating the relationship of employer and employee, or principal and agent, between CITY and COUNTY or any of COUNTY's agents or employees. COUNTY and its SHERIFF shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of services by COUNTY pursuant to this Agreement. COUNTY, its agents and employees shall not be entitled to any rights or privileges of CITY employees and shall not be considered in any manner to be CITY employees.

J. STATE AUDIT:

Pursuant to Government Code Section 8546.7, CITY and COUNTY shall be subject to examination and audit by the State Auditor for a period of three (3) years after final payment by CITY to COUNTY under this Agreement. CITY and COUNTY shall retain all records relating to the performance of this Agreement for said three-year period, except that those records pertaining to any audit then in progress, or to any claims or litigation, shall be retained beyond said three-year period until final resolution of said audit, claim or litigation.

K. ALTERATION OF TERMS:

This Agreement fully expresses all understanding of CITY and COUNTY with respect to the subject matter of this Agreement and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of both parties.

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L. INDEMNIFICATION:

1. COUNTY, its officers, agents, employees, subcontractors and independent contractors shall not be deemed to have assumed any liability for the negligence or any other act or omission of CITY or any of its officers, agents, employees, subcontractors or independent contractors, or for any dangerous or defective condition of any public street or work or property of CITY, or for any illegality or unconstitutionality of CITY's municipal ordinances. CITY shall indemnify and hold harmless COUNTY and its elected and appointed officials, officers, agents, employees, subcontractors and independent contractors from any claim, demand or liability whatsoever based or asserted upon the condition of any public street or work or property of CITY, or upon the illegality or unconstitutionality of any municipal ordinance of CITY that SHERIFF has enforced, or upon any act or omission of CITY, or its elected and appointed officials, officers, agents, employees, subcontractors or independent contractors related to this Agreement, including, but not limited to, any act or omission related to the maintenance or condition of any vehicle or motorcycle that is owned or possessed by CITY and used by COUNTY personnel in the performance of this Agreement, for property damage, bodily injury or death or any other element of damage of any kind or nature, and CITY shall defend, at its expense including attorney fees, and with counsel approved in writing by COUNTY, COUNTY and its elected and appointed officials, officers, agents, employees, subcontractors and independent contractors in any legal action or claim of any kind based or asserted upon such condition of public street or work or property, or illegality or unconstitutionality of a municipal ordinance, or alleged acts or omissions. If judgment is entered against CITY and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of either party, CITY and COUNTY agree that

L. INDEMNIFICATION: (Continued)

liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

2. COUNTY shall indemnify and hold harmless CITY and its elected and appointed officials, officers, agents, employees, subcontractors and independent contractors from any claim, demand or liability whatsoever based or asserted upon any act or omission of COUNTY or its elected and appointed officials, officers, agents, employees, subcontractors or independent contractors related to this Agreement, for property damage, bodily injury or death or any other element of damage of any kind or nature, and COUNTY shall defend, at its expense, including attorney fees, and with counsel approved in writing by CITY, CITY and its elected and appointed officials, officers, agents, employees, subcontractors and independent contractors in any legal action or claim of any kind based or asserted upon such alleged acts or omissions.

M. TRAFFIC VIOLATOR APPREHENSION PROGRAM:

1. COUNTY has established a Traffic Violator Apprehension Program [“the Program”], which is operated by SHERIFF, and is designed to reduce vehicle accidents caused by unlicensed drivers and drivers whose licenses are suspended and to educate the public about the requirements of the Vehicle Code and related safety issues with regard to driver licensing, vehicle registration, vehicle operation, and vehicle parking. The Program operates throughout the unincorporated areas of the COUNTY and in the cities that contract with COUNTY for SHERIFF’s law enforcement services, without regard to jurisdictional boundaries, because an area-wide approach to reduction of traffic accidents and driver education is most effective in preventing traffic accidents. In order for CITY to participate in the Program, CITY has adopted fees pursuant to Vehicle Code Section 22850.5, in the

M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)

same amount as approved by COUNTY, as set forth in the resolution that is attached hereto as Attachment F and incorporated into this Agreement by reference [hereinafter called a "TVAP resolution"], and has directed that the revenue from such fee be used for the Program. CITY's participation in the Program may be terminated at any time by rescission or amendment of the TVAP resolution that is attached hereto as Attachment F. In the event CITY 1) amends said TVAP resolution, or rescinds said TVAP resolution and adopts a new TVAP resolution pertaining to the above-referenced fees and the Program, and 2) remains a participant in the Program thereafter, CITY's Manager, on behalf of CITY, and SHERIFF, on behalf of COUNTY, have authority to execute an amendment of this Agreement to substitute CITY's amended or new TVAP resolution for Attachment F hereto, as long as said amendment to this Agreement does not materially change any other provision of this Agreement. As COUNTY updates its fees for the Program periodically, COUNTY will provide written notice to CITY of the updated fees. CITY'S participation in the Program will terminate if CITY determines not to adopt the updated fees for the Program.

2. COUNTY will make available for review, at the request of CITY, all financial data related to the Program as may be requested by CITY.
3. Fee revenue generated by COUNTY and participating cities will be used to fund the following positions, which will be assigned to the Program:
 - Ten one hundredths of one (0.10) Sergeant
(8 hours per two-week pay period)
 - One (1) Staff Specialist
(80 hours per two-week pay period)
 - One (1) Office Specialist
(80 hours per two-week pay period)

M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)

4. Fee revenue generated by CITY may be used to reimburse CITY for expenditures for equipment and/or supplies directly in support of the Program. In order for an expenditure for equipment and/or supplies to be eligible for reimbursement, CITY shall submit a request for and obtain pre-approval of the expenditure by using the form as shown in Attachment G. The request shall be submitted within the budget schedule established by SHERIFF. SHERIFF shall approve the expenditure only if both of the following conditions are satisfied: 1) there are sufficient Program funds, attributable to revenue generated by CITY's fee, to pay for the requested purchase, and 2) CITY will use the equipment and/or supplies, during their entire useful life, only for purposes authorized by its TVAP resolution in effect at the time of purchase. In the event that CITY terminates its participation in the Program, CITY agrees that the equipment purchased by CITY and reimbursed by Program funds will continue to be used, during the remainder of its useful life, exclusively for the purposes authorized by CITY's TVAP resolution in effect at the time of purchase.
5. In the event the fees adopted by COUNTY, CITY and other participating jurisdictions are not adequate to continue operation of the Program at the level at which it operated previously, COUNTY, at the option of CITY, will reduce the level of Program service to be provided to CITY or will continue to provide the existing level of Program services. COUNTY will charge CITY the cost of any Program operations that exceed the revenue generated by fees. Such charges shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. The amount of any revenue shortfall charged to CITY will be determined, at the time the revenue shortfall is experienced, according to CITY's share of Program services rendered. In the event of a reduction in level of Program service,

M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)

termination of Program service or adjustment of costs, the parties shall execute an amendment to this Agreement so providing. Decisions about how to reduce the level of Program service provided to CITY shall be made by SHERIFF with the approval of CITY.

N. MOBILE DATA COMPUTERS:

1. As part of the law enforcement services to be provided to CITY, COUNTY has provided, or will provide, mobile data computers (hereinafter called "MDCs") that are or will be mounted in patrol vehicles and motorcycles designated by COUNTY for use within CITY limits.
2. SHERIFF has the exclusive right to use said MDCs for law enforcement services related to this Agreement.
3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition and installation of MDCs that are or will be mounted in patrol vehicles and motorcycles assigned to CITY, and b) recurring costs, as deemed necessary by COUNTY, including the costs of maintenance and contributions to a fund for replacement and upgrade of such MDCs when they become functionally or technologically obsolete.

The costs to be paid by CITY for recurring costs, including maintenance and replacement/upgrade of MDCs, are included in the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement unless CITY has already paid such costs. CITY shall not be charged additional amounts for maintenance or replacement/upgrade of said MDCs during the period July 1, 2021 through June 30, 2022.

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N. MOBILE DATA COMPUTERS: (Continued)

4. If, following the initial acquisition of MDCs referenced above, CITY requires MDCs for additional patrol cars designated for use in the CITY, or for CITY's Emergency Operations Center, COUNTY will purchase said additional MDCs. Upon demand by COUNTY, CITY will pay to COUNTY a) the full costs of acquisition and installation of said additional MDCs, and b) the full recurring costs for said MDCs, as deemed necessary by COUNTY, including the costs of maintenance, and contributions to a fund for replacement and upgrade of such MDCs when they become functionally or technologically obsolete. Said costs related to additional MDCs are not included in, and are in addition to, the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement.
5. COUNTY will replace and/or upgrade MDCs as needed. The costs of replacing/upgrading MDCs shall be paid by COUNTY from the replacement/upgrade funds to be paid by CITY in accordance with the foregoing. CITY shall not be charged any additional charge to replace or upgrade MDCs.

O. E-CITATION UNITS:

1. As part of the law enforcement services to be provided to CITY, COUNTY has provided, or will provide, E-Citation units designated by COUNTY for use within CITY limits.
2. SHERIFF has the exclusive right to use said E-Citation units for law enforcement services related to this Agreement.
3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition of E-Citation units that are assigned to CITY, and b) recurring costs, as deemed necessary by COUNTY, including the costs of maintenance and contributions to a fund for replacement and upgrade of such E-Citation units

O. E-CITATION UNITS: (Continued)

when they become functionally or technologically obsolete.

The costs to be paid by CITY for recurring costs, including maintenance and replacement/upgrade of E-Citation units, are included in the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement unless CITY has already paid such costs. CITY shall not be charged additional amounts for maintenance or replacement/upgrade of said E-Citation units during the period July 1, 2021 through June 30, 2022.

4. If, following the initial acquisition of E-Citation units referenced above, CITY requires additional E-Citation units designated for use in CITY, COUNTY will purchase said additional E-Citation units. Upon demand by COUNTY, CITY will pay to COUNTY a) the full costs of acquisition of said additional E-Citation units, and b) the full recurring costs for said E-Citation units, as deemed necessary by COUNTY, including the costs of maintenance, and contributions to a fund for replacement and upgrade of such E-Citation units when they become functionally or technologically obsolete. Said costs related to additional E-Citation units are not included in, and are in addition to, the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement.
5. COUNTY will replace and/or upgrade E-Citation units as needed. The costs of replacing/upgrading E-Citation units shall be paid by COUNTY from the replacement/upgrade funds to be paid by CITY in accordance with the foregoing. CITY shall not be charged any additional charge to replace or upgrade E-Citation units.

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**ORANGE COUNTY SHERIFF-CORONER
FY 2021-22 LAW ENFORCEMENT CONTRACT
CITY OF LAGUNA WOODS
"REGULAR SERVICES BY COUNTY"
(Subsection C-3)**

LEVEL OF SERVICE PROVIDED BY SHERIFF:

Title	Detail	Quantity	Frequency
INVESTIGATION SERVICES:			
Investigator		0.50	40 hrs./ per two wk. pay period
PATROL AND TRAFFIC SERVICES*:			
Sergeant	Patrol/Traffic	1.00	80 hrs./ per two wk. pay period
Sergeant	Patrol/Traffic	0.34	27.20 hrs./per two wk. pay period
Deputy Sheriff II	Patrol/Traffic	6.00	each, 80 hrs./ per two wk. pay period
TOTAL		7.84	

* Deployment to be determined by SHERIFF in cooperation with CITY Manager

REGIONAL / SHARED STAFF:

Title	Regional Team	Quantity	% Allocation
TRAFFIC:			
Sergeant	Traffic	0.60	2.45%
Deputy Sheriff II	Traffic	4.00	2.45%
Investigative Assistant	Traffic	2.00	2.45%
Office Specialist	Traffic	1.00	2.45%
AUTO THEFT:			
Sergeant	Auto Theft	0.30	2.59%
Investigator	Auto Theft	2.00	2.59%
Investigative Assistant	Auto Theft	1.00	2.59%
Office Specialist	Auto Theft	1.00	2.59%
DIRECT ENFORCEMENT:			
Sergeant	DET	1.00	0.39%
Investigator	DET	1.00	0.39%
COURTS:			
Investigative Assistant	Courts	2.00	1.27%
TOTAL		15.90	

**CITY OF LAGUNA WOODS
LICENSING ORDINANCES**

BINGO GAME
BINGO OFFICIAL
CANVASSER/SOLICITOR
COIN DEALER
COMMERCIAL FORTUNETELLER
DANCE INSTRUCTOR (NUDE)
DANCE STUDIO (NUDE)
ESCORT
ESCORT BUREAU
FIGURE MODEL (NUDE)
FIGURE MODEL STUDIO (NUDE)
GUN DEALER
INTERLOCUTRIX (NUDE)
INTRODUCTORY SERVICE
JUNK COLLECTOR
JUNK DEALER
MEDICAL MARIJUANA DISPENSARY
PEDDLER
POOL ROOM
PUBLIC DANCE
RAP SESSION (NUDE)
SECONDHAND DEALER (Pawnbroker)
TAXICAB STAND

**ORANGE COUNTY SHERIFF-CORONER
FY 2021-22 LAW ENFORCEMENT CONTRACT
CITY OF LAGUNA WOODS**

**"PAYMENT"
(Subsection G-2)**

COST OF SERVICES PROVIDED BY SHERIFF (Subsection G-2):

Title	Detail	Quantity	Cost of Service (each)	Cost of Service Total
INVESTIGATION SERVICES:				
Investigator		0.50	\$ 367,242	\$ 183,621
PATROL AND TRAFFIC SERVICES:				
Sergeant	Patrol/Traffic	1.00	\$ 364,762	\$ 364,762
Sergeant	Patrol/Traffic	0.34	\$ 364,762	\$ 124,019
Deputy Sheriff II	Traffic	6.00	\$ 303,276	\$ 1,819,653
TOTAL POSITIONS		7.84		\$ 2,492,055

REGIONAL / SHARED STAFF:

Title	Regional Team	Quantity	% Allocation	Cost \$
TRAFFIC:				
Sergeant	Traffic	0.60	2.45%	\$ 7,268
Deputy Sheriff II	Traffic	4.00	2.45%	\$ 35,470
Investigative Assistant	Traffic	2.00	2.45%	\$ 7,386
Office Specialist	Traffic	1.00	2.45%	\$ 2,804
AUTO THEFT:				
Sergeant	Auto Theft	0.30	2.59%	\$ 3,837
Investigator	Auto Theft	2.00	2.59%	\$ 17,810
Investigative Assistant	Auto Theft	1.00	2.59%	\$ 3,869
Office Specialist	Auto Theft	1.00	2.59%	\$ 2,934
DIRECT ENFORCEMENT:				
Sergeant	DET	1.00	0.39%	\$ 1,678
Investigator	DET	1.00	0.39%	\$ 1,536
COURTS:				
Investigative Assistant	Courts	2.00	1.27%	\$ 3,804
TOTAL REGIONAL/SHARED		15.90		\$ 88,396

OTHER CHARGES AND CREDITS (Subsection G-2):

OTHER CHARGES:

Other Charges include: Annual leave paydowns and apportionment of cost of leave balances paid at end of employment; contract administration; data line charges; one (1) E-citation unit; enhanced helicopter response services; facility lease; holiday pay; Integrated Law & Justice of Orange County fees; Mobile Data Computer (MDC) recurring cost for five and thirty-four hundredths (5.34) units; overtime; patrol training cost allocation; Patrol Video System (PVS) recurring cost for four and thirty-four hundredths (4.34) units; premium pay for bilingual staff, education pay, MARTpay and on-call pay; services and supplies; and transportation charges.

CREDITS:

Credits include: AB 109 (2011 Public Safety Realignment); estimated vacancy credits; reimbursement for false alarms; reimbursement for training and miscellaneous programs; and retirement rate discount for FY 2021-22; reimbursement for restitution.

TOTAL OTHER CHARGES AND CREDITS	\$ 488,081
TOTAL COST OF SERVICES (Subsection G-2)	\$ 3,068,532

ATTACHMENT D

COUNTY BILLING POLICY
APPROVED BY BOARD MINUTE ORDER DATED OCTOBER 27, 1992

I. POLICY

All County agencies/departments/districts (County) governed by the Board of Supervisors shall bill contracting entities for materials and/or services provided under contract in accordance with the following standardized billing and collection policy. Billing frequency is dependent on whether the contract is a fixed price or actual cost contract. Payment due date is designed to be both responsive to the County's cash flow needs and reasonable enough as to not require special processing by the contracting entity. If payments are not received by the required due dates, a late payment fee shall be computed and billed to the contracting entity in accordance with the requirements of this procedure.

Nothing herein shall affect the liability, including pre-judgment interest, of the contracting party for services or materials in as much as this is a policy to enact standard billing practices.

II. DEFINITIONS

- A. Contract for the purposes of this policy - A contract is a formal written agreement, a purchase order from the contracting entity, or any other acceptable mutual understanding between the contracting parties.
- B. Received by the County - The phrase "received by the County", as used in Section VI of this policy, refers to the date a payment is received by the County. It is defined as the date the payment is in the County's possession. It is not the date the payment is posted or deposited by the County.

III. FIXED PRICE CONTRACTS

- A. Fixed Price (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued no later than five (5) working days after delivery by the County of the materials and/or services. Examples of such one-time, non-recurring provision of materials and/or services might be a city contracting with the Sheriff for security service at a parade or sporting event; or, a city purchasing a computer listing containing certain city-requested data. Payment due date shall be invoice date plus 30 days.
- B. Fixed Price (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued according to the following frequency:
1. Annual Billings that total \$10,000 or less per 12-month period shall be billed via one (1) annual invoice. Annual invoices will be issued for each 12-month period of the contract, or portions thereof. Invoices shall be issued no later than five working days after the beginning of each 12-month period. Payment due date shall be invoice date plus 30 days.

