



City of Covina/Successor Agency to the
Covina Redevelopment Agency/
Covina Public Finance Authority/
Covina Housing Authority

Mayor Kevin Stapleton – Mayor Pro Tem Walt Allen, III
Council Members Peggy Delach – John King – Bob Low

REGULAR MEETING AGENDA

125 E. College Street, Covina, California

Council Chamber of City Hall

Tuesday, November 6, 2012

6:30 p.m.

- As a courtesy to Council/Agency/Authority Members, staff and attendees, everyone is asked to silence all pagers, cellular telephones and any other communication devices.
- Any member of the public may address the Council/Agency/Authority during both the public comment period and on any scheduled item on the agenda. Comments are limited to a maximum of five minutes per speaker unless, for good cause, the Mayor/Chairperson amends the time limit. Anyone wishing to speak is requested to submit a yellow Speaker Request Card to the City Clerk; cards are located near the agendas or at the City Clerk's desk.
- Please provide 10 copies of any information intended for use at the Council/Agency/Authority meeting to the City Clerk prior to the meeting.
- **MEETING ASSISTANCE INFORMATION:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (626) 384-5430. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.
- **DOCUMENT AVAILABILITY:** Any writings or documents provided to a majority of the Council/Agency/Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Office counter at City Hall located at 125 E. College Street and the reference desk at the Covina Library located at 234 North Second Avenue during normal business hours. In addition, such writings and documents are available in the City Clerk's Office and posted on the City's website at www.covinaca.gov.
- Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Covina Housing Authority unless listed on agenda, which has been posted not less than 72 hours prior to meeting.
- If you challenge in court any discussion or action taken concerning an item on this Agenda, you may be limited to raising only those issues you or someone else raised during the meeting or in written correspondence delivered to the City at or prior to the City's consideration of the item at the meeting.
- The Sr. Deputy City Clerk of the Covina City Council hereby declares that the agenda for the **November 6, 2012** meeting was posted on **November 1, 2012** near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2(a) of the California Government Code.

November 6, 2012

**CITY COUNCIL/SUCCESSOR AGENCY TO THE
COVINA REDEVELOPMENT AGENCY/
COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY
JOINT MEETING—CLOSED SESSION
6:30 p.m.**

CALL TO ORDER

ROLL CALL

Council/Agency/Authority Members Delach, King, Low, Mayor Pro Tem/Vice Chairperson Allen and Mayor/Chairperson Stapleton

PUBLIC COMMENTS

The Public is invited to make comment on Closed Session items only at this time. To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each.

The City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority will adjourn to Closed Session for the following:

CLOSED SESSION

- A. G.C. §54957.6 – CONFERENCE WITH LABOR NEGOTIATOR
Agency representative: Marco A. Martinez, City Attorney
Unrepresented Employee Title: City Manager

- B. G.C. §54956.9(a) – CONFERENCE WITH LEGAL COUNCIL – Existing Litigation
Name of case: City of Covina et. al v. LPC Center et. al - Case No. KC0646566

RECESS

**CITY COUNCIL/SUCCESSOR AGENCY TO THE
COVINA REDEVELOPMENT AGENCY/
COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY
JOINT MEETING—OPEN SESSION
7:30 p.m.**

RECONVENE/CALL TO ORDER

ROLL CALL

Council/Agency/Authority Members Delach, King, Low, Mayor Pro Tem/Vice Chairperson Allen and Mayor/Chairperson Stapleton

PLEDGE OF ALLEGIANCE

Led by Council Member Delach

INVOCATION

Led by Covina Police Chaplain David Truax

PRESENTATIONS

Presentation – Pack 446, Covina Cub Scouts

Presentation – World War I names to be added to plaque at the City Hall Courtyard

Presentation – Given by Mayor Kevin Stapleton

PUBLIC COMMENTS

To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk/Agency/Authority Secretary. Your name will be called when it is your turn to speak. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed. Those wishing to speak on an item NOT ON THE AGENDA will be heard at this time. State Law prohibits the Council/Agency/Authority Members from taking action on any item not on the agenda. Individual speakers are limited to five minutes each.

COUNCIL/AGENCY/AUTHORITY COMMENTS

Council/Agency/Authority Members wishing to make any announcements of public interest or to request that specific items be added to future City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority Agendas may do so at this time.

CITY MANAGER COMMENTS

CONSENT CALENDAR

All matters listed under consent calendar are considered routine, and will be enacted by one motion. There will be no separate discussion on these items prior to the time the Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority votes on them, unless a member of the Council/Agency/Authority requests a specific item be removed from the consent calendar for discussion.

- CC 1.** City Council to approve the minutes from the October 2, 2012 special meeting of the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 2.** City Council to approve the minutes from the October 2, 2012 regular meeting of the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 3.** City Council to approve the minutes from the October 16, 2012 regular meeting of the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority.