2. Quarterly Billings that are greater than \$10,000 but not more than \$200,000 per 12-month period, shall be billed in quarterly installments. Quarterly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into four (4) installments. Invoices shall be issued no later than 30 days after the beginning of each quarter. Payment due date shall be 60 days after the beginning of each calendar quarter.
3. Monthly Billings that are greater than \$200,000 per 12-month period shall be billed in monthly installments. Monthly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into 12 installments. Invoices shall be issued on or before the first day of each service month. Payment due date shall be 30 days after the beginning of each service month.

An example of a fixed price contract for ongoing, recurring provision of materials and/or services might be a city contracting with the Sheriff for law enforcement services.

IV. ACTUAL COST CONTRACTS

- A. Actual Cost (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued after delivery by the County of the materials and/or services and no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.
- B. Actual Cost (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued on a monthly basis and shall represent the cost of materials and/or services provided to the contracting entity during the previous calendar month. Such invoices shall be issued no later than 15 days after the close of the monthly billing period. If the County agency/department/district does not utilize a monthly billing cycle, the invoice shall be issued no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.

Examples of actual cost contracts for the ongoing, recurring provision of materials and/or services might be a city contracting with the County for communications equipment repair or waste disposal at a County landfill.

V. PAYMENT DUE DATES

Notwithstanding the provisions of Sections II and III above, payment due date shall be at least invoice date plus 30 days. If the County is late in issuing an invoice, the contracting entity would always have at least invoice date plus 30 days to pay. If the County is early in issuing an invoice, the contracting entity would still have a payment due date of either 60 days after the beginning of the quarter (quarterly invoices) or 30 days after the beginning of the service month (monthly invoices).

(EXAMPLES: An invoice for October service, dated and issued October 8 (late) would have a payment due date of November 7. An invoice for August service, dated and issued July 20 (early) would have a payment due date of August 30.)

VI. LATE CHARGES

The late payment of any invoiced amount by a contracting entity will cause the County to incur costs not contemplated by the County/contracting entity agreement, the exact amount of such cost will be extremely difficult to ascertain. Such costs include, but are not limited to, costs such as administrative follow-up and processing of delinquent notices, increased accounting costs, etc.

Late charges will be assessed in the following situations:

- Over-the-counter payments will be assessed a late charge if any payment is not received by the County by the payment due date.
- Payments transmitted to the County via the U.S. Mail that have the payer's postage meter mark will be assessed a late charge if any payment is not received by the County by the payment due date plus one day.
- Payments transmitted to the County via the U.S. Mail that have a U.S. Post Office postmark dated after the payment due date will be assessed a late charge.

The late charge assessed in each of these situations shall be three-quarters of one percent (0.75%) of the payment due and unpaid plus \$100.00 for late payments made within 30 days of the payment due date. An additional charge of three-quarters of one percent (0.75%) of said payment shall be added for each additional 30-day period that the payment remains unpaid. Late charges shall be added to the payment and invoiced to the contracting entity in accordance with this policy.

VII. COLLECTIONS

Any invoice remaining unpaid 90 days after the invoice date shall be referred to the Auditor-Controller for subsequent collection action, such as deduction from contracting entity moneys on deposit with the County Treasurer in accordance with Government Code Section 907 and any other applicable provision of law. Non-payment of invoices and applicable late charges will constitute a breach of contract for which the County retains all legal remedies including termination of the contract.

VIII. DISCOUNT FOR EARLY PAYMENT

Any payment received by the County from a contracting entity 20 days or more before the payment due date shall be entitled to a discount of one-quarter of one percent (0.25%). If the contracting entity takes a discount, and the payment is received by the County less than 20 days before the payment due date, County staff shall immediately notify the contracting entity by telephone that the discount should not have been taken and that the balance is due by the original payment due date.

If the balance is not received by the County in accordance with the dates as specified in Section VII, applicable late charges shall be calculated on the balance due.

IX. DEFERRED REVENUE

At fiscal year end, any portion of revenue invoiced (not necessarily received) during the fiscal year being closed out that represents charges or prepayment for materials and/or services for the upcoming fiscal year shall be reclassified from a revenue account to a deferred revenue account (liability). In the new fiscal year the deferred revenue shall be reclassified to a revenue account. (EXAMPLE: On June 1, 19X1, a city is invoiced \$48,000 which represents charges for the 12-month period June 1, 19X1 to May 31, 19X2. The amount to be reclassified to deferred revenue would be \$44,000, representing 11/12ths of the total amount. In July 19X1, the \$44,000 would be reclassified to revenue.) Reclassification entries shall be made by Auditor-Controller Agency Accounting units, or for those agencies/departments/districts without such a unit, the agency/department/district shall notify the Auditor-Controller of the amounts to be reclassified.

X. COST RECOVERY

All County agencies/department/districts shall include all costs of providing contracted services in contract rates. Including all direct costs, allocated indirect costs such as departmental and County (CWCAP) overhead, and cost of capital financing.

XI. EXISTING CONTRACTS

Billing terms and provisions contained in existing contracting entity agreements (existing as of the date this policy is approved by the Board of Supervisors) shall remain in effect for the life of the contract. However, when these existing contracts are renegotiated, they shall contain the billing provisions as set forth in this policy.

XII. DEVIATIONS FROM POLICY

Deviations from this policy shall be approved by the Board of Supervisors. Proposed deviations by agencies/departments/districts shall be submitted to the CEO for concurrence in advance of filing an Agenda Item Transmittal (AIT) with the Clerk of the Board. The CEO, or his/her designee, shall advise the agency/department/district of approval or disapproval of the proposed deviations. If a County agency/department/district submits a contract to the Board of Supervisors for approval, and the billing provisions in the contract deviate from this policy, the agency/department/district shall specifically advise the Board of Supervisors in the AIT of the deviation, the reason for the deviation, and of the CEO's recommendation relative thereto.

POLICY FOR DISTRIBUTION OF FORFEITED AND SEIZED ASSETS**BACKGROUND**

The Orange County Sheriff's Department provides contract law enforcement services to cities in Orange County. Because of the increased likelihood that contracted patrol or investigation personnel may become involved in significant narcotic seizures, which could affect law enforcement services provided by the Sheriff's Department to contract cities, the following policy is in effect.

CONTRACTED PATROL AND INVESTIGATION OFFICERS

When assets (cash or property) are seized in CITY by contracted patrol or investigation personnel, and subsequently forfeited to COUNTY's Sheriff Department, hereinafter referred to as "SHERIFF", the forfeited assets shall be shared with CITY as set forth below, for the purpose of augmenting law enforcement services in CITY, subject to guidelines by the forfeiting agency of such sharing and use of forfeited assets. A portion of forfeited assets may be retained by SHERIFF, to pay for departmental expenses not recovered through law enforcement contracts.

In such cases, pursuant to the forfeiting agency's guidelines, SHERIFF shall apply to the forfeiting agency for the return of a share of assets. In his application, SHERIFF shall specify the percentage of shared assets returned to SHERIFF that will be used to augment law enforcement services in CITY and the use of said assets by CITY.

In those cases in which assets are seized within CITY by personnel assigned to CITY pursuant to this Agreement, without the involvement of other law enforcement personnel, and in which the seizure is a result solely of activities self-initiated by SHERIFF personnel assigned to CITY or initiated by said personnel in response to calls for service within CITY, SHERIFF shall apply to have all of the assets used to augment CITY law enforcement services.

In those cases in which SHERIFF personnel assigned to CITY pursuant to this Agreement play an ancillary role in a seizure or in which other law enforcement personnel are involved in a seizure, SHERIFF shall determine the percentage of the total forfeited assets for which he will apply to augment CITY's law enforcement services. This determination will be based on the circumstances of the seizure, including the pro-rata involvement of all personnel, including those assigned to CITY.

Each seizure will be evaluated on an individual and independent basis, and said evaluations will be available for review to CITY's manager. Examples of those incidents which would be evaluated as set forth in this section include situations in which a contract patrol deputy provides uniformed backup at a SHERIFF's Narcotic Bureau search warrant location or in which contract investigators participate in the service of a search warrant that was initiated by non-contract law enforcement personnel.

Assets (cash or property) that are returned to SHERIFF by the forfeiting agency with the understanding that they will be used to augment CITY law enforcement services shall be used by CITY and SHERIFF only for such purposes. If the forfeiting agency attaches additional or more specific conditions to the use of said assets, CITY and SHERIFF shall also abide by those conditions. SHERIFF and CITY's manager shall determine the specific use of said assets within the conditions imposed by the forfeiting agency.

RESOLUTION NO. 21-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 01-11; ADOPTING A MODIFIED ADMINISTRATIVE FEE TO RECOVER NO MORE THAN THE ORANGE COUNTY SHERIFF'S DEPARTMENT'S REASONABLE ADMINISTRATIVE COSTS RELATING TO THE REMOVAL, IMPOUND, STORAGE, OR RELEASE OF VEHICLES PROPERLY IMPOUNDED PURSUANT TO THE CALIFORNIA VEHICLE CODE ("TRAFFIC VIOLATOR APPREHENSION PROGRAM FEE"); AND, DETERMINING THAT THE FEE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, pursuant to applicable California law, cities may charge rates or fees that are equal to or less than the reasonably anticipated costs of providing a service, conferring a benefit, granting a privilege, performing regulatory duties, enforcing laws, or as a condition of property development; and

WHEREAS, the Orange County Sheriff-Coroner ("the Sheriff") has instituted a Traffic Violator Apprehension Program designed to reduce vehicle accidents caused by unlicensed drivers and drivers whose licenses are suspended, as well as to educate the public about the requirements of the California Vehicle Code and related safety issues with regard to driver licensing, vehicle registration, vehicle operation, and vehicle parking; and

WHEREAS, the Sheriff operates the Traffic Violator Apprehension Program in the unincorporated areas of Orange County and in the cities of Orange County that contract for the Sheriff's law enforcement services; and

WHEREAS, operating the Traffic Violator Apprehension Program on an area-wide basis without regard to jurisdictional boundaries between unincorporated areas of Orange County and the cities, serves the public purposes of the City because drivers routinely cross jurisdictional boundaries, making an area-wide approach to the reduction of traffic accidents and driver education effective in preventing traffic accidents in all participating jurisdictions; and

WHEREAS, the Sheriff impounds numerous and various vehicles removed from highways, public property, or private property in the unincorporated areas of Orange County and in cities that contract for the Sheriff's law enforcement services during the normal course of duty; and

WHEREAS, the Sheriff impounds said vehicles pursuant to authority under the California Vehicle Code as follows:

California Vehicle Code Section and Impound Ground

14602.6	Suspended, revoked or unlicensed driver/30-day hold
22651 (a)	Unattended vehicle on bridge
22651 (d)	Vehicle blocking driveway
22651 (e)	Vehicle blocking fire hydrant
22651 (f)	Vehicle blocking freeway
22651 (h) (1)	Driver arrested
22651 (h) (2)	Order of suspension or revocation pursuant to Section 13388
22651 (i) (1)	Multiple parking citations
22651 (j)	Lack of vehicle registration
22651 (k)	Parking over 72 hours
22651 (l)	Parking in a construction zone
22651 (m)	Violation of special events restriction
22651 (n)	No parking zone
22651 (o) (1)	Vehicle registration is incorrect, falsified or expired by more than six months
22651 (p)	Driver unlicensed or license suspended
22651 (r)	Vehicle blocking another vehicle
22651 (t)	Notice to appear/illegal amber lights
22651 (u)	Acting as a car dealer without a license or temporary permit
22651 (v)	Illegally letting stand a mobile billboard advertisement
22651 (w)	Second or subsequent violation of an ordinance
22655.3	Removal for investigation (fleeing in violation of sections 2800.1 or 2800.2)
22655.5 (a)	Vehicle was used as the means of committing a public offense
22655.5 (b)	Vehicle is evidence of crime
22669	Abandoned vehicle

; and

WHEREAS, on March 28, 2000, the Orange County Board of Supervisors adopted Resolution No. 00-96, which established fees for the Traffic Violator Apprehension Program that were applicable in the unincorporated areas of Orange County. The fees that were established by County of Orange Resolution No. 00-96 address the Sheriff's administrative costs relating to the removal, impound, storage, or release of properly impounded vehicles; and

WHEREAS, California Vehicle Code Section 22850.5 authorizes the City Council, by resolution, to establish a fee equal to the administrative costs relating to the removal, impound, storage, or release of properly impounded vehicles; and

WHEREAS, on April 18, 2001, the City Council adopted Resolution No. 01-11, which authorized the Sheriff to collect fees in the City in connection with the Traffic Violator Apprehension Program in amounts identical to the County of Orange's fees as set forth in County of Orange Resolution No. 00-96; and

WHEREAS, the Orange County Board of Supervisors has established an interest-earning, budgeted special revenue fund, called the "Traffic Violator Fund" and designated as Fund 13B, to be controlled by the Sheriff; and

WHEREAS, the Orange County Board of Supervisors has directed that proceeds from the Traffic Violator Apprehension Program fees be deposited into the Traffic Violator Fund; and

WHEREAS, the Orange County Board of Supervisors has directed that funds from the Traffic Violator Fund must be used to reimburse the Sheriff for the administrative costs associated with the removal, impound, storage, and release of vehicles in accordance with the California Vehicle Code; and

WHEREAS, the City's existing Traffic Violator Apprehension Program fees differ based on whether a subject vehicle is licensed or unlicensed; and

WHEREAS, a cost study prepared in September 2020 by the Sheriff determined that due to technological advancements for determining the licensed status of drivers, the difference in fee based on whether a vehicle is licensed or unlicensed is no longer supported by the actual administrative costs relating to the removal, impound, storage, and release of a vehicle; and

WHEREAS, the September 2020 cost study prepared by the Sheriff also calculated the reasonable administrative costs relating to the removal, impound, storage, and release of a vehicle in the amount of \$144 per removal; and

WHEREAS, on November 17, 2020, the Orange County Board of Supervisors adopted Resolution No. 20-161, which updated the County of Orange's Traffic Violator Apprehension Program fees based on the September 2020 cost study prepared by the Sheriff and, in doing so, reviewed findings of compliance with Section 1(e)(2) of Article XIIC of the California Constitution; and

WHEREAS, consistent with the City's authority under California Vehicle Code Section 22850.5, the Sheriff has requested that the City modify its Traffic Violator Apprehension Program fees to match the County of Orange's updated fee; and

WHEREAS, the City Council desires to modify its Traffic Violator Apprehension fees to match the County of Orange's updated fee; and

WHEREAS, the City Council desires for the Sheriff to continue to collect the Traffic Violator Apprehension fee on behalf of the City. Continuing with such a practice will ensure that persons/entities whose vehicles are impounded, rather than the public as a whole, bear the administrative costs of such impounds; and

WHEREAS, California Vehicle Code Section 22850.5 imposes the following restrictions on the imposition of an administrative fee:

- (a) The charges shall only be imposed on the registered owner or the agents of that owner and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lienholder's total charges and proper administrative costs; and
- (b) Any charges shall be collected by the local or state authority only from the registered owner or an agent of the registered owner; and
- (c) The charges shall be in addition to any other charges authorized or imposed pursuant to [the California Vehicle Code]; and
- (d) No charge may be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner. In addition, the charge may be imposed only upon the person requesting that hearing or appeal.

; and

WHEREAS, it is unfair to impose the administrative fee authorized by California Vehicle Code Section 22850.5 in the following circumstances: 1) when the vehicle was left because it became inoperable while being driven, if the registered owner makes good faith attempts promptly to remove the vehicle from a location where it was not permitted; 2) when the vehicle was stolen; 3) When the vehicle was left by an ill or injured driver; and/or, 4) when it is demonstrated to the satisfaction of the Sheriff's designated personnel that neither the registered owner of

the vehicle nor his/her/their agent, if any, was at fault in creating the circumstances leading to the impounding of the vehicle; and

WHEREAS, the City Council conducted a duly noticed public hearing at its regular meeting on February 17, 2021 regarding the proposed adoption of a modified Traffic Violator Apprehension Program Fee; and

WHEREAS, public noticing for the aforementioned public hearing included publication in the *Laguna Woods Globe*; and

WHEREAS, the existing and proposed Traffic Violator Apprehension Program fees, as well as the September 2020 cost study prepared by the Sheriff, were made available to the public at and from Laguna Woods City Hall beginning on February 1, 2021, and on the City's website beginning on February 10, 2021; and

WHEREAS, after consideration of the information provided by City staff, the attachments to the agenda report for the February 17, 2021 public hearing, the City's costs to participate in the Traffic Violator Apprehension Program, and all public comments and testimony received, the City Council finds that it is in the best interest of the City to adopt a modified Traffic Violator Apprehension Program fee.

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

SECTION 1. The above recitals are true and correct.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that this action is not subject to the California Environmental Quality Act (Pub. Resources Code, Sec. 21000 et seq.) ("CEQA") pursuant to sections 15060(c)(2) (the activities will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activities are not a project as defined in section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3. CEQA Guideline section 15378(b)(4) excludes "government funding mechanisms or other government fiscal activities" from its definition of "project" when they "do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment," as is the case here. Even if this action were subject to CEQA, it would be categorically exempt under CEQA Guideline section 15273, which applies to the establishment, modification, structuring, restructuring,

or approval of rates, tolls, fares, or other charges by the City, when such charges are for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, and (2) purchasing or leasing supplies, equipment, or materials – as is the case with the Traffic Violator Apprehension Program Fee. Finally, this action is exempt from CEQA based on CEQA Guideline section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 3. Upon the effective date of the Traffic Violator Apprehension Program Fee set forth in Section 4 of this resolution, all previous Traffic Violator Apprehension Program fees adopted by resolution of the City Council shall be repealed including, without limitation, Resolution No. 01-11.