- CC 4. City Council to approve the minutes from the October 18, 2012 special joint meeting of the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority with L.A. Supervisor Michael Antonovich.
- CC 5. City Council to approve the carryover of encumbrances from fiscal year 2011-2012 to fiscal year 2012-2013.
- CC 6. City Council to receive and file the report of total workers' compensation liabilities pursuant to Labor Code Section 3702.6(b).
- CC 7. City Council to authorize the City Manager to approve the letter of engagement with Macias Gini O' Connell LLP for due diligence review of the Successor Agency funds.
- CC 8. City Council to award of bid sewer main replacement at Vincent Avenue and new sewer installation at Charter Drive, Project No. S-1206.
- CC 9. City Council to adopt **Resolution No. 12-7117**, to amend the fiscal year 2012-2013 budget for new appropriations.
- CC 10. City Council to adopt **Resolution No. 12-7118**, to approve the City of Covina Employer/Employee Public Transit Agreement.
- CC 11. City Council to receive and file strategic plan update.

CONTINUED BUSINESS

- CB 1. City Council to hold first reading and re-introduce an Ordinance amending Title 5 of the Municipal Code, Business Licenses and Regulations by adding Chapter 5.06 pertaining to rental housing permitting and inspection and schedule second reading of said Ordinance.

Staff Recommendation:

- 1) That the City Council hold first reading and Re-introduce **Ordinance No. 10-1980**, amending Title 5, Business Licenses and Regulations, by adding Chapter 5.06 pertaining to rental housing permitting and inspection; and
- 2) That the City Council schedule second reading and consider the of adoption of Ordinance No. 10-1980 for the regular City Council meeting of November 20, 2012.

ADJOURNMENT

The Covina City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority will adjourn to its next regular meeting, **Tuesday, November 20, 2012** at 6:30 p.m. for closed session and at 7:30 p.m. for open session in the Council Chamber located inside of City Hall, 125 East College Street, Covina, California, 91723.



MINUTES OF THE OCTOBER 2, 2012 SPECIAL MEETING OF THE COVINA CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY /COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor Stapleton called the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority special meeting to order at 4:10 p.m. All Members were present.

ROLL CALL

Council Members Present: ALLEN, KING, LOW, STAPLETON, DELACH

Council Members Absent: NONE

Staff Members Present: City Manager, City Attorney, Police Captain, Assistant to the City Manager, Parks & Recreation Director/Library Director, Interim Public Works Director, Assistant Director of Public Works, Finance Manager, Community Relations Supervisor and Sr. Deputy City Clerk

AGENDA POSTING DECLARATION

The Senior Deputy City Clerk of the City of Covina hereby declares that the special meeting agenda for the October 2, 2012, City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority was posted on September 27, 2012, near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

PLEDGE OF ALLEGIANCE

Police Captain David Povero led the pledge of allegiance.

PUBLIC COMMENTS

Jim Oronoz, Covina resident, spoke regarding property owners in the Prospero area that are not doing their share to keep the location in compliance with municipal codes.

Joe Rode, Covina resident, spoke regarding an on-going problem with a neighbor who continually is noncompliance with various municipal codes.

COUNCIL/AGENCY/AUTHORITY COMMENTS

None.

CITY MANAGER COMMENTS

None.

PRESENTATIONS

Staff discussed the following during the PowerPoint presentation:

Interim Public Works Director Kalieh Honish:

- Solutions using the partnership of Code Enforcement and the Police Department
- Bring improvements through inspection, education, and enforcement
- Develop an appropriate response while upholding ordinances
- Improve “areas of blight” and prevent more from appearing so more people would want to live here
- Code enforcement does not look for violations, they respond to health and safety issues, which is where the Police Department comes in
- Some problems include the economic downturn, shortage of resources, and there is no “one size fits all” solution
- Rise of complaint-driven inspections, 352% increase
- Want to work to enforce municipal code to cases they are called on
- Discussed past rental housing Ordinance 10-1980 and the benefits of this ordinance
- Gave statistics on rental units by Code Enforcement and compared to other cities
- Projections for fees in the City Rental Property Inspection Ordinance
- Proposed tools to help enforcement of Municipal Code
- Expectations and goals for upcoming tasks
- Come up with a tool that fits needs of repeat offenders rather than punish anyone

Assistant Director of Public Works Alex Gonzalez:

- Outlined recent code enforcement cases that are rare, but serious problems
- Worked with investors to improve substandard properties
- 160 inspections of foreclosed houses in 2006, increased to 4,675 inspections of foreclosed houses in 2012
- Compared a foreclosed property to the same property after City/Investor abatement

Covina Police Captain David Povero:

- Brought up National Night Out and the visuals there, in Prospero Park
- Prospero Park is a densely populated area
- Gave examples of crimes that happen in this area and other densely populated areas
- Ways they have tried to prevent crime, but only some have worked
- Properties are less attended to because of economic decline

- Showed pictures of unmaintained properties in Covina that Code Enforcement “red-tagged”
- Discussed quality of life issues they have with some property owners in Prospero Park
- Rising crime levels, and what crimes have risen in this area, 320 PD actions in this one block in one year
- Measures for enforcement actions

Chris Wright, Covina property manager, noted that he manages properties in surrounding cities and that the proposed fees in the Covina rental inspection ordinance are lower than other cities. Mr. Wright stated that he strongly supports having an ordinance that implements enforcement to those in violation of the municipal code.

Glen Garrett, President of the Prospero Park Apartment Owners Association, spoke in support of the proposed rental inspection ordinance. Mr. Garrett suggested having higher fines for those property owners that have repeat violations. Mr. Garrett urged the Council to consider fees on the lower end for rental property owners.

Rich Jett, Covina Business Owner, spoke in favor of the proposed rental inspection ordinance.

ADJOURNMENT

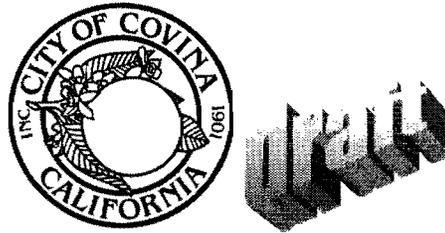
At 5:29 p.m., Mayor Stapleton adjourned the special meeting of the Covina City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority to the next regular meeting to be held on Tuesday, October 2, 2012 at 6:30 p.m. for closed session and 7:30 p.m. for open session in the Council Chamber located in the Council Chamber located inside of City Hall, 125 East College Street, Covina, California, 91723.

Respectfully submitted:

Catherine M. LaCroix, CMC
Senior Deputy City Clerk/Secretary

Approved this 6th day of November, 2012.

Kevin Stapleton, Mayor/Chairperson



MINUTES OF OCTOBER 2, 2012 REGULAR MEETING OF THE COVINA CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY /COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor Stapleton called the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority meeting to order at 6:31 p.m. with Mayor Stapleton noting that all Council Members are in attendance for closed session with the exception of Council Member Low. City Attorney Marco Martinez announced the closed session item listed on the regular meeting agenda. There was no public comment.

ROLL CALL

Council Members Present: ALLEN, DELACH, KING, LOW, STAPLETON

Council Members Absent: NONE

Elected Members Present: FIELDING, MANNING

Staff Members Present: Human Resources Director, City Attorney, Finance Director, Police Captain, Assistant to the City Manager, Interim Public Works Director, Sr. Human Resources Analyst, Environmental Services Manager, Assistant Director of Public Works, Sr. Redevelopment Manager, Senior Planner and Sr. Deputy City Clerk

AGENDA POSTING DECLARATION

The Sr. Deputy City Clerk of the City of Covina hereby declared that the agenda for the October 2, 2012 City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority meeting was posted on September 27, 2012 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

CLOSED SESSION

- A. G.C. §54956.9(a) – CONFERENCE WITH LEGAL COUNCIL – Existing Litigation
Name of case: City of Covina et. al v. LPC Center et. al - Case No. KC0646566

RECONVENE THE MEETING

The City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority meeting reconvened at 7:31 p.m., with all members present.

City Attorney Marco Martinez reported City Council/Agency/Authority met in closed session to discuss the items listed on the regular meeting agenda with Council Member Low absent from closed session. City Attorney Martinez reported there is no reportable action related to the closed session item.

PLEDGE OF ALLEGIANCE

Council Member King led the pledge of allegiance.

INVOCATION

Covina Police Chaplain Jerry Gunderson gave the invocation.

PRESENTATIONS

Scott Chamberlain, Director of the San Gabriel Valley Consortium on Homelessness, gave a PowerPoint presentation regarding the 15-year history of the organization and the 2013 Greater Los Angeles Homeless Count.

Mayor Stapleton invited Alhambra Mayor Barbara Messina, President of the San Gabriel Valley Council of Governments (SGVCOG), along with Rick Meza, SGVCOG Local Public Affairs representative to the lectern. Mayor Messina spoke about Covina reaching silver level by increasing energy efficiency and conservation. Mayor Messina and Rick Meza presented a \$7,644 check from Southern California Edison to the City for their participation in SGVCOG energy savings projects.

Dr. Catherine Nichols, Superintendent of the Covina-Valley Unified School District, gave a PowerPoint presentation on district essentials and spoke regarding Measure CC, which is on the November ballot.

PUBLIC COMMENTS

Donna Souza, Covina resident, read a statement regarding two dogs that attacked her while she was walking in her neighborhood.

Leonard Rose, Jr., La Puente resident, spoke regarding October events at Covina Christ First Baptist Church located on North Second Avenue. Additional information call: (626) 339-7378.