SECTION 4. On February 18, 2021, the administrative fee indicated below shall become effective for the removal, impound, storage, or release of vehicles properly impounded after removal from locations in the City in accordance with or on account of provisions of the California Vehicle Code listed below:

A fee of \$144 for each removal of a vehicle in accordance with or on account of violation of California Vehicle Code sections:

California Vehicle Code Section and Impound Ground

14602.6	Suspended, revoked or unlicensed driver/30-day hold
22651 (a)	Unattended vehicle on bridge
22651 (d)	Vehicle blocking driveway
22651 (e)	Vehicle blocking fire hydrant
22651 (f)	Vehicle blocking freeway
22651 (h) (1)	Driver arrested
22651 (h) (2)	Order of suspension or revocation pursuant to Section 13388
22651 (i) (1)	Multiple parking citations
22651 (j)	Lack of vehicle registration
22651 (k)	Parking over 72 hours
22651 (l)	Parking in a construction zone
22651 (m)	Violation of special events restriction
22651 (n)	No parking zone
22651 (o) (1)	Vehicle registration is incorrect, falsified or expired by more than six months
22651 (p)	Driver unlicensed or license suspended
22651 (r)	Vehicle blocking another vehicle
22651 (t)	Notice to appear/illegal amber lights

22651 (u)	Acting as a car dealer without a license or temporary permit
22651 (v)	Illegally letting stand a mobile billboard advertisement
22651 (w)	Second or subsequent violation of an ordinance
22655.3	Removal for investigation (fleeing in violation of sections 2800.1 or 2800.2)
22655.5 (a)	Vehicle was used as the means of committing a public offense
22655.5 (b)	Vehicle is evidence of crime
22669	Abandoned vehicle

In adopting such fee, the City Council finds that the amount of the fee does not exceed the reasonable costs of providing the services for which the fee is charged.

; and

SECTION 5. The Sheriff is authorized to collect the fee established herein, on behalf of the City, at the time of release of vehicles that are subject to the fee.

SECTION 6. The fee established herein shall only be imposed on the registered owner or the agent of the registered owner of the impounded vehicle, and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the California Civil Code unless the sale is sufficient in amount to pay the lienholder's total charges and proper administrative costs.

SECTION 7. The fee established herein shall be collected only from the registered owner or an agent of the registered owner of the impounded vehicle, and shall be in addition to any other charges authorized or imposed pursuant to the California Vehicle Code.

SECTION 8. The fee established herein complies with California Vehicle Code Section 22850.5(b)(4) as the supporting September 2020 cost study prepared by the Sheriff did not include administrative costs for conducting a hearing or appeal related to the removal, impound, storage, or release of a vehicle.

SECTION 9. The Sheriff shall not impose the fee established herein in any of the following circumstances: (a) when the vehicle was left because it became inoperable while being driven, if the registered owner makes good faith attempts promptly to remove the vehicle from a location where it was not permitted; (b) when the vehicle was stolen; (c) when the vehicle was left by an ill or injured driver; and/or,

(d) when it is demonstrated to the satisfaction of the Sheriff's designated personnel that neither the registered owner of the vehicle nor his/her/their agent, if any, was at fault in creating the circumstances leading to the impounding of the vehicle

SECTION 10. A registered owner or an agent of a registered owner who believes he/she/they are exempt from the fee established herein under any of the criteria listed in this resolution above may apply in writing for a waiver of the fee and shall present such supporting information or documentation, as the Sheriff may request, to the Sheriff's designated personnel. Upon the presentation of a written application for waiver of said fee, together with such supporting documentation as may be requested by the Sheriff, the Sheriff's designated personnel or his/her/their designee shall determine promptly whether the applicant meets the criteria for a waiver of the fee and if so, shall waive the fee.

SECTION 11. Until further order of the City Council, the Sheriff is directed to deposit the proceeds of the fee established herein into the Traffic Violator Fund described herein. Proceeds from the Traffic Violator Fund shall be used in conformance with the County of Orange's restrictions for the same, as well as in conformance with any applicable provisions set forth in the City's agreement with the County for the Sheriff's law enforcement services.

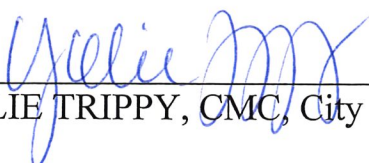
SECTION 12. Until further order of the City Council, the Orange County Board of Supervisors is authorized to carry forward in the Traffic Violator Fund and accumulate any balance of proceeds of fees imposed by this resolution that remains at the end of a fiscal year, as long as such fee proceeds will be used for the purposes provided herein.

SECTION 13. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this 17th day of February 2021.


SHARI L. HORNE, Mayor


ATTEST:


YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 21-04** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the 17th day of February 2021, by the following vote:

AYES: COUNCILMEMBERS: Conners, Hatch, Tao, Moore, Horne
NOES: COUNCILMEMBERS: -
ABSENT: COUNCILMEMBERS: -



YOLIE TRIPPY, CMC, City Clerk

**ORANGE COUNTY SHERIFF-CORONER
TRAFFIC VIOLATOR APPREHENSION PROGRAM**

ITEM 6.6

REQUEST	CONTRACT CITY			
	Participating City Request to Purchase From the TVA in FY	Date		
	<u>QUANTITY</u>	<u>ITEM DESCRIPTION</u>	<u>APPLICABILITY TO TVA PROGRAM</u>	<u>ESTIMATED COST</u>
CERTIFICATION	<p>THE CITY CERTIFIES THAT THE EQUIPMENT PURCHASED BY CITY AND TO BE REIMBURSED BY PROGRAM FUNDS WILL BE USED FOR ITS ENTIRE USEFUL LIFE EXCLUSIVELY FOR THE PURPOSES OF THE TRAFFIC VIOLATOR APPREHENSION PROGRAM</p> <p>CITY MANAGER REQUEST:</p> <p>Printed Name _____</p> <p>Signature: _____ DATE _____</p>			
	ORANGE COUNTY SHERIFF-CORONER DEPARTMENT			
APPROVALS				
	<p>Recommended For Approval CITY POLICE SERVICES CHIEF</p>	<p>MANAGER – TVA PROGRAM</p>		

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6.7
ENERGOV AND INCODE SOFTWARE

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SOFTWARE AS A SERVICE AGREEMENT

This Software as a Service Agreement is made between Tyler Technologies, Inc. and Client.

WHEREAS, Client selected Tyler to provide certain products and services set forth in the Investment Summary, including providing Client with access to Tyler's proprietary software products, and Tyler desires to provide such products and services under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **“Agreement”** means this Software as a Services Agreement.
- **“Business Travel Policy”** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **“Client”** means the City of Laguna Woods, California
- **“Data”** means your data necessary to utilize the Tyler Software.
- **“Data Storage Capacity”** means the contracted amount of storage capacity for your Data identified in the Investment Summary.
- **“Defect”** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **“Defined Users”** means, for EnerGov labeled modules, the number of named users that are authorized to use the SaaS Services. The Defined Users for the Agreement are as identified in the Investment Summary.
- **“Developer”** means a third party who owns the intellectual property rights to Third Party Software.
- **“Documentation”** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **“Effective Date”** means the date by which both your and our authorized representatives have signed the Agreement.
- **“Force Majeure”** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **“Investment Summary”** means the agreed upon cost proposal for the products and services attached as Exhibit A.
- **“Invoicing and Payment Policy”** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.

- **“SaaS Fees”** means the fees for the SaaS Services identified in the Investment Summary.
- **“SaaS Services”** means software as a service consisting of system administration, system management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. SaaS Services do not include support of an operating system or hardware, support outside of our normal business hours, or training, consulting or other professional services.
- **“SLA”** means the service level agreement. A copy of our current SLA is attached hereto as Exhibit C.
- **“Support Call Process”** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.
- **“Third Party Hardware”** means the third party hardware, if any, identified in the Investment Summary.
- **“Third Party Products”** means the Third Party Software and Third Party Hardware.
- **“Third Party Services”** means the third party services, if any, identified in the Investment Summary.
- **“Third Party Software”** means the third party software, if any, identified in the Investment Summary.
- **“Third Party Terms”** means, if any, the end user license agreement(s) or similar terms for the Third Party Software, as applicable.
- **“Tyler”** means Tyler Technologies, Inc., a Delaware corporation.
- **“Tyler Software”** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **“we”, “us”, “our”** and similar terms mean Tyler.
- **“you”** and similar terms mean Client.

SECTION B – SAAS SERVICES

1. Rights Granted. We grant to you the non-exclusive, non-assignable limited right to use the SaaS Services solely for your internal business purposes for the number of Defined Users only. The Tyler Software will be made available to you according to the terms of the SLA. You acknowledge that we have no delivery obligations and we will not ship copies of the Tyler Software as part of the SaaS Services. You may use the SaaS Services to access updates and enhancements to the Tyler Software, as further described in Section C(9). The foregoing notwithstanding, to the extent we have sold you perpetual licenses for Tyler Software, if and listed in the Investment Summary, for which you are receiving SaaS Services, your rights to use such Tyler Software are perpetual, subject to the terms and conditions of this Agreement including, without limitation, Section B(4). We will make any such software available to you for download.
2. SaaS Fees. You agree to pay us the SaaS Fees. Those amounts are payable in accordance with our Invoicing and Payment Policy. The SaaS Fees are based on the number of Defined Users and amount of Data Storage Capacity. You may add additional users or additional data storage capacity on the terms set forth in Section H(1). In the event you regularly and/or meaningfully exceed the Defined Users or Data Storage Capacity, we reserve the right to charge you additional fees commensurate with the overage(s).

3. Ownership.

3.1 We retain all ownership and intellectual property rights to the SaaS Services, the Tyler Software, and anything developed by us under this Agreement. You do not acquire under this Agreement any license to use the Tyler Software in excess of the scope and/or duration of the SaaS Services.

3.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.

3.3 You retain all ownership and intellectual property rights to the Data. You expressly recognize that except to the extent necessary to carry out our obligations contained in this Agreement, we do not create or endorse any Data used in connection with the SaaS Services.

4. Restrictions. You may not: (a) make the Tyler Software or Documentation resulting from the SaaS Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the SaaS Services; (c) access or use the SaaS Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to us; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the SaaS Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Agreement.

5. Software Warranty. We warrant that the Tyler Software will perform without Defects during the term of this Agreement. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect in accordance with the maintenance and support process set forth in Section C(9), below, the SLA and our then current Support Call Process.

6. SaaS Services.

6.1 Our SaaS Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 18. We have attained, and will maintain, SOC 1 and SOC 2 compliance, or its equivalent, for so long as you are timely paying for SaaS Services. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), we will provide you with a summary of our compliance report(s) or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which you make a written request, we will provide that same information.

6.2 You will be hosted on shared hardware in a Tyler data center or in a third-party data center. In either event, databases containing your Data will be dedicated to you and inaccessible to our other customers.

6.3 Our Tyler data centers have fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event any of your Data has been lost or damaged due to an act or omission of Tyler or its subcontractors or due to a defect in Tyler's software, we will use best commercial efforts to restore all the Data on servers in accordance with the architectural

design's capabilities and with the goal of minimizing any Data loss as greatly as possible. In no case shall the recovery point objective ("RPO") exceed a maximum of twenty-four (24) hours from declaration of disaster. For purposes of this subsection, RPO represents the maximum tolerable period during which your Data may be lost, measured in relation to a disaster we declare, said declaration will not be unreasonably withheld.

- 6.4 In the event we declare a disaster, our Recovery Time Objective ("RTO") is twenty-four (24) hours. For purposes of this subsection, RTO represents the amount of time, after we declare a disaster, within which your access to the Tyler Software must be restored.
- 6.5 We conduct annual penetration testing of either the production network and/or web application to be performed. We will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such activity. We will provide you with a written or electronic record of the actions taken by us in the event that any unauthorized access to your database(s) is detected as a result of our security protocols. We will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at your written request. You may not attempt to bypass or subvert security restrictions in the SaaS Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of our network and systems (hosted or otherwise) is prohibited without the prior written approval of our IT Security Officer.
- 6.6 We test our disaster recovery plan on an annual basis. Our standard test is not client-specific. Should you request a client-specific disaster recovery test, we will work with you to schedule and execute such a test on a mutually agreeable schedule. At your written request, we will provide test results to you within a commercially reasonable timeframe after receipt of the request.
- 6.7 We will be responsible for importing back-up and verifying that you can log-in. You will be responsible for running reports and testing critical processes to verify the returned Data.
- 6.8 We provide secure Data transmission paths between each of your workstations and our servers.
- 6.9 Tyler data centers are accessible only by authorized personnel with a unique key entry. All other visitors to Tyler data centers must be signed in and accompanied by authorized personnel. Entry attempts to the data center are regularly audited by internal staff and external auditors to ensure no unauthorized access.
- 6.10 Where applicable with respect to our applications that take or process card payment data, we are responsible for the security of cardholder data that we possess, including functions relating to storing, processing, and transmitting of the cardholder data and affirm that, as of the Effective Date, we comply with applicable requirements to be considered PCI DSS compliant and have performed the necessary steps to validate compliance with the PCI DSS. We agree to supply the current status of our PCI DSS compliance program in the form of an official Attestation of Compliance, which can be found at <https://www.tylertech.com/about-us/compliance>, and in the event of any change in our status, will comply with applicable notice requirements.

SECTION C –PROFESSIONAL SERVICES

1. Professional Services. We will provide you the various implementation-related services itemized in the Investment Summary and described in our industry standard implementation plan. We will finalize that documentation with you upon execution of this Agreement.
2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you. Any discrepancies in the total values set forth in the Investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.
3. Additional Services. The Investment Summary contains the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote.
4. Cancellation. If travel is required, we will make all reasonable efforts to schedule travel for our personnel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.
5. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us.
7. Background Checks. For at least the past twelve (12) years, all of our employees have undergone criminal background checks prior to hire. All employees sign our confidentiality agreement and security policies.
8. Client Assistance. You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be

liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

9. **Maintenance and Support.** For so long as you timely pay your SaaS Fees according to the Invoicing and Payment Policy, then in addition to the terms set forth in the SLA and the Support Call Process, we will:
 - 9.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (subject to any applicable release life cycle policy);
 - 9.2 provide support during our established support hours;
 - 9.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;
 - 9.4 make available to you all releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and
 - 9.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with any applicable release life cycle policy.

We will use all reasonable efforts to perform support services remotely. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services. We will, at our option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain your VPN for backup connectivity purposes.

For the avoidance of doubt, SaaS Fees do not include the following services: (a) onsite support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (b) application design; (c) other consulting services; or (d) support outside our normal business hours as listed in our then-current Support Call Process. Requested services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at least one (1) weeks' advance notice.

SECTION D – THIRD PARTY PRODUCTS

1. **Third Party Hardware.** We will sell, deliver, and install onsite the Third Party Hardware, if you have

purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.

2. Third Party Software. As part of the SaaS Services, you will receive access to the Third Party Software and related documentation for internal business purposes only. Your rights to the Third Party Software will be governed by the Third Party Terms.
3. Third Party Products Warranties.
 - 3.1 We are authorized by each Developer to grant access to the Third Party Software.
 - 3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.
 - 3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.
4. Third Party Services. If you have purchased Third Party Services, those services will be provided independent of Tyler by such third-party at the rates set forth in the Investment Summary and in accordance with our Invoicing and Payment Policy.

SECTION E - INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you the SaaS Fees and fees for other professional services in the Investment Summary per our Invoicing and Payment Policy, subject to Section E(2).
2. Invoice Disputes. If you believe any delivered software or service does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all SaaS Services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

SECTION F – TERM AND TERMINATION

1. Term. The initial term of this Agreement is three (3) years from the first day of the first month following the Effective Date, unless earlier terminated as set forth below. Upon expiration of the initial term, this Agreement will renew automatically for additional one (1) year renewal terms at our then-current SaaS Fees unless terminated in writing by either party at least sixty (60) days prior

to the end of the then-current renewal term. Your right to access or use the Tyler Software and the SaaS Services will terminate at the end of this Agreement.

2. Termination. This Agreement may be terminated as set forth below. In the event of termination, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than your termination for cause must have been submitted as invoice disputes in accordance with Section E(2).
 - 2.1 Failure to Pay SaaS Fees. You acknowledge that continued access to the SaaS Services is contingent upon your timely payment of SaaS Fees. If you fail to timely pay the SaaS Fees, we may discontinue the SaaS Services and deny your access to the Tyler Software. We may also terminate this Agreement if you don't cure such failure to pay within forty-five (45) days of receiving written notice of our intent to terminate.
 - 2.2 For Cause. If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section H(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section H(3).
 - 2.3 Force Majeure. Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of the SaaS Services for a period of forty-five (45) days or more.
 - 2.4 Lack of Appropriations. If you should not appropriate or otherwise make available funds sufficient to utilize the SaaS Services, you may unilaterally terminate this Agreement upon thirty (30) days written notice to us. You will not be entitled to a refund or offset of previously paid, but unused SaaS Fees. You agree not to use termination for lack of appropriations as a substitute for termination for convenience.
 - 2.5 Fees for Termination without Cause during Initial Term. If you terminate this Agreement during the initial term for any reason other than cause, Force Majeure, or lack of appropriations, or if we terminate this Agreement during the initial term for your failure to pay SaaS Fees, you shall pay us the following early termination fees:
 - a. if you terminate during the first year of the initial term, 100% of the SaaS Fees through the date of termination plus 25% of the SaaS Fees then due for the remainder of the initial term;
 - b. if you terminate during the second year of the initial term, 100% of the SaaS Fees through the date of termination plus 15% of the SaaS Fees then due for the remainder of the initial term; and
 - c. if you terminate after the second year of the initial term, 100% of the SaaS Fees through the date of termination plus 10% of the SaaS Fees then due for the remainder of the initial term.

SECTION G – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE**1. Intellectual Property Infringement Indemnification.**

- 1.1 We will defend you against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.
- 1.2 Our obligations under this Section G(1) will not apply to the extent the claim or adverse final judgment is based on your use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties, or your willful infringement.
- 1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.
- 1.4 If an infringement or misappropriation claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

- 2.1 We will indemnify and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; or (b) our violation of PCI-DSS requirements or a law applicable to our performance under this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.
- 2.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and

information in defending the claim at your expense.

3. **DISCLAIMER.** EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
4. **LIMITATION OF LIABILITY.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED ONE AND ONE HALF (1.5) TIMES THE TOTAL AMOUNT OF THIS AGREEMENT. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS G(1) AND G(2).
5. **EXCLUSION OF CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
6. **Insurance.** During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000; (b) Automobile Liability of at least \$1,000,000; (c) Professional Liability of at least \$1,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least \$5,000,000. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance upon your written request.

SECTION H – GENERAL TERMS AND CONDITIONS

1. **Additional Products and Services.** You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.
2. **Optional Items.** Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. **Dispute Resolution.** You agree to provide us with written notice within thirty (30) days of becoming

aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, then the parties shall participate in non-binding mediation in an effort to resolve the dispute. If the dispute remains unresolved after mediation, then either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.

4. Taxes. The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.
5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. E-Verify. We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.
7. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.
8. Binding Effect; No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.
9. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.

10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.
11. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.
12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. Independent Contractor. We are an independent contractor for all purposes under this Agreement.
15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.
16. Client Lists. You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.
17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (*e.g.*, social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:

- (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
 - (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
 - (c) a party receives from a third party who has a right to disclose it to the receiving party; or
 - (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.
18. Business License. In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.
19. Governing Law. This Agreement will be governed by and construed in accordance with the laws of your state of domicile, without regard to its rules on conflicts of law.
20. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.
21. Cooperative Procurement. To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.
22. Contract Documents. This Agreement includes the following exhibits:
- | | |
|-----------|------------------------------------|
| Exhibit A | Investment Summary |
| Exhibit B | Invoicing and Payment Policy |
| | Schedule 1: Business Travel Policy |
| Exhibit C | Service Level Agreement |
| | Schedule 1: Support Call Process |

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.

City of Laguna Woods

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address for Notices:

Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, ME 04096
Attention: Chief Legal Officer

Address for Notices:

City of Laguna Woods
24264 El Toro Road
Laguna Woods, CA 92637
Attention: Chris Macon



Exhibit A
Investment Summary

The following Investment Summary details the software and services to be delivered by us to you under the Agreement. This Investment Summary is effective as of the Effective Date. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK



Quoted By: Brandon Swanson
 Quote Expiration: 9/27/2021
 Quote Name: City of Laguna Woods- SaaS Flip
 Quote Number: 2021-125842
 Quote Description: SaaS Flip

Sales Quotation For

Chris Macon
 City of Laguna Woods
 24264 El Toro Rd
 Laguna Woods , CA 92637-3488
 Phone: +1 (949) 452-0600
 Email: cmacon@cityoflagunawoods.org

Tyler Software and Related Services - SaaS

Description	One Time Fees			Net Annual Fee
	Impl. Hours	Impl. Cost	#Yrs	
Financial Management Suite				
Core Financials	0	\$0		\$10,129
Customer Relationship Management Suite				
Tyler Content Manager Standard Edition TCM SE	0	\$0		\$4,719
Cashier Receipt Import Generic Interface	0	\$0		\$1,162
Incode 10 Cashiering	0	\$0		\$2,499
EnerGov				
Community Development- Per User	0	\$0		\$2,868
Citizen Self Service- Community Development	0	\$0		\$1,385
iG Workforce Apps- Per App	0	\$0		\$456
	<i>Sub-Total:</i>	\$0		\$23,218
	TOTAL:	0	3	\$23,218

Other Services

Description	Quantity	Unit Price	Extended Price	Maintenance
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Summary	One Time Fees	Recurring Fees
Total Tyler SaaS	\$0	\$23,218
Total Tyler Services	\$0	\$0
Total Third Party Hardware, Software and Services	\$0	\$0
Summary Total	\$0	\$23,218
Contract Total	\$23,218	

Comments

EnerGov Community Development- (10 Users)
Include two (2) iG Inspect licenses
Basic Network Services and Disaster Recovery are included in the SaaS Fee.

- All services quoted herein are assumed to be delivered remote unless otherwise indicated.



Exhibit B

Invoicing and Payment Policy

We will provide you with the software and services set forth in the Investment Summary of the Agreement. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Invoicing: We will invoice you for the applicable software and services in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.

1. **SaaS Fees.** SaaS Fees are invoiced on an annual basis, beginning on the commencement of the initial term as set forth in Section F (1) of this Agreement. Your annual SaaS fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual SaaS fees will be at our then-current rates.
2. **Other Tyler Software and Services.**
 - 2.1 *VPN Device:* The fee for the VPN device will be invoiced upon installation of the VPN.
 - 2.2 *Implementation and Other Professional Services (including training):* Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.
 - 2.3 *Consulting Services:* If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon your acceptance of the Best Practice Recommendations, by module, and 50% upon your acceptance of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.
 - 2.4 *Conversions:* Fixed-fee conversions are invoiced 50% upon initial delivery of the converted Data, by conversion option, and 50% upon Client acceptance to load the converted Data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.
 - 2.5 *Requested Modifications to the Tyler Software:* Requested modifications to the Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. You may still report Defects to us as set forth in this Agreement.

- 2.6 *Other Fixed Price Services*: Other fixed price services are invoiced as delivered, at the rates set forth in the Investment Summary. For the avoidance of doubt, where “Project Planning Services” are provided, payment will be due upon delivery of the Implementation Planning document.
3. Third Party Products.
- 3.1 *Third Party Software License Fees*: License fees for Third Party Software, if any, are invoiced when we make it available to you for downloading.
- 3.2 *Third Party Software Maintenance*: The first year maintenance for the Third Party Software is invoiced when we make it available to you for downloading.
- 3.3 *Third Party Hardware*: Third Party Hardware costs, if any, are invoiced upon delivery.
- 3.4 *Third Party Services*: Fees for Third Party Services, if any, are invoiced as delivered, along with applicable expenses, at the rates set forth in the Investment Summary.
4. Expenses. The service rates in the Investment Summary do not include travel expenses. Expenses for Tyler delivered services will be billed as incurred and only in accordance with our then-current Business Travel Policy, plus a 10% travel agency processing fee. Our current Business Travel Policy is attached to this Exhibit B at Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available.
5. Credit for Prepaid Maintenance and Support Fees for Tyler Software. Client will receive a credit for the maintenance and support fees prepaid for the Tyler Software for the time period commencing on the first day of the SaaS Term.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is available by contacting AR@tylertech.com.



Exhibit B
Schedule 1
Business Travel Policy

1. Air Travel

A. Reservations & Tickets

The Travel Management Company (TMC) used by Tyler will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven (7) day advance booking requirement is mandatory. When booking less than seven (7) days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is six (6) or more consecutive hours in length, only economy or coach class seating is reimbursable. Employees shall not be reimbursed for "Basic Economy Fares" because these fares are non-refundable and have many restrictions that outweigh the cost-savings.

B. Baggage Fees

Reimbursement of personal baggage charges are based on trip duration as follows:

- Up to five (5) days = one (1) checked bag
- Six (6) or more days = two (2) checked bags

Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee’s private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee’s office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a “mid-size” or “intermediate” car. “Full” size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; except for employees traveling to Alaska and internationally (excluding Canada), additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler’s TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler’s work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

“No shows” or cancellation fees are not reimbursable if the employee does not comply with the hotel’s cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

Employees are not authorized to reserve non-traditional short-term lodging, such as Airbnb, VRBO, and HomeAway. Employees who elect to make such reservations shall not be reimbursed.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status within the continental U.S. are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

Per diem for Alaska, Hawaii, U.S. protectorates and international destinations are provided separately by the Department of State and will be determined as required.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

Breakfast	15%
Lunch	25%
Dinner	60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

5. Internet Access – Hotels and Airports

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.

6. International Travel

All international flights with the exception of flights between the U.S. and Canada should be reserved through TMC using the "lowest practical coach fare" with the exception of flights that are six (6) or more consecutive hours in length. In such event, the next available seating class above coach shall be reimbursed.

When required to travel internationally for business, employees shall be reimbursed for photo fees, application fees, and execution fees when obtaining a new passport book, but fees related to passport renewals are not reimbursable. Visa application and legal fees, entry taxes and departure taxes are reimbursable.

The cost of vaccinations that are either required for travel to specific countries or suggested by the U.S. Department of Health & Human Services for travel to specific countries, is reimbursable.

Section 4, Meals & Incidental Expenses, and Section 2.b., Rental Car, shall apply to this section.



Exhibit C Service Level Agreement

I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that we will provide to you to ensure the availability of the application services that you have requested us to provide. All other support services are documented in the Support Call Process.

II. Definitions. Except as defined below, all defined terms have the meaning set forth in the Agreement.

Attainment: The percentage of time the Tyler Software is available during a calendar quarter, with percentages rounded to the nearest whole number.

Client Error Incident: Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

Downtime: Those minutes during which the Tyler Software is not available for your use. Downtime does not include those instances in which only a Defect is present.

Service Availability: The total number of minutes in a calendar quarter that the Tyler Software is capable of receiving, processing, and responding to requests, excluding maintenance windows, Client Error Incidents and Force Majeure.

III. Service Availability

The Service Availability of the Tyler Software is intended to be 24/7/365. We set Service Availability goals and measures whether we have met those goals by tracking Attainment.

a. Your Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the Support Call Process. You will receive a support incident number.

You must document, in writing, all Downtime that you have experienced during a calendar quarter. You must deliver such documentation to us within 30 days of a quarter's end.

The documentation you provide must evidence the Downtime clearly and convincingly. It must include, for example, the support incident number(s) and the date, time and duration of the Downtime(s).

b. Our Responsibilities

When our support team receives a call from you that Downtime has occurred or is occurring, we will work with you to identify the cause of the Downtime (including whether it may be the result of a Client Error Incident or Force Majeure). We will also work with you to resume normal operations.

Upon timely receipt of your Downtime report, we will compare that report to our own outage logs and support tickets to confirm that Downtime for which we were responsible indeed occurred.

We will respond to your Downtime report within 30 day(s) of receipt. To the extent we have confirmed Downtime for which we are responsible, we will provide you with the relief set forth below.

c. Client Relief

When a Service Availability goal is not met due to confirmed Downtime, we will provide you with relief that corresponds to the percentage amount by which that goal was not achieved, as set forth in the Client Relief Schedule below.

Notwithstanding the above, the total amount of all relief that would be due under this SLA per quarter will not exceed 5% of one quarter of the then-current SaaS Fee. The total credits confirmed by us in one or more quarters of a billing cycle will be applied to the SaaS Fee for the next billing cycle. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption.

Every quarter, we will compare confirmed Downtime to Service Availability. In the event actual Attainment does not meet the targeted Attainment, the following Client relief will apply, on a quarterly basis:

Targeted Attainment	Actual Attainment	Client Relief
100%	98-99%	Remedial action will be taken.
100%	95-97%	4% credit of fee for affected calendar quarter will be posted to next billing cycle
100%	<95%	5% credit of fee for affected calendar quarter will be posted to next billing cycle

You may request a report from us that documents the preceding quarter’s Service Availability, Downtime, any remedial actions that have been/will be taken, and any credits that may be issued.

IV. Applicability

The commitments set forth in this SLA do not apply during maintenance windows, Client Error Incidents, and Force Majeure.

We perform maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you.

V. Force Majeure

You will not hold us responsible for not meeting service levels outlined in this SLA to the extent any failure to do so is caused by Force Majeure. In the event of Force Majeure, we will file with you a signed request that said failure be excused. That writing will at least include the essential details and circumstances supporting our request for relief pursuant to this Section. You will not unreasonably withhold its acceptance of such a request.



Exhibit C Schedule 1 Support Call Process

Support Channels

Tyler Technologies, Inc. provides the following channels of software support:

- (1) Tyler Community – an on-line resource, Tyler Community provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
- (2) On-line submission (portal) – for less urgent and functionality-based questions, users may create unlimited support incidents through the customer relationship management portal available at the Tyler Technologies website.
- (3) Email – for less urgent situations, users may submit unlimited emails directly to the software support group.
- (4) Telephone – for urgent or complex questions, users receive toll-free, unlimited telephone software support.

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

- (1) Tyler Website – www.tylertech.com – for accessing client tools and other information including support contact information.
- (2) Tyler Community – available through login, Tyler Community provides a venue for clients to support one another and share best practices and resources.
- (3) Knowledgebase – A fully searchable depository of thousands of documents related to procedures, best practices, release information, and job aides.
- (4) Program Updates – where development activity is made available for client consumption

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Clients may receive coverage across these time zones. Tyler’s holiday schedule is outlined below. There will be no support coverage on these days.

New Year’s Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Issue Handling*Incident Tracking*

Every support incident is logged into Tyler’s Customer Relationship Management System and given a unique incident number. This system tracks the history of each incident. The incident tracking number is used to track and reference open issues when clients contact support. Clients may track incidents, using the incident number, through the portal at Tyler’s website or by calling software support directly.

Incident Priority

Each incident is assigned a priority number, which corresponds to the client’s needs and deadlines. The client is responsible for reasonably setting the priority of the incident per the chart below. This chart is not intended to address every type of support incident, and certain “characteristics” may or may not apply depending on whether the Tyler software has been deployed on customer infrastructure or the Tyler cloud. The goal is to help guide the client towards clearly understanding and communicating the importance of the issue and to describe generally expected responses and resolutions.

Priority Level	Characteristics of Support Incident	Resolution Targets
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client’s remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. For non-hosted customers, Tyler’s responsibility for lost or corrupted Data is limited to assisting the client in restoring its last available database.
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of Data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. For non-hosted customers, Tyler’s responsibility for loss or corrupted Data is limited to assisting the client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack. For non-hosted customers, Tyler’s responsibility for lost or corrupted Data is limited to assisting the client in restoring its last available database.

Priority Level	Characteristics of Support Incident	Resolution Targets
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days. Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

Incident Escalation

Tyler Technology's software support consists of four levels of personnel:

- (1) Level 1: front-line representatives
- (2) Level 2: more senior in their support role, they assist front-line representatives and take on escalated issues
- (3) Level 3: assist in incident escalations and specialized client issues
- (4) Level 4: responsible for the management of support teams for either a single product or a product group

If a client feels they are not receiving the service needed, they may contact the appropriate Software Support Manager. After receiving the incident tracking number, the manager will follow up on the open issue and determine the necessary action to meet the client's needs.

On occasion, the priority or immediacy of a software support incident may change after initiation. Tyler encourages clients to communicate the level of urgency or priority of software support issues so that we can respond appropriately. A software support incident can be escalated by any of the following methods:

- (1) Telephone – for immediate response, call toll-free to either escalate an incident's priority or to escalate an issue through management channels as described above.
- (2) Email – clients can send an email to software support in order to escalate the priority of an issue
- (3) On-line Support Incident Portal – clients can also escalate the priority of an issue by logging into the client incident portal and referencing the appropriate incident tracking number.

Remote Support Tool

Some support calls require further analysis of the client's database, process or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Support is able to quickly connect to the client's desktop and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.

6.8
GENERAL PLAN HOUSING ELEMENT UPDATE
SERVICES
(NO REPORT)

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6.9
CITY HALL REFURBISHMENT AND SAFETY
PROJECT: PHASE 2
(NO REPORT)

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8.1
REGIONAL HOUSING NEEDS ASSESSMENT
(RHNA) AND GENERAL PLAN HOUSING
ELEMENT UPDATE

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: May 5, 2021 Adjourned Regular Meeting

SUBJECT: Regional Housing Needs Assessment (RHNA) and General Plan Housing Element Update

Recommendation

Provide direction to staff.

Background

The Regional Housing Needs Assessment (“RHNA”) is a process mandated by the State of California’s housing laws to determine existing and future housing needs for each city and unincorporated area. Once housing needs are quantified through the RHNA process, cities and counties are required to take certain land use planning actions to allow for the construction of new housing units to meet those needs. For additional information, please refer to Attachment A.

The current 6th Cycle RHNA process (for the period of 10/2021–10/2029) resulted in the following housing needs allocation for the City:

Table 1: City’s Housing Needs Allocation

Income Level	Number of Units
Very-low income	127 units
Low income	136 units
Moderate income	192 units
Above-moderate income	542 units
Total	997 units

Source: Southern California Association of Governments (“SCAG”)

State law requires all cities to update their general plan housing elements on either a five- or eight-year cycle. The City is on an eight-year cycle with its next update due on October 15, 2021. Prior to adopting its updated General Plan Housing Element, the City will be required to demonstrate to the California Department of Housing and Community Development (“HCD”) that the update adequately plans for the City’s housing needs allocation as summarized in Table 1.

Please note that **neither the RHNA nor General Plan Housing Element Update processes require the City or any private property owner to construct housing or discontinue any existing non-housing use.** Frequently asked questions are answered in Attachment A.

Discussion

Today’s meeting is an opportunity for City Council discussion and direction, as well as public input, on the RHNA and General Plan Housing Element Update. Staff anticipates the need for several additional meetings on this topic with today’s meeting focused on an overview of the RHNA and General Plan Housing Element Update processes, and the draft Housing Needs Assessment (Attachment B).

The Housing Needs Assessment is required by state law and examines population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The final Housing Needs Assessment will be among the technical reports appended to the updated General Plan Housing Element.

State law also requires that the updated General Plan Housing Element include an inventory and analysis of land suitable and available for residential development to meet the City’s housing needs allocation (i.e., land that could accommodate the potential future construction of 997 units). Staff anticipates providing a draft Housing Sites Inventory & Analysis for discussion, direction, and public input at the next regular City Council meeting on May 19, 2021.

Fiscal Impact

Sufficient funds to support this project are included in the City’s budget.