Andy McIntyre, Covina Rotary Club representative, spoke regarding the Field of Valor event, November 4-11, 2012, at Sierra Vista Middle School, 777 Puente Avenue, Covina.

Richard and Carolyn Watson, representing Family Life Church located at 160 North Barranca Avenue, spoke regarding being a new church in the community and welcomed everyone to attend Sunday services.

COUNCIL/AGENCY/AUTHORITY COMMENTS

Council Member Low remarked on the information provided at the special meeting regarding Prospero Park, stating that City Council is working to resolved some of the concerns. Council Member Low requested to adjourn the meeting in memory of Kathleen June Stoney a Covina resident and member of the League of Women's Voters.

Council Member King spoke regarding Covina day at the L.A. County Fair and reminded everyone about the Thunderfest Festival event in a few weeks.

Council Member Delach commented on the information provided at the special meeting, adding that she is optimistic that the proposed ordinance would free the city of dilapidated rental units.

Mayor Pro Tem Allen requested to adjourn the meeting in memory of Daryl Parrish's brother-in-law, Andy O'Leary.

Mayor Stapleton announced the following upcoming community events:

- *The Magic of Taylor Hughes* at the Covina Center for Performing Arts on Friday, October 5, 2012 and Saturday, October 6, 2012
- *Day of the Dead* event on Saturday, October 27, 2012 from 5:00 p.m. to 10:00 p.m. at Covina Park
- City of Covina Halloween Carnival sponsored by the Covina Lions Club at Covina Park on Wednesday, October 31, 2012 from 5:30 p.m. to 8:30 p.m.

CITY MANAGER COMMENTS

City Manager Daryl Parrish expressed appreciation for Council's support and understanding regarding his brother-in-law. City Manager Parrish spoke about Andy's accomplishments and how he had remained positive when diagnosed with pancreatic cancer.

City Manager Parrish reported on his attendance of the League of California Cities annual conference in San Diego, September 5-7, 2012. City Manager Parrish stated that there is a State Regional Water Control Board hearing regarding Waste Discharge Requirements for Municipal Storm Sewer System (MS4) permit on October 4, 2012, if a member of the City Council would like to attend along with City staff.

CONSENT CALENDAR

On a motion made by Council Member King, seconded by Council Member Delach, the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority approved Consent Calendar items CC1, CC2, CC3, CC4, CC5, CC6, CC7, CC8, CC9, CC11, CC12 and CC13. Consent Calendar item CC10 was removed from the agenda for further discussion and consideration. **Motion carried 5-0.**

- CC 1.** City Council approved the minutes from the September 18, 2012 regular meeting of the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 2.** City Council received and filed the 1st Quarter 2012 Sales Tax Update.
- CC 3.** City Council awarded a bid to Gentry Brothers, Incorporated for Sewer Main Replacement at Grand Avenue and Ruddock Street, Project No. S-1202, as the lowest responsive and responsible bidder in the amount of \$1,092,545.

- CC 4.** City Council adopted **Resolution No. 12-7106**, amending fiscal year 2012-2013 Public Works Department, Code Enforcement Operations operating budget to reflect an appropriation from the Community Improvement fund for a subscription agreement with Dataquick Information Systems, Incorporated.
- CC 5.** City Council adopted **Resolution No. 12-7107**, increasing fiscal year budget in order to complete equipment upgrades in the Council Chamber.
- CC 6.** City Council adopted **Resolution No. 12-7108**, calling for the holding of a General Municipal Election to be held on Tuesday, March 5, 2013 for the election of certain officers as required by the provisions of the State of California relating to general law cities; adopted **Resolution No. 12-7109**, requesting the Board of Supervisors of the County of Los Angeles to render specified services to the City; and adopted **Resolution No. 12-7110**, adopting regulations for candidates for elective office pertaining to candidates statements submitted to the voters.
- CC 7.** City Council approved the Memorandum of Understanding for the 2013 Greater Los Angeles Homeless Count Opt-In-Program.
- CC 8.** City Council received and filed the notification of the Covina Irrigating Company annual stockholders designating the City Attorney, Marco Martinez, as proxy and the City Manager, Daryl Parrish, alternate proxy.
- CC 9.** City Council adopted **Resolution No. 12-7111**, accepting reprogrammed grant funding from the 2009 California State Homeland Security Grant Program (SHSGP) for the purchase of UHF portable radios; and adopting **Resolution No. 12-7112**, authorizing an increase in the 2012-2013 Police Department budget for the purchase of UHF portable radios.
- CC 10.** City Council to receive and file request for refund from water utility customer.
- Council Member Low stated a concern regarding the cost breakdown for the replacement of a residential water meter.
- Interim Public Works Director Kalieh Honish reported the labor breakdown is a result of one employee that provides the replacement maintenance of the meter, while the second employee provides the technical support to program the “smart” water meter.
- On a motion made by Council Member Delach, seconded by Mayor Pro Tem Allen, the City Council/Agency/Authority approved Consent Calendar item CC 10. **Motion carried 4-1, with Council Member Low voting no.**
- CC 11.** City Council awarded a bid to Allsup Corporation, as the lowest responsible and responsive bidder, for the CNG Refueling Station Upgrade, Project No. M-1118, in the amount of \$666,200.
- CC 12.** City Council considered a letter supporting the U.S. Conference of Mayors letter preventing sequestration cuts and authorizing Mayor Stapleton to sign.

CC 13. City Council received and filed the Due Diligence Review of the Low/Moderate Income Housing Funds; required per Health and Safety Code Section 34179.5 and directed staff to submit the report to the Oversight Board.

ADJOURNMENT

At 8:46 p.m., Mayor Stapleton adjourned the meeting in memory of Kathleen June Stoney and Andy O’Leary to a regular meeting of the Covina City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority to be held on **Tuesday, October 16, 2012** at 6:30 p.m. for closed session and 7:30 p.m. for open session in the Council Chamber located inside of City Hall, 125 East College Street, Covina, California, 91723.

Respectfully Submitted:

Catherine M. LaCroix, CMC
Senior Deputy City Clerk

Approved this 6th day of November, 2012.

Mayor/Chairperson Stapleton



MINUTES OF OCTOBER 16, 2012 REGULAR MEETING OF THE COVINA CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY /COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor Stapleton called the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority meeting to order at 6:32 p.m. City Attorney Marco Martinez announced the closed session item listed on the regular meeting agenda. There was no public comment.

ROLL CALL

Council Members Present: ALLEN, DELACH, KING, LOW, STAPLETON

Council Members Absent: NONE

Elected Members Present: MANNING

Staff Members Present: City Manager, City Attorney, Human Resources Director, Finance Director, Police Captains, Assistant to the City Manager, Deputy Fire Chief, Interim Public Works Director, Executive Assistant, Environmental Services Manager, Administrative Technician and Sr. Deputy City Clerk

AGENDA POSTING DECLARATION

The Sr. Deputy City Clerk of the City of Covina hereby declared that the agenda for the October 16, 2012 City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority meeting was posted on October 11, 2012 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

CLOSED SESSION

- A. G.C. §54956.9(a) – CONFERENCE WITH LEGAL COUNCIL – Existing Litigation
Name of case: City of Covina et. al v. LPC Center et. al - Case No. KC0646566

RECONVENE THE MEETING

The City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority meeting reconvened at 7:32 p.m., with all members present.

City Attorney Marco Martinez reported City Council/Agency/Authority met in closed session to discuss the item listed on the regular meeting agenda. City Attorney Martinez reported there is no reportable action related to the closed session item.

PLEDGE OF ALLEGIANCE

Mayor Stapleton led the pledge of allegiance.

INVOCATION

Covina Police Chaplain Jerry Gunderson gave the invocation.

PRESENTATIONS

Mayor Stapleton spoke about the August 18, 2012 Dare to Care cut-a-thon event and Citrus Valley Hospice. Mayor Stapleton, along with Mayor Pro Tem Allen, distributed certificates of appreciation to the foundation committee members, participating salons, and the volunteers that assisted with the event.

Mayor Stapleton invited Kommah Seray, breast cancer survivor and founder of the Kommah Seray Inflammatory Breast Cancer Foundation to the lectern and presented her with a proclamation recognizing her work in conjunction with Breast Cancer Awareness Month.

PUBLIC COMMENTS

Daniel Lomeli representing Thematic Attic spoke on upcoming teaching programs at their store located at 235 E. Badillo. Mr. Lomeli invited everyone to visit the educational and entertaining store.

COUNCIL/AGENCY/AUTHORITY COMMENTS

Council Member Low requested to adjourn the meeting in memory of Richard “Dick” Gratton who was a Covina resident from 1961 to 2007. Council Member Low spoke of his meeting Presidential Candidate George W. Bush and California Governor George Deukmejian on November 6, 1988, representing Covina as then Mayor. Council Member Low stated he has a concern with the recent Library report statistics, which show a decrease in usage/sales in the last year. Council Member Low requested greater attention be made to expanding library services.

Council Member King commended City staff and the Covina Downtown Association on the success of Thunderfest. Council Member King remarked on a new Covina business located at 151 West Badillo, Branson Sash & Door, Inc., windows and door specialists. Council Member King requested to have an item return at a future Council meeting regarding updating the names to the World War I plaque at the Donald Ward Evans, Jr., Memorial Courtyard at City Hall.

Council Member Delach praised all those that worked and volunteered at the Thunderfest, adding that the event gets better each year.