Attachments: A – Regional Housing Needs Assessment (RHNA) Frequently Asked Questions
B – Draft Housing Needs Assessment



CITY OF LAGUNA WOODS

Regional Housing Needs Assessment (RHNA)

Frequently Asked Questions

What is the Regional Housing Needs Assessment (RHNA)?

The Regional Housing Needs Assessment (RHNA) is a process mandated by the State of California's housing laws to determine existing and future housing needs for each city and unincorporated area. Once housing needs are quantified through the RHNA process, cities and counties are required to take certain land use planning actions to allow for the construction of new housing units to meet those needs.

Is the RHNA process new?

No. The RHNA process began in 1969 and has occurred on regular "cycles" since then. From 1969 until the City's incorporation in 1999, the County of Orange was responsible for RHNA compliance and land use planning in Laguna Woods. Beginning in 1999, those responsibilities transferred locally to the City.

How does the RHNA process determine housing needs?

The California Department of Housing and Community Development (HCD) is responsible for determining housing needs for each region's "council of governments," which for Laguna Woods is the Southern California Association of Governments (SCAG). The SCAG region encompasses six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and 191 cities.

HCD starts with demographic population information from the California Department of Finance and then applies a formula intended to increase housing supply and further other housing-related objectives established by the California State Legislature (see California Government Code Section 65584).

After receiving HCD's housing needs determination, SCAG uses a methodology to allocate HCD's determination between individual cities and unincorporated areas. For the current 6th Cycle RHNA process (10/2021 - 10/2029), SCAG's methodology considered factors including, but not limited to, anticipated household growth, job and transit accessibility, and social equity (the distribution of housing by income categories).

Current RHNA Process	Housing Needs Determination for the SCAG Region	Housing Needs Allocation for Laguna Woods
For the period 10/2021 – 10/2029 (AKA "6th Cycle")	1,341,827 units	997 units

What does the RHNA process require of the City?

Once SCAG has identified the City's housing needs allocation, the City is required to zone sufficient land to allow for the construction of new housing units to meet that allocation. Such land must be "suitable for residential development," which state law generally defines as including vacant land, residential land upon which additional housing units could be constructed, and nonresidential land that could be redeveloped to include new housing units (California Government Code Section 65583.2(a)). Such zoning must be "by right," which means that the City is required to allow new housing construction without requiring conditional use permits or other discretionary approvals that would constitute a "project" under the California Environmental Quality Act (CEQA).

How does the City's General Plan Housing Element relate to the RHNA process?

State law requires that all cities update their general plan housing elements on either a five- or eight-year cycle (California Government Code Section 65588). The City is on an eight-year cycle with its next update due on October 15, 2021. Prior to adopting its updated General Plan Housing Element, the City will be required to demonstrate to HCD that the update adequately plans for the City's housing needs allocation and otherwise complies with state law (California Government Code sections 65583 and 65585).

Does the City have the ability to zone private property?

Yes. State law requires the City to designate "the proposed general distribution and general location and extent of the uses of the land" within city limits, including both "public and private uses of land" (California Government Code Section 65302(a)). All public and private property in Laguna Woods, with the exception of public streets, is presently zoned and has been since the community was first constructed.

Does the RHNA process require the City to construct housing?

No. State law is explicit that the City is not required to "expend local revenues for the construction of housing, housing subsidies, or land acquisition" (California Government Code Section 65589(a)(1)).

Does the RHNA process require property owners to construct housing?

No. While state law requires zoning sufficient to accommodate the City's housing needs allocation, it does not require the use of that property to be limited to the construction of new housing units nor does it require property owners to construct housing or discontinue any existing non-housing uses. If a property owner does not wish to construct housing, zoning that allows such construction only presents an option for the future.

Who makes the decision to construct housing?

Housing construction requires interested property owners and interested developers. No party is obligated to construct housing or discontinue any existing non-housing uses, regardless of how property is zoned.

Does the RHNA process allow the City to permit only senior housing?

No. State law specifies that the RHNA process is intended to address the "housing need of persons at all income levels" with goals including "increasing the housing supply and the mix of housing types, tenure, and affordability" (California Government Code Section 65584). While property owners may choose to construct age-restricted housing, state law does not allow the City to place such a restriction on properties for the purpose of accommodating the City's housing needs allocation.

Does the City receive credit for existing affordable housing units?

No. The RHNA process is focused on future housing needs. For the 6th Cycle RHNA process, credit is only provided for housing units approved, permitted, or built on or after June 30, 2021.

HOUSING NEEDS ASSESSMENT

CITY OF LAGUNA WOODS

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LSA

April 2021

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HOUSING NEEDS ASSESSMENT

CITY OF LAGUNA WOODS

Submitted to:

City of Laguna Woods
24264 El Toro Road
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Prepared by:

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LSA

April 2021

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LIST OF ABBREVIATIONS AND ACRONYMS

AB	Assembly Bill
ACS	American Community Survey
AFFH	Affirmatively Furthering Fair Housing
AMI	area median income
CalEnviroScreen	California Communities Environmental Health Screening Tool
CBC	California Building Code
CC	Community Commercial
City	City of Laguna Woods
CoC	Continuum of Care
County	County of Orange
CUP	Conditional Use Permit
DDS	California Department of Developmental Services
FHCOG	Fair Housing Council of Orange County
HCD	Housing and Community Development Department of the State of California
HUD	United States Department of Housing and Urban Development
LIHTC	Low Income Housing Tax Credit
OEHHA	Office of Environmental Health Hazard Assessment
RC	Residential Community
RHNA	Regional Housing Needs Assessment
RMF	Residential Multifamily
SCAG	Southern California Association of Governments

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1.0 HOUSING NEEDS ASSESSMENT

State Housing Element law requires local governments to adequately plan to meet their existing and projected housing needs, including their share of the Regional Housing Needs Assessment (RHNA) allocation. Specifically, Government Code Section 65583(a) requires an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. This section of the Housing Element examines the characteristics of Laguna Woods' population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment is comprised of the following components: (1) Demographic Profile; (2) Household Profile; (3) Housing Stock Characteristics; (4) Affirmatively Furthering Fair Housing; and (5) Regional Housing Needs.

1.1 DEMOGRAPHIC PROFILE

Demographic changes such as population growth or changes in age can affect the type and amount of housing needed in a community. This section addresses the population, age, and race and ethnicity of Laguna Woods residents.

1.1.1 Population Growth and Trends

Table 1.A presents population growth trends in Laguna Woods from 1990 to 2020 and compares this growth to neighboring jurisdictions and Orange County. As shown, Orange County experienced the highest level of growth during the 1990s (18 percent). Neighboring jurisdictions experienced their highest level of growth during the 2000 to 2010 period (48 percent in Irvine and almost 32 percent in Lake Forest). However, during the 2000 to 2010 period, Laguna Woods experienced a decrease in its population. As will be discussed in further detail below, Laguna Woods residents are significantly older, on average, than the rest of Orange County. This means that Laguna Woods' population growth due to natural increase (births minus deaths) is slower than other parts of Orange County.

Table 1.A: Regional Population Growth Trends

Jurisdiction	1990	2000	2010	2020	Percent Change		
					1990–2000	2000–2010	2010–2020
Laguna Woods	N/A	17,794	16,273	16,243	N/A	-8.55%	-0.18%
Aliso Viejo	N/A	N/A	47,816	50,044	N/A	N/A	4.66%
Irvine	110,330	143,072	212,375	281,707	29.68%	48.44%	32.65%
Laguna Beach	23,170	23,727	22,723	22,343	2.40%	-4.23%	-1.67%
Laguna Hills	N/A	29,891	30,270	31,508	N/A	1.27%	4.09%
Lake Forest	N/A	58,707	77,395	84,711	N/A	31.83%	9.45%
Orange County	2,410,668	2,846,289	3,010,232	3,194,332	18.07%	5.76%	6.12%

Sources: (1) California Department of Finance, Demographic Research Unit, Report E-5

(2) California Department of Finance, Demographic Research Unit, Report E-8 City/County/State Population and Housing Estimates

(3) California Department of Finance, Demographic Research Unit, E-4 Revised Historical

N/A = Not Applicable

Census data from 2000 to 2010 show that a reduction in the population growth rate for Orange County occurred during the decade. Countywide, population growth dropped to approximately 6 percent, while some local communities, such as Irvine and Lake Forest, experienced robust growth due to the development of new housing. Laguna Woods experienced a population decrease of approximately 9 percent during this period.

While most of the neighboring communities grew modestly between 2010 and 2020, the population of Laguna Woods in 2020 was estimated to be 16,243, approximately less than 1 percent lower than in 2010. The growth rate of Orange County as a whole was 6 percent, more than six times that of Laguna Woods. Of the surrounding communities shown, only Aliso Viejo had a growth rate that was close to that of Orange County. Laguna Woods saw a 0.18 percent population decrease from 2010 to 2020. However, this is much less of a decrease compared to the previous decade.

The Southern California Association of Governments (SCAG) projects that the population of Laguna Woods will grow to 16,500 by 2045. This represents a growth rate of approximately 1.6 percent over the next 25 years. It should be noted that SCAG’s growth projection does not reflect potential population growth due to Laguna Woods’ RHNA allocation, which is discussed in further detail in Section 1.5, Regional Housing Needs.

1.1.2 Age Characteristics

Table 1.B shows the age distribution and median age of Laguna Woods’ population in 2010 and 2018 and compares this with Orange County as a whole. Table 1.B indicates that seniors aged 65 and older were the largest population group in Laguna Woods in 2010 (80 percent) and 2018 (83 percent). The proportion of the population within the younger age groups (under 5 years, 5 to 17 years, and 18 to 24 years) decreased since 2010, while there was an increase in the older adult population. The proportion of seniors (ages 65 and older) increased from 80 percent to 83 percent. However, Laguna Woods’ median age decreased from 78 in 2010 to 75 in 2018.

Table 1.B: Age Distribution

Age Group	2010		2018		
	Population	Percent	Population	Percent	Orange County Percent
Under 5 years	33	0.2%	0	0.0%	6.0%
5-17 years	65	0.4%	10	0.1%	17.0%
18-24 years	49	0.3%	23	0.1%	9.5%
25-44 years	179	1.1%	100	0.6%	27.4%
45-64 years	2,982	18.3%	2,666	16.5%	26.6%
65+ years	12,987	79.7%	13,429	82.8%	13.9%
Total	16,295	100.0%	16,228	100.0%	100.0%
Median Age	78		75		38

Sources: (1) 2010 ACS 5-Year Estimates (Table S0101)
(2) 2018 ACS 5-Year Estimates (Table S0101)

Overall, the age distribution for Laguna Woods is skewed toward higher percentages of senior populations compared with Orange County as a whole. As shown in Table 1.B, the percentage of the Laguna Woods' population that is 65 years of age and older (83 percent) is substantially higher than that of Orange County (14 percent). Laguna Woods' median age (75) is also substantially higher than Orange County's median age (38). This reflects the fact that a large percentage of Laguna Woods residents live in Laguna Woods Village, an age-restricted retirement community for residents who are 55 years of age and older that occupies a majority of Laguna Woods' area. The proportion of children (ages 17 and under) and adults aged 18 to 64 are also notably lower in Laguna Woods compared to Orange County.

1.1.3 Race and Ethnicity

Historically, White residents have been the majority racial group within Laguna Woods. Table 1.C displays the racial and ethnic composition of Laguna Woods' population in 2010 and 2018 and compares this with the countywide distribution. While changes since 2010 have generally been slight, Laguna Woods is trending toward a more diverse population. In 2018, White residents made up 78 percent of Laguna Woods' population, representing an 11 percent decrease since 2010. The proportion of White residents in Laguna Woods is also notably higher than that of Orange County as a whole (61 percent countywide).

Table 1.C: Racial and Ethnic Composition (2010 and 2018)

Racial/Ethnic Group	2010		2018		
	Persons	Percent	Persons	Percent	Orange County Percent
White	14,499	89.0%	12,678	78.1%	61.7%
Asian/Pacific Islander	1,357	8.3%	3,142	19.4%	20.4%
Black or African American	126	0.8%	73	0.4%	1.7%
American Indian	0	0.0%	8	0.0%	0.5%
Other Race	208	1.3%	172	1.1%	11.7%
Two or More Races	105	0.6%	155	1.0%	4.1%
Total	16,295		16,228		
Hispanic	723	4.4%	821	5.1%	34.1%
Non-Hispanic	15,572	95.6%	15,407	94.9%	65.9%
Total	16,295		16,228		

Sources: (1) 2010 ACS 5-year estimates (Tables C02003 and B03003)
(2) 2018 ACS 5-year estimates (Tables C02003 and B03002)

While only representing 19 percent of the total population in 2018, the number of Asian/Pacific Islander residents has increased by 11 percent since 2010. Laguna Woods' Asian/Pacific Islander population is now on par with Orange County (19 percent compared to 20 percent). Chinese is the predominant Asian ethnicity represented in Laguna Woods, making up approximately 9 percent of Laguna Woods' total population. There are also large populations of Korean and Filipino residents within Laguna Woods.

The Hispanic population increased by approximately 1 percent from 2010 to 2018. The estimated proportion of Hispanic residents in 2018 was 5 percent, still markedly lower than Orange County, which has an estimated 34 percent Hispanic population.

1.1.4 Employment

An evaluation of the types of jobs held by community residents provides insight into potential earning power and the segment of the housing market into which they fall. Information on how a community's employment base is growing and changing can help identify potential housing demand changes in the future.

The State Employment Development Department estimates that 2,900 Laguna Woods residents (or approximately 18 percent of Laguna Woods' population) were in the labor force in January 2021. This reflects the fact that Laguna Woods' housing stock is predominantly age-restricted. Laguna Woods has seen a drastic increase in unemployment since March 2020 due to the onset of the COVID-19 pandemic. In January 2020, Laguna Woods' unemployment rate was at 2.2 percent; however, it rose sharply in the spring and peaked at 11.6 percent in May 2020. As of January 2021, the unemployment rate within Laguna Woods was 5.6 percent. The unemployment rate of Orange County was at 2.9 percent in January 2020 and has seen a similar spike. As of January 2021, unemployment in Orange County as a whole was 7.4 percent. While the region's economy appears to show signs of recovery, the long-term impacts of the COVID-19 pandemic on employment within Laguna Woods and Orange County remain unknown.

Table 1.D presents the occupations of Laguna Woods residents, based on the 2014–2018 American Community Survey (ACS) estimates. The largest proportion of Laguna Woods residents are employed in educational services and health care and social assistance occupations at 22 percent, followed by finance and insurance and real estate, rental, and leasing occupations at 15.6 percent. Approximately 61 percent of employed residents in Laguna Woods commute less than 25 minutes to work, indicating that a majority of working residents hold jobs within Laguna Woods or in immediately adjacent communities.

Table 1.D: Occupation of Residents (2018)

Occupation	Population	Percent
Agriculture, forestry, fishing and hunting, and mining	0	0.0%
Construction	52	1.7%
Manufacturing	285	9.2%
Wholesale trade	123	4.0%
Retail trade	347	11.2%
Transportation and warehousing, and utilities	78	2.5%
Information	42	1.4%
Finance and insurance, and real estate and rental and leasing	484	15.6%
Professional, scientific, and management, and administrative and waste management services	483	15.5%
Educational services, and health care and social assistance	695	22.4%
Arts, entertainment, and recreation, and accommodation and food services	249	8.0%
Other services, except public administration	188	6.0%
Public administration	83	2.7%
Total Civilians Employed	3,109	100.00%

Source: 2018 ACS 5-year estimates (Table S2405)

Laguna Woods itself has a limited employment base. As of 2019, the five largest employers in Laguna Woods were Laguna Woods Village, Professional Community Management of California, Stater Brothers, Rainbow Realty Corporation, and OCB Restaurant Company.

In 2019, the Orange County Business Council updated the results of its Workforce Housing Scorecard. This report provides a comprehensive evaluation of the current and future state of Orange County's housing supply and demand and its impact on the business community. Based on the following criteria, the scorecard rates each jurisdiction's record over the 2016 to 2030 time period in addressing workforce housing needs:

- Total job growth
- Housing as a percent of total Orange County housing
- Jobs-to-housing ratio
- Change in housing density

Based on the above factors, Laguna Woods ranks 33rd of the 34 cities in Orange County. Rankings are weighted toward larger cities and cities experiencing new housing development (Irvine was ranked 1st); therefore, a ranking of 33rd is expected for Laguna Woods, as it is the 31st largest city within Orange County and has not experienced any new housing growth since the development of the San Sebastian Apartments in 2008. It should be noted that Laguna Woods ranked 26th in job growth, indicating a modest need for new housing within Laguna Woods.

1.2 HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special-needs populations all affect the type of housing needed by residents and are important indicators of where intervention and/or housing programs may be needed. Household income levels are indicators of housing affordability, just as the ratio of owners to renters may impact the stability of the housing market. This section details the various household characteristics affecting housing needs in Laguna Woods.

1.2.1 Household Type

A household is defined as the total number of persons living in a housing unit, whether related or unrelated. The Census Bureau definition of a "family" is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family. A single person living alone is also a household. "Other" households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes, are not considered households.

As shown in Table 1.E, the 2014–2018 ACS estimates there are 11,156 households in Laguna Woods, with an average household size of 1.45 persons and an average family size of 2.07 persons. While the average household size in Laguna Woods saw a 2.8 percent increase from 2010, the average family size decreased by 2.4 percent. Laguna Woods' average household and family size is lower compared to that of Orange County as a whole (3.02 and 3.51, respectively).

Table 1.E: Household Characteristics (2010 and 2018)

Household & Family Type	2010		2018		Percent Change
	Number	Percent	Number	Percent	
Total Population	16,295	100.0%	16,228	100.0%	-0.4%
In Group Quarters	167	1.0%	N/A	N/A	N/A
Total Households	11,470	100.0%	11,156	100.0%	-2.7%
Family Households	3,733	32.5%	4,107	36.8%	10.0%
Married Couple Families	3,215	28.0%	3,645	32.7%	13.4%
Single Parent Households	29	0.3%	0	0.0%	-100.0%
Non-family Households	7,737	67.5%	7,049	63.2%	-8.9%
Householder Living Alone	7,272	63.4%	6,593	59.1%	-9.3%
Householder 65+ (Alone)	6,343	55.3%	5,723	51.3%	-9.8%
Average Household Size	1.41		1.45		2.8%
Average Family Size	2.12		2.07		-2.4%

Sources: (1) 2010 and 2018 ACS 5-year estimates (Table S1101)

(2) 2010 Census (Table PCT38)

N/A = Not Applicable

Nonfamilies constitute the majority of households in Laguna Woods (63 percent). The proportion of single-parent households has also remained steady at approximately 4 percent of all households. Family households constituted about 37 percent of all households in 2018, an increase of 10 percent since 2010. Approximately 90 percent of family households are married-couple households, and this has increased since 2010. The proportion of householders living alone also decreased between 2010 and 2018.

1.2.2 Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household's ability to balance housing costs with other basic necessities of life while avoiding housing problems such as cost burden and overcrowding.

1.2.2.1 Income Definitions

The State and federal governments classify household income into several groupings based upon the relationship to the county area median income (AMI), adjusted for household size. The Housing and Community Development Department of the State of California (HCD) utilizes the income groups presented in Table 1.F. Federal housing programs utilize slightly different income groupings and definitions, with the highest income category generally ending at >95 percent AMI. For purposes of the Housing Element, the State HCD income definitions are used throughout, with the exception of data compiled by the United States Department of Housing and Urban Development (HUD), which is specifically noted.

Table 1.F: HCD Income Categories

Income Category	Percent Annual Median Income (AMI)
Extremely Low	0-30% AMI
Very Low	0-50% AMI
Low	51-80% AMI
Moderate	81-120% AMI
Above Moderate	120%+ AMI

Source: California Department of Housing and Community Development

1.2.2.2 Income Characteristics

The 2014–2018 ACS estimated the median annual income of households in Laguna Woods to be \$41,928. This is an increase of approximately 13 percent from 2010, when the median annual income was \$36,818. Figure 1-1 illustrates the 2018 median household income for Laguna Woods and surrounding communities and compares them to the median income for Orange County. Of the jurisdictions included, Laguna Woods had a significantly lower median household income than the Orange County median of \$85,398.

Figure 1-1: Median Household Income (2018)

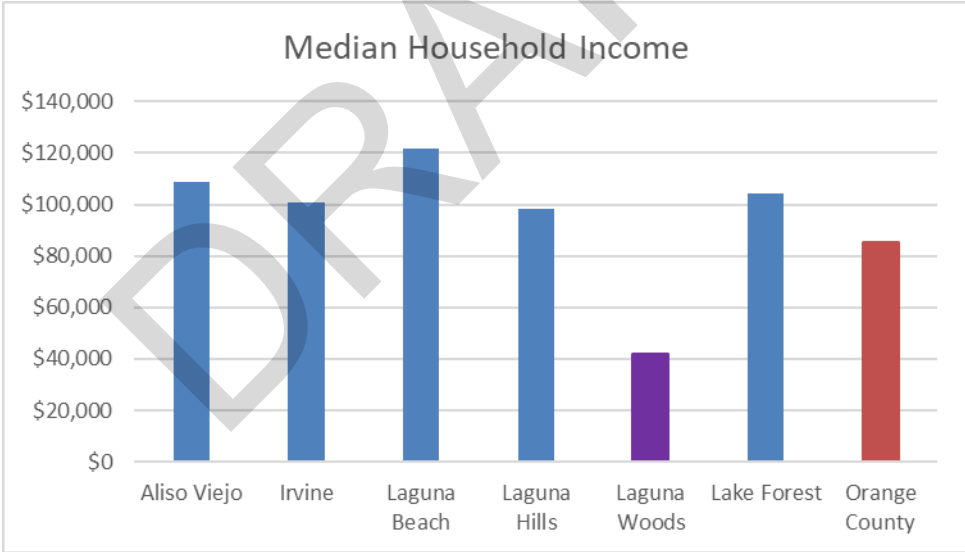


Table 1.G shows the number of Laguna Woods households living within the HCD income categories described above for 2010 and 2017. The number of households within the very low- and low-income categories has decreased overall since 2010. As of 2017, approximately 69 percent of Laguna Woods households fell within one of the lower income categories. The proportion of households with moderate or above-moderate incomes increased from 30.1 percent in 2010 to 31.1 percent in 2017.

Table 1.G: Household Income Levels (2010–2018)

Income Level	2010		2017		2010–2017 Percent Change
	Households	Percent	Households	Percent	
Extremely Low Income (<30% AMI)	2,870	25.2%	2,880	25.6%	0.3%
Very Low Income (31-50% AMI)	2,650	23.3%	2,455	21.8%	-7.4%
Low Income (51-80% AMI)	2,435	21.4%	2,415	21.5%	-0.8%
Moderate/Above Moderate Income (>80% AMI)	3,420	30.1%	3,500	31.1%	2.3%
Total Households	11,375	100.0%	11,250	100.0%	-1.1%

Source: CHAS Data 2010 and 2017

AMI = Annual Median Income

Table 1.H shows the income level of Laguna Woods households by tenure. A total of 76 percent of renter households were lower income (<80 percent AMI), compared to 67 percent of owner households. 31 percent of renter households were categorized as extremely low income (<30 percent AMI), and 26 percent were very low income households (31 to 50 percent AMI).

Table 1.H: Household Income Levels by Tenure (2017)

Income Level	Renter		Owner	
	Households	Percent	Households	Percent
Extremely Low Income (<30% AMI)	840	31.2%	2,040	23.8%
Very Low Income (31-50% AMI)	685	25.5%	1,770	20.7%
Low Income (51-80% AMI)	505	18.8%	1,910	22.3%
Moderate Income & Above (> 80% AMI)	660	24.5%	2,840	33.2%
Total	2,690	100.0%	8,560	100.0%

Source: CHAS 2017

AMI = Annual Median Income

1.2.2.3 Households in Poverty

The federal government publishes national poverty thresholds that define the minimum income level necessary to obtain the necessities of life. Table 1.I shows the number of households within Laguna Woods living in poverty by household type. A total of 242 households within Laguna Woods are living below the federal poverty threshold, representing approximately 6 percent of all households. Approximately 1 percent of all households in Laguna Woods are female-headed households living below the poverty level. Of these female-headed households living below the poverty level, 9 of the households (or 0.2 percent of all households in Laguna Woods) have children under the age of 18. Another significant group living in poverty are seniors. As shown in Table 1.I, approximately 6 percent of all households in Laguna Woods are senior-headed households living below the poverty level.

Table 1.I: Poverty by Household Type

Household Type	Below Poverty Level	
	Number	Percent
Family Households	242	6.1%
Female-Headed Households	36	0.9%
With Children	9	0.2%
Senior-Headed Households (65+)	230	5.8%

Source: 2019 ACS 5-year estimates

1.2.3 Special-Needs Populations

State law recognizes that certain households have more difficulty in finding adequate and affordable housing due to special circumstances and may also have lower incomes as a result of these circumstances. Special-needs populations include seniors, persons with disabilities, female-headed households, large households, farmworkers, and the homeless. Table 1.J summarizes the special-needs populations in Laguna Woods. Each of these population groups, as well as their housing needs, is described below.

Table 1.J: Special Needs Groups

Special Needs Group	Persons or Households	Renter	Owner	Percent of Total
Households with a Senior Member	9,701	--	--	88.2%
Senior-headed Households	3,495	--	--	26.3%
Seniors Living Alone	5,622	--	--	42.3%
Single-Parent Households	0	--	--	0.0%
Female Single-Parent Households	0	--	--	0.0%
Large Households (5+ members)	13	0	13	0.3%
Agricultural Workers	0	--	--	0.0%
Persons with Disabilities	4,364	--	--	27.3%
Homeless	5	--	--	0.04%

Note: -- = Data not available.

Sources: (1) 2019 ACS 5-year estimates

(2) 2019 homelessness point-in-time counts processed by SCAG.

1.2.3.1 Large Households

Large households consist of five or more persons and are considered a special-needs group due to the limited availability of affordable and adequately sized housing. Large households often live in overcrowded conditions due to both the lack of large-enough units and insufficient income to afford available units of adequate size. In 2018, Laguna Woods had a total of 13 large households, representing 0.3 percent of total households in Laguna Woods. These large households consisted entirely of owner households (Table 1.J). Laguna Woods has a small number of larger homes compared to many communities in the region, with only 100 housing units (0.9 percent of all occupied housing units) containing four or more bedrooms, according to the 2014–2018 ACS. This suggests that Laguna Woods does not have any unmet housing need for large households.

1.2.3.2 Senior Households

Approximately 83 percent of Laguna Woods residents are age 65 or older. This is an increase from 2010, when 80 percent of the population were seniors. Senior-headed households make up a significant proportion (26 percent) of all households in Laguna Woods. Additionally, 42 percent of all households in Laguna Woods are seniors living alone.

Seniors may have a number of special needs including, housing, transportation, health care, and other services. Approximately 30 percent of Laguna Woods' senior population have one or more disability that may need to be taken into consideration when finding appropriate housing. Rising rents are a particular concern due to the fact that most seniors are on fixed incomes.

Laguna Woods is unique in that it predominantly comprises private communities that are age-restricted for adults 55 years and older. Of the housing units in Laguna Woods, the majority are located in the private gated community of Laguna Woods Village, with the remaining units in four separate communities. The various housing options, levels of amenities, and services provided at each of these communities are described below. There is a discrepancy of the total number of housing units located in Laguna Woods between City of Laguna Woods (City) records and the United States Census. It should be noted that the City's records, which reflect the numbers identified below, total 13,386, which is 988 more than what is identified by the United States Census (12,398 housing units).

- **Laguna Woods Village:** Laguna Woods Village contains 12,736 owned condominium and cooperative units. Owners within Laguna Woods Village pay a homeowners' association fee that is used to provide residents with public transportation, patrolled private security, clubhouses with special programs, and recreational activities. Also included within the Laguna Woods Village community are two golf courses for the private use of Laguna Woods Village residents.
- **Las Palmas:** Las Palmas is a licensed residential care community with 184 rental units. Services include the dispensing of medication and assistance with bathing, dressing, and other activities of daily living determined by a care plan tailored to specifically meet the individual needs of the residents. Amenities include meal service, transportation, housekeeping, laundry services, and access to recreational facilities, including a putting green, shuffleboard court, pool, and spa. Activity programs include regular trips to shopping centers and other destinations.
- **The Regency:** The Regency is a licensed residential care community that consists of 192 rental units for seniors and offers both independent and assisted living on a month-to-month basis. Services and amenities include daily meals, housekeeping, laundry services for bed and bath linens, scheduled transportation, group excursions, and social events. The Regency is the only residential community that, under unique circumstances, will accommodate individuals younger than 55 within its assisted living facility.
- **San Sebastian:** San Sebastian contains 134 rental units, including 17 affordable units for lower-income residents. San Sebastian is also an age-restricted independent living apartment facility; therefore, all of the affordable housing units at San Sebastian are reserved for seniors.

- **Whispering Fountains:** Whispering Fountains contains 140 rental units. Although age-restricted, the Fountains operates as an apartment community and does not provide assisted living services, special programs, or amenities.

Several resources for seniors exist in and near Laguna Woods and include the following:

- **Age Well Senior Services:** This nonprofit organization provides health and wellness programs, home delivery of meals, and nonemergency medical transit service to seniors in Laguna Woods. The organization operates the Florence Sylvester Memorial Senior Center in neighboring Laguna Hills, where it provides congregate meals, social services case management, senior activities and classes, information, and referral services.
- **Foundation of Laguna Woods Village:** This nonprofit organization partners with the Laguna Woods Village Social Services Department to provide temporary emergency financial assistance with supermarket cash cards, prescription payments, bill payments for utility services, medical and dental, caregiver and respite care services, taxi vouchers for travel to health care providers in Orange County, and gas cards to qualifying residents of Laguna Woods Village.
- **Helping Hands Senior Foundation:** This nonprofit organization provides social workers who can connect seniors with free or low-cost in-home health care, palliative care, adult day care, medical equipment, food assistance, and financial assistance resources, as well as provide support with navigating health insurance claims and payments.
- **Laguna Woods Village Social Services Department:** This private organization offers social workers who can help Laguna Woods Village residents with short-term counseling, crisis intervention, support groups, educational programs, long-term care planning, and resource referrals.
- **Orange County Housing Authority:** This government agency is responsible for administering federally funded programs that provide monthly rental assistance to qualified tenants, including low-income seniors, in privately owned rental housing in Orange County. The largest such program is referred to as the Housing Choice Voucher Program. Participants who receive a Housing Voucher can use this rental assistance in a variety of rental dwellings and locations with almost any property owner who is willing to participate in the program.

Based on the available resources in the community, there is no unmet need for senior housing.

1.2.3.3 Single-Parent Households

Single-parent households typically have a special need for such services as childcare and health care, among others, and often live with only one income. According to the 2014–2018 ACS, Laguna Woods did not have any single-parent households with young children (under the age of 18) (Table 1.J). Therefore, Laguna Woods does not have any unmet housing need for single-parent households, including female-headed households.

1.2.3.4 Persons with Disabilities

Under the Americans with Disabilities Act (ADA), an individual with a disability is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment.¹ Major life activities include, but are not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, and working.² Disabled persons often have special housing needs related to limited earning capacity, a lack of accessible and affordable housing, and higher health costs associated with a disability. In recognition of the fact that disabilities can affect a range of major life activities, the ACS questionnaire gathers data about six key disability types: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. Table 1.K shows the number of Laguna Woods residents with a disability as well as the number of Laguna Woods residents 65 years of age or older that have a disability. According to the 2014–2018 ACS, an estimated 27 percent of Laguna Woods residents (4,364 persons) have one or more disabilities. Approximately 30 percent of the senior population have one or more disabilities.

Table 1.K: Disability Status

Disability Type	Persons with Disability	Percent of Total	Persons with Disability, Age 65+	Percent of Total
With a hearing difficulty	1,844	11.5%	1,733	13.1%
With a vision difficulty	705	4.4%	658	5.0%
With a cognitive difficulty	1,058	6.6%	925	7.0%
With an ambulatory difficulty	2,651	16.6%	2,473	18.7%
With a self-care difficulty	1,180	7.4%	1,123	8.5%
With an independent living difficulty	1,774	11.1%	1,650	12.5%
Total Persons with Disabilities	4,364	100.00%	3,972	100.00%

Source: 2019 ACS 5-year estimates (Table S1810)

Disabled individuals have unique housing needs because they may be limited in mobility or in their ability to care for themselves. In addition, the earning power of disabled persons may be limited. Their housing need is also often compounded by design and location requirements, which can drive up housing costs. For example, wheelchair-bound or semi-ambulatory individuals may require ramps, holding bars, special bathroom designs, wider doorways, lower cabinets, and other interior and exterior design features. Affordable housing and housing programs that address accessibility can assist these individuals with their specific housing needs.

¹ United States Department of Justice. 2020. A Guide to Disability Rights Laws. February. Website: <https://www.ada.gov/cguide.htm#anchor62335> (accessed April 23, 2021).

² United States Department of Labor. 2009. ADA Amendments Act of 2008 Frequently Asked Questions. January 1. Website: <https://www.dol.gov/agencies/ofccp/faqs/americans-with-disabilities-act-amendments#:~:text=Major%20life%20activities%20include%2C%20but,thinking%2C%20communicating%2C%20and%20working> (accessed April 23, 2021).

There are a number of housing types appropriate for people living with a disability: rent-subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Housing Choice vouchers, special programs for home purchase, HUD housing, and group homes. The design of housing accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this needs group. Incorporating barrier-free design in all new multifamily housing (as required by California and federal fair housing laws) is especially important to provide the widest range of choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (that is, modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

The City does not require special building codes or onerous project review to construct, improve, or convert housing for persons with disabilities. Community care facilities with six or fewer persons are permitted by right in all residential zoning districts. Community care facilities with seven or more persons are permitted in all residential zoning districts, subject to Conditional Use Permit (CUP) approval. In addition, several housing types for persons with disabilities require a CUP that is no more stringent than those for other conditional uses:

- Congregate care facilities are permitted with an approved use permit in all residential zones and the Community Commercial (CC) zone.
- Family Day Care for 14 or fewer persons is also permitted in the Residential Multifamily (RMF) and Residential Community (RC) zones.

The City has adopted the 2019 California Building Code (CBC). Standards within the CBC include provisions to ensure accessibility for persons with disabilities. These standards are consistent with the Americans with Disabilities Act. No local amendments that would constrain accessibility or increase the cost of housing for persons with disabilities have been adopted.

As discussed previously, Laguna Woods has two residential care facilities that are licensed by the State Community Care Licensing Division of the California Department of Social Services: Las Palmas and the Regency.

1.2.3.5 Developmentally Disabled

According to California Welfare and Institutions Code Section 4512, a developmental disability means “a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. As defined by the Director of Developmental Services, in consultation with the Superintendent of Public Instruction, this term shall include intellectual disability, cerebral palsy, epilepsy, and autism. This

term shall also include disabling conditions found to be closely related to intellectual disability or to require treatment similar to that required for individuals with an intellectual disability, but shall not include other handicapping conditions that are solely physical in nature.”

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services (DDS) estimates that 30 persons with developmental disabilities were residing in Laguna Woods as of December 2020. All of the individuals with developmental disabilities residing in Laguna Woods were over the age of 18, and the majority of the developmentally disabled individuals in Laguna Woods live in the home of their parent, family, or guardian.