Mayor Pro Tem Allen spoke about the Thunderfest Festival and applauded the idea of having the food trucks at the event for variety. Mayor Pro Tem Allen requested to have San Gabriel Valley Mosquito & Vector Control attend a future Council meeting and give a presentation on the latest information on West Nile Virus. Mayor Pro Tem Allen requested a status report at a future meeting regarding the window installation at the Olson project located on Citrus Avenue. Mayor Pro Tem Allen requested to recognize Firefighters from Station 154 for their recent lifesaving activities.

Mayor Stapleton announced the following upcoming community events:

- *Dump Your Junk* community event on Saturday, October 20, 2012 at the Covina Metrolink Station Lot from 9:00 a.m. to 1:00 p.m.
- Household Hazardous Round-up event on Saturday, October 20, 2012 at the K-Mart parking lot, 1162 N. Citrus Avenue from 9:00 a.m. to 3:00 p.m.
- Covina Public Library book and bake sale on Saturday, October 20, 2012 from 10:00 a.m. to 4:00 p.m. in the community room
- Covina Public Library is collecting canned food from October 23 until November 21, 2012, as payment for overdue fines with all collections being donated to local agencies
- *Day of the Dead* event on Saturday, October 27, 2012 from 5:00 p.m. to 10:00 p.m. at Covina Park
- City of Covina Halloween Carnival at Covina Park on Wednesday, October 31, 2012 from 5:30 p.m. to 8:30 p.m.
- Covina Lions Club Casino Night on Saturday, November 3, 2012 from 6:00 p.m. to 10:00 p.m. at the Covina Woman's Club

Mayor Stapleton mentioned a new business in Covina, Mariposa Restaurant, located in the 200 block of East Rowland. Mayor Stapleton announced that the Covina Valley Historical Society is having a T-shirt fundraiser and displayed a sample T-shirt.

Mayor Stapleton, seconded by Council Member Delach, requested to have staff return before City Council with a request for proposal for attorney services.

CITY MANAGER COMMENTS

City Manager Daryl Parrish reminded everyone about the joint meeting with Supervisor Michael Antonovich on October 18, 2012 and the Strategic Planning Workshop on October 25, 2012. City Manager Parrish provided an update that the plywood was removed from Citrus Avenue Olson project and fencing surrounds the front side of the project. City Manager Parrish noted that staff believes Olson will soon install windows on the retail portion. He will keep the City Council apprised of project updates and the status of the windows. City Manager Parrish commended staff for their work with the Thunderfest Festival. City Manager Parrish asked for understanding from the Council in that an attorney proposal process takes time.

CONSENT CALENDAR

On a motion made by Council Member King, seconded by Council Member Delach, the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority approved Consent Calendar items CC1, CC2, CC3, CC4, CC5,

CC6, CC7, CC8 and CC10. Consent Calendar item CC9 was removed from the agenda for further discussion and consideration. **Motion carried 5-0.**

- CC 1. City Council received and filed the water utility billing and automated meter reading projects quarterly status update.
- CC 2. City Council received and filed the Public Works Department monthly activity report.
- CC 3. City Council adopted **Resolution No. 12-7113**, amending the fiscal year 2012-2013 budget for new appropriations.
- CC 4. City Council adopted **Resolution No. 12-7114**, approving the carryover of continuing unencumbered appropriations from fiscal year 2011-2012 to fiscal year 2012-2013.
- CC 5. City Council adopted **Resolution No. 12-7115**, approving the carryover of encumbrances from fiscal year 2011-2012 to fiscal year 2012-2013.
- CC 6. City Council adopted **Resolution No. 12-7116**, authorizing budget adjustments for fiscal year 2011-2012.
- CC 7. City Council approved payment of demands in the amount of \$5,126,229.87
- CC 8. Successor Agency to the Covina Redevelopment Agency approved the payment of demands in the amount of \$382,813.68.
- CC 9. City Council to receive and file the endorsement of Measure J.

Council Member Low stated that he has a concern with supporting Measure J that extends sales tax to 2069 when it does not seem the City receives all the revenues.

Interim Public Works Director Kalieh Honish clarified that the ballot measure funding is distributed to Los Angeles cities, county unincorporated areas and to transportation agencies. Interim Public Works Director Honish explained how the Public Works Department uses funding for transportation-related projects.

On a motion made by Council Member King, seconded by Council Member Delach, the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority to approve Consent Calendar item CC9. **Motion denied 2-3, with Council Member Low, Mayor Pro Tem Allen and Mayor Stapleton in opposition.**

- CC 10. City Council approved the license agreement by and between the City of Covina and the Master Wan Ko Yee International Cultural Institute for the use of private property for City employee parking.

ADJOURNMENT

At 8:29 p.m., Mayor Stapleton adjourned the meeting in memory of Dick Gratton to a special joint meeting with Los Angeles County Board Supervisor Michael D. Antonovich, **Thursday, October 18, 2012 at 8:00 a.m.**, in the Council Chamber located inside of City Hall, 125 East College Street, Covina, California, 91723.

Respectfully Submitted:

Catherine M. LaCroix, CMC
Senior Deputy City Clerk

Approved this 6th day of November, 2012.

Mayor/Chairperson Stapleton



MINUTES OF THE OCTOBER 18, 2012 SPECIAL MEETING WITH SUPERVISOR MICHAEL D. ANTONOVICH OF THE COVINA CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY /COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor Stapleton called the City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority special joint meeting with Los Angeles County Supervisor Michael D. Antonovich to order at 8:13 a.m. with Council Member Delach and Council Member Low absent.

ROLL CALL

Council Members Present: ALLEN, KING, STAPLETON

Council Members Absent: DELACH (with notice), LOW (with notice)

Staff Members Present: City Manager, City Attorney, Police Captain, Assistant to the City Manager, Interim Public Works Director, Assistant Director of Public Works, Finance Manager, Community Relations Supervisor and Sr. Deputy City Clerk

AGENDA POSTING DECLARATION

The Senior Deputy City Clerk of the City of Covina hereby declares that the special joint meeting agenda for the October 18, 2012, City Council/Successor Agency to the Covina Redevelopment Agency/Public Finance Authority/Housing Authority was posted on October 16, 2012, near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

PLEDGE OF ALLEGIANCE

Supervisor Michael D. Antonovich led the pledge of allegiance.

PUBLIC COMMENTS

None.

COUNCIL/AGENCY/AUTHORITY COMMENTS

The City Council welcomed Supervisor Antonovich.

CITY MANAGER COMMENTS

None.

NEW BUSINESS

Discussion took place on the following items under New Business:

- Concerns regarding California Assembly Bill 109 – criminal justice alignment.
- Appreciation for the transferring of County Parks and Recreation grant funds from the gymnasium project to the Joslyn Center Rehabilitation project.
- The reprogramming of federal earmark funds from the Covina Metrolink Station pedestrian bridge and pedestrian undercrossing project to the Interstate 5 South project in Los Angeles and Orange County.
- Appreciation for the support from the Los Angeles County Public Works Department on projects located in Covina.
- Discussed reciprocity between agencies regarding city and county permit fees.
- Discussion regarding Measure J on the November 6, 2012 ballot, and the usage of the 1/2 cent transportation sales tax.
- Concerns regarding Municipal Separate Storm Sewer Systems (MS4s) Stormwater permit, requesting continued calibration and expertise from the County Public Works and Flood Control staff.

ADJOURNMENT

At 9:30 a.m., Mayor Stapleton adjourned the Covina City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority special joint meeting with L.A. County Supervisor Michael D. Antonovich to the Strategic Planning Workshop, Thursday, October 25, 2012, 8:30 a.m. at the Frist Presbyterian Church, Williams Hall, 310 North Second Street, Covina, California, 91723.

Respectfully submitted:

Catherine M. LaCroix, CMC
Senior Deputy City Clerk/Secretary

Approved this 6th day of November, 2012.

Kevin Stapleton, Mayor/Chairperson

**SUCCESSOR AGENCY
TO THE COVINA REDEVELOPMENT AGENCY
AGENDA ITEM COMMENTARY**

MEETING DATE: November 6, 2012

ITEM NO.: CC 5

STAFF SOURCE: Dilu de Alwis, Finance Director 

ITEM TITLE: A Resolution Approving the Carryover of Encumbrances from Fiscal Year 2011-2012 to Fiscal Year 2012-2013.

STAFF RECOMMENDATION

Adopt **Resolution #12-009** approving the carryover of encumbrances from Fiscal Year 11-12 to Fiscal Year 12-13.

FISCAL IMPACT

The fiscal impact to the Successor Agency Low/Mod Fund is \$1,477,938.66 which is reserved for this encumbrance for the 200 W. Rowland project in account S055-4700-53770.

BACKGROUND

As part of the year-end process, the Finance Department analyzes outstanding purchase orders, contracts, and remaining budget balances to determine what appropriations should be carried over into the new fiscal year.

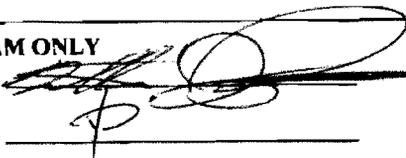
An item is placed in the encumbrance report if a purchase order has been issued to a specific vendor for a specific item or service. Purchase orders are legally binding documents committing the City to pay the vendors for their products or services.

RELEVANCE TO STRATEGIC PLAN

None.