The Regional Center of Orange County is one of 21 regional centers in the State that provides point of entry to services for people with developmental disabilities. The center is a private, nonprofit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

The most obvious housing need for persons with disabilities is housing that is adapted to their needs. Most single-family homes are inaccessible to people with mobility and sensory limitations. Housing may not be adaptable to widened doorways and hallways, access ramps, larger bathrooms, lowered countertops, and other features necessary for accessibility. Location of housing is also an important factor for many persons with disabilities, as they often rely upon public transportation to travel to necessary services and shops. “Barrier free design” housing, accessibility modifications, proximity to services and transit, and group living opportunities are important in serving this group.

Within Laguna Woods, there are services currently in place tailored to mobility-impaired individuals including private bus services and subsidized taxi service that supplement public transportation options. The City has also adopted a reasonable-accommodations ordinance designed to reduce barriers for special-needs populations.

1.2.3.6 Homelessness

In collaboration with other nonprofit organizations, the Orange County Department of Community Resources is responsible for the countywide biennial point-in-time homeless count. For the purpose of the point-in-time count, the definition of homelessness includes unsheltered individuals and families “with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.” The count of sheltered homeless individuals and families includes those “living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate

shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals)” on the night designated for the count.

Based upon the 2019 point-in-time count, there were a total of 6,860 homeless individuals residing within Orange County, with 5 individuals counted in Laguna Woods. All of the homeless individuals within Laguna Woods were unsheltered, as there are no homeless shelters located within Laguna Woods. Since 2013, the homeless population in Orange County has steadily increased, with the largest increase occurring between 2017 and 2019 (43 percent increase). The 2019 Count indicated that all five of those counted within Laguna Woods were individuals and not part of a family unit experiencing homelessness.

People experiencing homelessness include families and individuals representing every race, age group, and community in Orange County. As the cost of living in Orange County and in all of Southern California continues to rise, and as unemployment remains high, homelessness has become more prevalent.

In the past, several factors have contributed to homelessness, including difficulty in obtaining employment, lack of ongoing care for the mentally ill, substance abuse, and inadequate education. In recent years, however, a shortage of affordable housing opportunities coincident with a growing population of low-income renters has added to the problem.

Residential care facilities, which are facilities for individuals who require 24-hour supervision but who do not generally need medical care beyond routine health checks and medication monitoring, are permitted in Laguna Woods in any district, planned community, or specific plan area zoned for residential uses. The State of California is the authority for licensing, inspection, and enforcement for community care facilities throughout California. The State has preempted local controls over certain types of residential care facilities.

The County of Orange coordinates a comprehensive regional Continuum of Care (CoC) system to address homelessness in Orange County. The CoC is a housing and service delivery system for the homeless and is designed to do the following:

- Promote communitywide commitment to the goal of ending homelessness through regional coordination and collaboration.
- Advocate for funding and resources to end homelessness and provide funding for proven efforts by nonprofit providers, states, and local governments to quickly rehouse people experiencing homelessness, while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness.
- Promote access to and effective utilization of mainstream programs by homeless individuals and families.
- Promote implementation of best practices and evidence-based approaches to homeless programming and services.

Other organizations and facilities in nearby or surrounding communities that may provide shelter and services to people experiencing homelessness in Laguna Woods are listed in Table 1.L. It should be noted that some of these facilities prioritize their services to people experiencing homelessness who have a relationship to the cities in which they are located.

Table 1.L: Local Facilities for Persons Experiencing Homelessness

Organization/Facility	Beds and/or Services Provided
Alternative Sleeping Location Emergency Shelter (operated by Friendship Shelter) 20652 Laguna Canyon Rd Laguna Beach, CA 92651 (949) 494-6928	Provides emergency night shelter for up to 45 people, a 30-day rapid housing program, as well as a drop-in day program between the hours of 10:00 a.m. and 1:00 p.m. This organization prioritizes services to those people experiencing homelessness who have a relationship to Laguna Beach.
Bridge Housing Program (operated by Friendship Shelter) PO Box 4252 Laguna Beach, CA 92652 (949) 494-6928	Provides dormitory-style housing for up to 32 people at a time, with all meals, case management, and an array of support services provided. Serves 120-140 individuals annually. This organization also provides a permanent supportive housing program intended for clients who are chronically homeless and are unable to work due to a disability, including physical or mental health conditions. Clients are housed in scattered-site apartments and receive ongoing supportive services from Friendship Shelter staff. This organization prioritizes services to those people experiencing homelessness who have a relationship to Laguna Beach.
Human Options 5540 Trabuco Road Irvine, CA 92620 (949) 737-5242	Provides emergency shelter for individuals or families in domestic violence situations seeking shelter. Serves approximately 350 adults and children annually. Services include individual and group counseling, case management, legal advocacy, and children's programs. Also provides a transitional housing program.
Laura's House 999 Corporate Drive, Suite 225 Ladera Ranch, CA 92694 (949) 361-3775	Provides emergency shelter (52 beds) for up to 45 days for individuals or families in domestic violence situations seeking shelter. Services include individual and group counseling, life skills classes, case management, legal advocacy, and children's programs. Also provides transitional housing for 5-7 families at a time for 3-6 months.
Orange County Rescue Mission One Hope Drive Tustin, CA 92782 (714) 247-4379	Provides transitional, recuperative, and emergency housing for up to 262 homeless men, women, and children. Services include medical and dental care, meals, job training, case management, substance abuse treatment, parent training, anger management training, mental health care assessment and treatment, housing assistance and placement, and life skills training.

Note: Compiled in 2021 by LSA based on information from <https://www.homelesshelterdirectory.org/> and the individual websites for each service provider.

1.2.3.7 Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farmworkers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next. The 2015-2019 ACS estimates that there are no Laguna Woods residents who hold farming, fishing, or forestry occupations. There is no agriculturally designated land within Laguna Woods. Because

farmworkers make up no percentage of Laguna Woods' total population, no specific programs for this special-needs group are necessary.

1.3 HOUSING STOCK CHARACTERISTICS

This section identifies the characteristics of Laguna Woods' physical housing stock. This includes an analysis of housing growth trends, housing conditions, housing prices and rents, and housing affordability.

1.3.1 Housing Growth

Table 1.M shows housing production in Laguna Woods, compared to neighboring cities and Orange County as a whole. According to the California Department of Finance, Laguna Woods experienced a slight reduction in housing units between 2000 and 2010. This is in contrast to Orange County, which saw an almost 8 percent increase in housing stock over the same decade. The surrounding communities of Irvine and Lake Forest saw large amounts of new housing construction in the early 2000s.

Table 1.M: Regional Housing Growth Trends

Jurisdiction	Total Housing Units			Percent Change	
	2000	2010	2020	2000–2010	2010–2020
Laguna Woods	13,629	13,079	13,079	-4.0%	0.0%
Aliso Viejo	N/A	18,861	20,192	N/A	7.1%
Irvine	53,711	81,110	108,822	51.0%	34.2%
Laguna Beach	12,965	12,923	13,027	-0.3%	0.8%
Laguna Hills	10,324	10,989	11,298	6.4%	2.8%
Lake Forest	20,486	27,161	30,244	32.6%	11.4%
Orange County	969,484	1,046,118	1,111,421	7.9%	6.2%

Sources: (1) CA Dept. of Finance E-8 Historical Population and Housing Estimates, 2010.

(2) CA Dept. of Finance E-5 Population and Housing Unit Estimates, 2020.

N/A = Not Applicable

The California Department of Finance estimates that in 2020 there were 13,079 housing units within Laguna Woods. This has remained consistent since 2010. The increase in housing stock in Orange County was notably higher at 6 percent. As Laguna Woods is a maturing suburban community with primarily small site and infill development, it is expected that the increase in the housing stock in Laguna Woods would be modest and lower than the countywide rate.

1.3.2 Housing Type and Tenure

Table 1.N presents the mix of housing types in Laguna Woods. The California Department of Finance estimates that of the 13,079 units in Laguna Woods, 4,639 are single-family units (36 percent). Approximately 65 percent of Laguna Woods' housing stock is multifamily units. Laguna Woods also has no mobile home parks within its local housing stock. The composition of Laguna Woods' housing stock has remained relatively unchanged over the last two decades.

Table 1.N: Housing Units by Type (2000–2020)

Unit Type	2000		2010		2020	
	Units	Percent	Units	Percent	Units	Percent
Single-Family (SF) Detached	675	5.3%	918	7.0%	918	7.0%
SF Attached	3,726	29.4%	3,721	28.5%	3,721	28.5%
Total SF	4,401	34.8%	4,639	35.5%	4,639	35.5%
2 to 4 Units	2,298	18.2%	2,237	17.1%	2,237	17.1%
5 or more units	5,934	46.9%	6,203	47.4%	6,203	47.4%
Total Multi-Family	8,232	65.0%	8,440	64.5%	8,440	64.5%
Mobile Homes & Other	15	0.1%	0	0.0%	0	0.0%
Total Housing Units	12,657	100.0%	13,079	100.0%	13,079	100.0%
Vacancy Rate	7.52%	--	11.7%	--	10.8%	--

Sources: (1) U.S. Census Bureau, 2000 and 2010 Census
(2) CA Dept. of Finance E-5 Population and Housing Unit Estimates, 2020.

Housing tenure refers to whether a housing unit is owned, is rented, or is vacant. Tenure is an important indicator of the housing climate of a community, reflecting the relative cost of housing opportunities and the ability of residents to afford housing. Tenure also influences residential mobility, with owner units generally evidencing lower turnover rates than rental housing. Table 1.O indicates the total number of renter-occupied and owner-occupied housing units in Laguna Woods in 2010 and 2018. The ownership rate within Laguna Woods has declined slightly from 78 percent in 2010 to 74 percent in 2018. However, the homeownership rate continues to be higher than the countywide homeownership rate of 57 percent.

Table 1.O: Housing Tenure (2010 and 2018)

Occupied Housing Units	2010		2018	
	Households	Percent	Households	Percent
Renter	2,523	22.0%	2,851	25.6%
Owner	8,947	78.0%	8,305	74.4%
TOTAL	11,470	100%	11,156	100%

Source: 2010 and 2018 ACS 5-year estimates

1.3.3 Vacancy Rate

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A vacancy rate of 5 percent for rental housing and 2 percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. A lower vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to overcrowding or households having to pay more than they can afford. A low vacancy rate or a particularly tight housing market may also lead to high competition for units, raising rental and housing prices substantially.

The 2014–2018 ACS estimated that the vacancy rate for owner-occupied units was 2.3 percent, and the rental vacancy rate was 5.9 percent. These vacancy rates suggest a relatively healthy housing market for both residents looking to purchase a home and renters.

1.3.4 Housing Age and Condition

The age of a community’s housing stock can provide an indicator of overall housing conditions. Typically, housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work, and other repairs. Table 1.P displays the age of occupied housing stock by tenure as of 2018. Over two-thirds of Laguna Woods’ housing stock was built between 1960 and 1979. Of Laguna Woods’ current housing stock, approximately 98 percent will be over 30 years old by the end of the 2021 to 2029 planning cycle. As a built-out community, Laguna Woods has a low proportion of newer units, with less than 0.8 percent built since 2000.

Table 1.P: Age of Housing Stock (2019)

Year Structure Built	Renter-Occupied Units		Owner-Occupied Units		Total Occupied Units	
	Number	Percent	Number	Percent	Number	Percent
2010 or later	12	0.4%	0	0.0%	12	0.1%
2000-2009	58	2.0%	14	0.2%	72	0.7%
1980-1999	377	12.9%	391	4.8%	768	7.0%
1960-1979	2,229	76.1%	6,874	85.1%	9,103	82.7%
1940-1959	254	8.7%	718	8.9%	972	8.8%
1939 or earlier	0	0.0%	76	0.9%	76	0.7%
Total	2,930	100.0%	8,073	100.0%	11,003	100.0%

Source: 2019 ACS 5-year estimates

A greater proportion of rental housing (12.9 percent) was constructed between 1980 and 1999, when compared to owner-occupied housing (4.8 percent). Conversely, a greater proportion of owner-occupied housing was constructed between 1960 and 1979 (85 percent), compared to renter-occupied housing (82 percent).

The City’s code enforcement services provider indicated that the City opened 88 cases in 2019 and 123 cases in 2020, the majority of which related to commercial properties (87.5 percent in 2019 and 86.9 percent in 2020). Laguna Woods is a generally well-maintained community. Most of the City’s housing stock is located within actively managed communities with boards or associations that ensure adequate maintenance. Consequently, there are few violations or complaints related to residential properties that require City intervention. Due to the City’s relative lack of substandard housing and health and safety code violations, the City does not require any specialized code enforcement programs (e.g., occupancy inspection, rental inspection, or neighborhood enhancement).

1.3.5 Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a higher prevalence of overpayment and overcrowding. This section summarizes the cost and affordability of the housing stock to Laguna Woods residents.

1.3.5.1 Rental Housing Market

According to the 2014–2018 ACS, the rental vacancy rate in Laguna Woods was 5.9 percent, indicating a tight rental market in Laguna Woods. A point-in-time survey of available rental units within Laguna Woods listed on Zillow and Apartments.com was conducted in early April 2021. While not comprehensive, it provides a snapshot of the types of units available, as well as typical market rents. Table 1.Q includes the results of the survey by number of bedrooms.

Table 1.Q: Median and Average Market Rents by Number of Bedrooms (April 2021)

Number of Bedrooms	Units Advertised	Rent Range	Average Rent	Median Rent
0	2	\$2,320-\$2,520	\$2,420	\$2,420
1	16	\$1,550-\$2,700	\$2,039	\$1,825
2	58	\$2,150-3,950	\$2,378	\$2,200
3	5	\$2,400-\$3,950	\$2,964	\$2,895
All Units	81	\$1,550-3,950	\$2,349	\$2,200

Source: Zillow.com and Apartments.com, accessed April 9, 2021.

A total of 81 units were listed for rent, with a median rent of \$2,200. Two-bedroom units were the most prevalently available in Laguna Woods, with rents ranging from \$2,150 to \$3,950 and a median rent of \$2,200.

1.3.5.2 Homeownership Market

Table 1.R shows median home sale prices over 2 years for Laguna Woods and nearby communities. The February 2021 median home sales price in Laguna Woods represented a 14.5 percent decrease from February 2020. In contrast, Orange County as a whole experienced an increase in median sales prices during that time period, and many neighboring jurisdictions also saw only slight to moderate increases. With the exception of Laguna Woods, all of the communities listed experienced an increase in home sale prices between February 2020 and February 2021, with Aliso Viejo and Laguna Beach seeing double-digit increases. In February 2021, the median home sales price for Laguna Woods was \$325,000, representing a decrease of over 14 percent from February 2020. Given that this price decline is somewhat anomalous in comparison to other nearby cities, it may be tied to the severe impacts that the COVID-19 pandemic has had on the senior population.

Table 1.R: Annual Median Home Prices (2020–2021)

Jurisdiction	February 2020 Median Sales Price	February 2021 Median Sales Price	Percent Change 2020-2021
Laguna Woods	\$380,000	\$325,000	-14.5%
Aliso Viejo	\$545,000	\$675,000	23.9%
Irvine	\$871,500	\$900,000	3.3%
Laguna Beach	\$1,972,500	\$2,230,000	13.1%
Laguna Hills	\$785,000	\$813,000	3.6%
Lake Forest	\$742,000	\$789,000	6.3%
Orange County	\$748,500	\$820,000	9.6%

Source: Corelogic.com, California Home Sale Activity by City, February 2021.

1.3.5.3 Housing Affordability

The affordability of housing in Laguna Woods can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

Table 1.S provides estimates of affordable rents and home prices based on HCD's 2020 income limits for Orange County; current mortgage rates (i.e., 3.0 percent for a 30-year fixed-rate mortgage); and cost assumptions for utilities, taxes and insurance.

Based on the housing costs presented earlier in Table 1.R, Laguna Woods residents with lower incomes are unable to afford purchasing a home in Laguna Woods. Additionally, based on the overall median rent presented in Table 1.Q, affordable rentals for lower-income households are difficult to find in Laguna Woods.

Extremely Low-Income Households. Extremely low-income households earn 30 percent or less of the AMI. Based on the assumptions utilized for Table 1.S, the affordable home price for an extremely low-income household ranges from \$83,263 for a one-person household to \$90,972 for a five-person household; therefore, homeownership is out of reach for Laguna Woods residents within this income category. Affordable rents for extremely low-income households range from \$475 to \$582 per month. Based on the median rents presented in Table 1.Q, even one-bedroom units are unaffordable for all extremely low-income households. Severe overpayment or overcrowding may occur as a result of the gap between market costs and affordability.

Very Low-Income Households. Very low-income households earn between 30 percent and 50 percent of the AMI. Very low-income households can afford between \$922 and \$1,273 on monthly rent, depending on household size. However, based on the market rents presented in Table 1.Q, rental units of any size in Laguna Woods would require a very low-income household to pay over the affordability threshold of 30 percent. Home ownership is also unaffordable for very low-income households in Laguna Woods, with affordable home prices for this income category ranging from \$159,922 to \$209,386, well below Laguna Woods' median home sales price of \$325,000 in February 2021.

Table 1.S: Estimated Affordable Housing Price by Income and Household Size (2020)

	Annual Income Limits	Affordable Monthly Housing Cost	Utility Allowance (2020)	Taxes, Insurance and HOA	Affordable Home Price	Affordable Rent
Extremely Low Income (0-30% AMI)						
1-Person (studio)	\$26,950	\$674	\$199	\$236	\$83,263	\$475
2-Person (1 bedroom)	\$30,800	\$770	\$222	\$270	\$88,682	\$548
3-Person (2 bedroom)	\$34,650	\$866	\$293	\$303	\$92,520	\$573
4 Person (3 bedroom)	\$38,450	\$961	\$372	\$336	\$92,982	\$589
5 Person (4 bedroom)	\$41,550	\$1,039	\$457	\$364	\$90,972	\$582
Very Low Income (30-50% AMI)						
1-Person	\$44,850	\$1,121	\$199	\$392	\$159,922	\$922
2-Person	\$51,250	\$1,281	\$222	\$448	\$176,261	\$1,059
3-Person	\$57,650	\$1,441	\$293	\$504	\$191,020	\$1,148
4 Person	\$64,050	\$1,601	\$372	\$560	\$202,616	\$1,229
5 Person	\$69,200	\$1,730	\$457	\$606	\$209,386	\$1,273
Low Income (50-80% AMI)						
1-Person	\$71,750	\$1,794	\$199	\$628	\$275,123	\$1,595
2-Person	\$82,000	\$2,050	\$222	\$718	\$307,951	\$1,828
3-Person	\$92,250	\$2,306	\$293	\$807	\$339,197	\$2,013
4 Person	\$102,450	\$2,561	\$372	\$896	\$367,067	\$2,189
5 Person	\$110,650	\$2,766	\$457	\$968	\$386,899	\$2,309
Median Income (80-100% AMI)						
1-Person	\$72,100	\$1,803	\$199	\$631	\$276,622	\$1,604
2-Person	\$82,400	\$2,060	\$222	\$721	\$309,664	\$1,838
3-Person	\$92,700	\$2,318	\$293	\$811	\$341,124	\$2,025
4 Person	\$103,000	\$2,575	\$372	\$901	\$369,422	\$2,203
5 Person	\$111,250	\$2,781	\$457	\$973	\$389,468	\$2,324
Moderate Income (100-120% AMI)						
1-Person	\$86,500	\$2,163	\$199	\$757	\$338,291	\$1,964
2-Person	\$98,900	\$2,473	\$222	\$865	\$380,327	\$2,251
3-Person	\$111,250	\$2,781	\$293	\$973	\$420,566	\$2,488
4 Person	\$123,600	\$3,090	\$372	\$1,082	\$457,644	\$2,718
5 Person	\$133,500	\$3,338	\$457	\$1,168	\$484,756	\$2,881

Sources: (1) HCD, 2020

(2) Orange County Housing and Community Development Utility Allowance Schedule, December 2020

(3) LSA Associates, Inc., 2021

Assumptions: 2020 HCD income limits; 30.0% gross household income as affordable housing cost; 35.0% of monthly affordable cost for taxes and insurance, 10% down payment; and 3.0% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on Orange County Housing and Community Development Utility Allowance Schedule.

AMI = Annual Median Income

HOA = Homeowners Association

Low-Income Households. Low-income households earn between 50 and 80 percent of the AMI. Depending on household size, a low-income household can afford monthly rent between \$1,595 and \$2,309. Based on the market rents in listed Table 1.Q, low-income households would generally be able to afford one-bedroom units in Laguna Woods. However, larger rental units are still unaffordable for this income category, which may result in overpayment or overcrowding due to larger families renting smaller units. Based on Table 1.S, low-income households can afford home sale prices between \$275,123 and \$386,899. Therefore, homeownership remains largely out of

reach for this income group when compared with Laguna Woods' median home sales price as low-income households may only be able to afford the purchase of a small home.

Median-Income Households. Median-income households earn between 80 and 100 percent of the AMI. Median-income households can afford purchase a home with a purchase price ranging from \$276,622 to \$389,468. With Laguna Woods' median home sales price at \$325,000 in February 2021, homeownership is affordable for median-income households seeking a smaller home. Median-income households can afford a monthly rent payment ranging from \$1,604 for a one-person household to \$2,324 for a five-person household. Based on median market rents within Laguna Woods, median-income households can generally afford one- and two-bedroom rental units, and larger households may be able to afford some lower-priced three-bedroom units. However, four- and five-person households may be overcrowded into smaller units or overpay to afford an appropriately sized unit.

Moderate-Income Households. Moderate-income households earn 100 to 120 percent of the AMI. Moderate-income households can afford a home sales price ranging from \$338,291 to \$484,756. Therefore, with the median home sales price in Laguna Woods at \$325,000 in February 2021, homeownership is affordable to households with moderate incomes. Moderate-income households can afford monthly rent from \$1,964 for a one-person household to \$2,881 for a five-person household. Based on the market rents presented in Table 1.Q, moderate-income households can generally afford one-, two-, and three-bedroom units within Laguna Woods.

1.3.6 Assisted Housing at Risk of Conversion

State Housing Element law requires an analysis of the potential for currently rent-restricted low-income housing units to convert to market rate housing and to propose programs to preserve or replace any units "at risk" of conversion. This section presents an inventory of all assisted rental housing in Laguna Woods and evaluates those units at risk of conversion during the 8-year 2021 to 2029 planning period.

1.3.6.1 Assisted Housing Inventory

Laguna Woods contains one development of assisted multifamily rental housing with 17 affordable units, as presented in Table 1.T. This inventory includes all multifamily rental units assisted under federal, State, and local programs, including HUD, State/local bond programs, density bonus, inclusionary, and local direct assistance programs. As no units within Laguna Woods are at risk of conversion to market rate units in 10 years or less, an analysis has not been conducted to evaluate the replacement value, qualified entities to manage such a project, or potential funding sources for at-risk units.

Table 1.T: Inventory of Subsidized Rental Housing for Lower Income Households

Project Name	Tenant Type	Total Units	Affordable Units	Applicable Programs	Potential Conversion Date
Not At-Risk					
San Sebastian	Senior	134	17	Density Bonus	October 16, 2054
Total		134	17		

1.3.7 Existing Housing Needs

1.3.7.1 Overpayment

Overpayment remains a critical issue for many Laguna Woods residents, particularly renters and lower-income households. Affordability problems occur when housing costs become so high in relation to income that households have to pay an excessive proportion of their income for housing. According to the metric utilized by HUD, a household is cost burdened if housing costs (including utilities) exceed 30 percent of gross household income. Severe cost burden occurs when housing costs exceed 50 percent of gross income.

Table 1.U indicates the number of cost-burdened households within Laguna Woods by tenure. As shown in Table 1.U, overpayment impacts 70 percent of renter households and nearly 41 percent of owner households. More renter households are also impacted by severe cost burden (45 percent), compared to owner households (22 percent).

Table 1.U: Cost Burden by Tenure

	Renter Households		Owner Households		Total Households	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
With Cost Burden >30%	1,885	70.1%	3,475	40.6%	5,360	47.6%
With Cost Burden >50%	1,210	45.0%	1,875	21.9%	3,085	27.4%
Total	2,690	100.0%	8,560	100.0%	11,250	100.0%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2017 ACS 5-year estimates
ACS = American Community Survey
HUD = United States Department of Housing and Urban Development

Table 1.V provides more detailed information on cost burden by income group, tenure, and household type. Overall, cost burden tends to impact proportionately more senior renters than senior homeowners, with the exception of low-income senior renters. Rates of overpayment for small families who rent were 100 percent in the very low and low-income categories. Extremely low-income small-family households who own their own homes are also heavily impacted, with 97 percent experiencing a cost burden and 83 percent experiencing a severe cost burden. As described earlier, Laguna Woods has very few large-family households. Of the few large-family households in Laguna Woods, none are affected by a high cost burden.

Table 1.V: Cost Burden by Income Level, Tenure, and Household Type

Income Group	Cost Burden	Seniors			Small Family			Large Family		
		>30%	>50%	Total	>30%	>50%	Total	>30%	>50%	Total
Extremely Low (<= 30% HAMFI ²)	Owner	79%	69%	1865	97%	83%	30	0%	0%	0
	Renter	87%	86%	800	0%	0%	0	0%	0%	0
Very Low (31-50% HAMFI)	Owner	52%	16%	1750	0%	0%	0	0%	0%	0
	Renter	77%	57%	635	100%	100%	4	0%	0%	0
Low (51-80% HAMFI)	Owner	25%	6%	1780	0%	0%	50	0%	0%	0
	Renter	85%	19%	455	100%	0%	20	0%	0%	0
Moderate (81-100% HAMFI)	Owner	15%	3%	965	13%	0%	75	0%	0%	0
	Renter	65%	0%	200	0%	0%	15	0%	0%	0
Above Moderate (>100% HAMFI)	Owner	3%	0%	1580	0%	0%	105	0%	0%	0
	Renter	3%	0%	375	0%	0%	15	0%	0%	0

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2017 ACS 5-year estimates

¹ Data presented in this table are based on special tabulations from the ACS data. Due to the small sample size, the margins for error can be significant. Interpretations of these data should focus on the proportion of households in need of assistance rather than on precise numbers.

² HAMFI = HUD Area Median Family Income

ACS = American Community Survey

HUD = United States Department of Housing and Urban Development

1.3.7.2 Overcrowding

The United States Census defines overcrowding as an average of more than one person per room in a housing unit, including the living and dining room but excluding kitchens, bathrooms, and hallways. Severe overcrowding occurs when a unit is occupied by more than 1.5 persons per room. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. Overcrowding can also occur when housing costs are high in relation to income and families are forced to live together in order to pool income to pay the rent or mortgage. Table 1.W shows the incidence of overcrowding in Laguna Woods by tenure, as estimated by the 2014–2018 ACS.

As shown in Table 1.W, an estimated total of 13 households experienced overcrowding in Laguna Woods in 2018, representing just under 0.1 percent of all households in Laguna Woods. Countywide, approximately 9 percent of households experienced overcrowded conditions. All 13 of the households in Laguna Woods that experience overcrowding are in the severe overcrowding category.

Table 1.W: Overcrowding by Tenure

Overcrowding	Laguna Woods		Orange County	
	Number	Percent of Total	Number	Percent of Total
Owner Occupied Units	8,305	100.0%	592,269	100.0%
Not Overcrowded (1.00 or Less Occupants/Room)	8,292	99.8%	570,469	96.3%
Overcrowded				
1.01 to 1.50 Occupants/Room	0	0.0%	15,731	2.7%
1.51 or More Occupants/Room	13	0.2%	6,069	1.0%
Renter Occupied Units	2,851	100.0%	440,104	100.0%
Not Overcrowded (1.00 or Less Occupants/Room)	2,851	100.0%	370,391	84.2%
Overcrowded				
1.01 to 1.50 Occupants/Room	0	0.0%	43,900	10.0%
1.51 or More Occupants/Room	0	0.0%	25,813	5.9%
Total Overcrowded	13	0.1%	91,513	8.9%

Source: 2018 ACS 5-year estimates

1.4 AFFIRMATIVELY FURTHERING FAIR HOUSING

In January 2019, Assembly Bill (AB) 686 introduced an obligation to affirmatively further fair housing (AFFH) into California state law. AB 686 defined “affirmatively further fair housing” to mean “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for persons of color, persons with disabilities, and other protected classes. AB 686 added an assessment of fair housing to the Housing Element that includes the following components: a summary of fair housing issues and assessment of local fair housing enforcement and outreach capacity, an analysis of segregation patterns and disparities in access to opportunities, an assessment of contributing factors, and an identification of fair housing goals and actions.

To assist in this analysis, HCD and the California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task Force to “provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD).” The California Fair Housing Task Force has created Opportunity Maps to identify resource levels across the state “to accompany new policies aimed at increasing access to high opportunity areas for families with children in housing financed with 9% Low Income Housing Tax Credits (LIHTCs).” These opportunity maps are made from composite scores of four different domains made up of a set of indicators. Table 1.X shows the full list of indicators.

Table 1.X: Domains and Lists of Indicators for Opportunity Maps

Domain	Indicator
Economic	<ul style="list-style-type: none"> ● Poverty ● Adult education ● Employment ● Job proximity ● Median home value
Environmental	<ul style="list-style-type: none"> ● CalEnviroScreen 3.0 pollution Indicators and values
Education	<ul style="list-style-type: none"> ● Math proficiency ● Reading proficiency ● High School graduation rates ● Student poverty rates
Poverty and Racial Segregation	<ul style="list-style-type: none"> ● Poverty: tracts with at least 30% of population under federal poverty line ● Racial Segregation: Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County

Source: California Fair Housing Task Force, Methodology for the 2020 TCAC/HCD Opportunity Maps, June 2020

1.4.1 Fair Housing Issues

1.4.1.1 Discrimination

The Fair Housing Council of Orange County (FHCOC) works to ensure equal access to housing opportunities and elimination of housing discrimination by providing services throughout Orange County including community education, individual counseling, mediation, and low-cost advocacy. Questions received by the City regarding potential housing discrimination are referred to the FHCOC. The City does not have a record of the number of issues or complaints within Laguna Woods that the FHCOC has addressed.

1.4.1.2 Patterns of Segregation and Minority Concentrations

Ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns, as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences, and mobility. According to the California Fair Housing Task Force Opportunity Maps, none of the census tracts within Laguna Woods are designated as areas with high segregation and poverty.

1.4.1.3 Access to Opportunities

Table 1.Y shows the California Fair Housing Task Force Opportunity Map composite scores, domain scores, and categorization for all eight of the census tracts that are partially or entirely within Laguna Woods. The majority of the census tracts within Laguna Woods are categorized as Low Resource areas. There are three census tracts within Laguna Woods that are categorized as Moderate Resource areas (of these, two are “Rapidly Changing”) and one census tract (Census Tract 626.49) is categorized as a High Resource area. Census Tract 626.49 is located in the westernmost portion of Laguna Woods (west of Avenida Sosiega) adjacent to the Woods End Wilderness Preserve.

Table 1.Y: Opportunity Map Scores and Categorization (2020)

Census Tract	Economic Domain Score	Environmental Domain Score	Education Domain Score	Composite Index Score	Final Category
626.21	0.74	0.516	0.38	0.029	Moderate Resource (Rapidly Changing)
626.22	0.005	0.542	0.203	-0.63	Low Resource
626.25	0.132	0.787	0.503	-0.064	Moderate Resource
626.41	0.598	0.821	0.442	0.144	Moderate Resource (Rapidly Changing)
626.46	0.021	0.799	0.291	-0.423	Low Resource
626.47	0.127	0.511	0.343	-0.335	Low Resource
626.48	0.002	0.925	0.388	-0.439	Low Resource
626.49	0.34	0.882	0.7	0.283	High Resource

Source: California Fair Housing Task Force, TCAC/HCD Opportunity Maps, 2020 Statewide Summary Table

Access to high-quality public transportation can also be looked at as an indicator of access to opportunities. AllTransit is a database created by the Center for Neighborhood Technology to explore metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. AllTransit's overall evaluation was that Laguna Woods had a low combination of trips per week and number of accessible jobs, enabling few people to take transit to work. Specifically, while the vast majority of jobs within Laguna Woods are located within 0.5 mile of transit and Laguna Woods residents can access over 90,000 jobs within a 30-minute transit commute, the transit quality within Laguna Woods is low. There are only four transit routes within Laguna Woods, and none of them offer high-frequency service as defined by AllTransit, making commuting by means of public transportation difficult.

The California Office of Environmental Health Hazard Assessment (OEHHA) developed a screening methodology to help identify California communities disproportionately burdened by multiple sources of pollution, called the California Communities Environmental Health Screening Tool (CalEnviroScreen). High-scoring communities tend to be more burdened by pollution from multiple sources and most vulnerable to its effects, taking into account their socioeconomic characteristics and underlying health status. Scores for census tracts within Laguna Woods are listed in Table 1.Z. Scores for Laguna Woods range between 4.81 and 28.08, which are relatively low. The highest-scoring area within Laguna Woods is the census tract on the southeast side of Laguna Woods near Interstate 5 (Census Tract 626.47).

Table 1.Z: CalEnviroScreen Scores by Census Tract (2020)

Census Tract	CalEnviroScreen Score	CalEnviroScreen Percentile
626.21	6.37	21
626.22	15.18	37
626.25	12.47	37
626.41	4.81	18
626.46	18.9	44
626.47	28.08	54
626.48	10.56	32
626.49	6.30	22

Source: CA Office of Environmental Health Hazard Assessment (OEHHA), CalEnviroScreen 4.0 Draft

1.5 REGIONAL HOUSING NEEDS

State law requires all regional councils of governments to determine the existing and projected housing need for its region and determine the portion allocated to each jurisdiction. This is known as the RHNA process. State Housing Element law requires that each city and county develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups, as determined by the jurisdiction’s Council of Governments. This fair-share allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs not only of its resident population but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

In the six-county Southern California region, which includes Laguna Woods, the agency responsible for assigning these regional housing needs to each jurisdiction is SCAG. The regional growth allocation process begins with the California Department of Finance’s projection of statewide housing demand for a 5-year planning period, which is then apportioned by HCD among each of the State’s official regions. SCAG has determined the projected housing need for its region for the 2021 to 2029 Housing Element cycle and has allocated this housing need to each jurisdiction by income category through the RHNA process. The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning, and is one of the primary threshold criteria necessary to achieve HCD certification of the Housing Element.

In allocating the region’s future housing needs to jurisdictions, SCAG is required to take the following factors into consideration:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites and public facilities
- Commuting patterns
- Type and tenure of housing
- Loss of units in assisted housing developments
- Overconcentration of lower-income households
- Geological and topographical constraints

As defined by the RHNA process, Laguna Woods’ new construction need for the 2021 to 2029 planning period has been established at 997 new units, distributed among the four income categories as shown in Table 1.AA. The City will continue to provide sites for a mix of single-family, multifamily and mixed-use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute toward addressing the growing demand for housing in the Southern California region.

Table 1.AA: Regional Housing Needs Assessment, 2021–2029

Income Level	Number of Units	Percent of Total RHNA
Very Low* (<50% of AMI)	127	12.7%
Low (50-80% of AMI)	136	13.6%
Moderate (80-120% of AMI)	192	19.3%
Above Moderate (>120% of AMI)	542	54.4%
Total	997	100%

AMI = Annual Median Income

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8.2
AD HOC AUDIT COMMITTEE
(NO REPORT)

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