EXHIBITS

A. Resolution #12-009

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: _____	Other: _____

RESOLUTION NO. 12-009

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY, COVINA, CALIFORNIA, APPROVING THE CARRYOVER OF CONTINUING APPROPRIATIONS FROM FISCAL YEAR 11-12 TO FISCAL YEAR 12-13

WHEREAS, the Successor Agency to the Covina Redevelopment Agency has certain operations and projects initiated prior to the fiscal year commencing July 1, 2012, which remain incomplete and will carry over from the previous fiscal year to the current fiscal year; and

WHEREAS, the Successor Agency Board desires to appropriate the necessary carry over funds for the continuation and completion of certain Agency operations and projects and to set forth and appropriate certain expenses; and

WHEREAS, pursuant to Section 33334.6(a) of the California Health and Safety Code the California State Legislature has found and declared that the provision of affordable housing outside of redevelopment project areas can be of direct benefit to those projects in assisting the accomplishment of project objectives, and

WHEREAS, the Successor Agency budget provides for expenditure of Low and Moderate Income Housing Funds inside and outside of each of the Redevelopment Projects, and

WHEREAS, the Successor Agency desires by this Resolution to declare that the expenditure of monies from the Agency's Low and Moderate Income Housing Fund to preserve, improve and increase the supply of affordable housing within the City will be of benefit to the Project Areas.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Successor Agency to the Covina Redevelopment Agency for the City of Covina, California, as follows:

SECTION 1. The Successor Agency to the Covina Redevelopment Agency finds and determines that the Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. The Successor Agency to the Covina Redevelopment Agency hereby finds and declares that the contribution of Low and Moderate Income Housing Funds from each of the Redevelopment Projects for the purpose of preserving, improving and increasing the City's supply of low and moderate income housing available at affordable housing costs to persons and families of low or moderate income and very low income households outside the Project Areas will be of benefit to each of Project No. One and Project No. Two.

SECTION 3. Certain funds in S055-4700-53770 in the amount of \$1,477,938.66 are carried over from Fiscal Year 2011-2012 to Fiscal Year 2012-2013 and the Executive Director is authorized to implement the same.

SECTION 4: The City Clerk shall certify to the passage and adoption of this resolution and the same shall thereupon take effect and is in force.

PASSED, APPROVED AND ADOPTED this 6th day in November, 2012.

Chairperson, Successor Agency to the Covina
Redevelopment Agency

ATTEST:

Secretary, Successor Agency to the Covina
Redevelopment Agency

APPROVED AS TO FORM;

Agency Counsel

CERTIFICATION

I, Catherine M. LaCroix, Secretary of the Successor Agency to the Covina Redevelopment Agency for the City of Covina, does hereby CERTIFY that Resolution No. 12-009 was adopted by the Covina Successor Agency at a regular meeting of the Agency held this 6th day of November, 2012, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Catherine M. LaCroix
Secretary of the Successor Agency to the
Covina Redevelopment Agency

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: November 6, 2012

ITEM NO.: CC 6

STAFF SOURCE: Dilu De Alwis, Director of Finance
Marie Klymkiw, Risk Manager *mk*

ITEM TITLE: Receive and file report of total workers' compensation liabilities under Labor Code Section 3702.6(b)

STAFF RECOMMENDATION

Receive and file report of total workers' compensation liabilities under Labor Code Section 3702.6(b) requiring each public self insurer to advise its governing board of total liabilities reported, and if current funding of those liabilities is in compliance with the requirements of GASB 10.

FISCAL IMPACT

The workers' compensation reserve for Fiscal Year 2011-2012 is accounted for in internal service fund 7360. The reserve at June 30, 2012 (unaudited) is at \$3,678,000.

BACKGROUND

Every year self-insured employers, both private and public are required to complete the "Self-Insurers" Annual Report and forward to the State of California. In compliance with Labor Code Section 3702.6(b), each public insurer is required to advise its governing board of the total workers' compensation liabilities reported and if the current funding of those liabilities is in compliance with the requirements of GASB 10. The estimated workers' compensation liability for the City of Covina, as of June 30, 2012 is \$3,272,000. This amount represents the cost to administer all claims to final settlement, which may be years into the future.

RELEVANCE TO THE STRATEGIC PLAN

None

EXHIBITS

None

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**SUCCESSOR AGENCY BOARD TO THE
COVINA REDEVELOPMENT AGENCY
AGENDA ITEM COMMENTARY**

MEETING DATE: April 17, 2012

ITEM NO.: CC 7

STAFF SOURCE: Dilu de Alwis, Finance Director *DA*

ITEM TITLE: Authorize the Executive Director of the Successor Agency Board to Approve the Letter of Engagement with Macias Gini O'Connell LLP for Due Diligence Review of the Successor Agency Funds.

STAFF RECOMMENDATION

Ratify the Letter of Engagement with Macias Gini O'Connell LLP (MGO) for the Due Diligence Review of the Successor Agency Funds per AB 1484.

FISCAL IMPACT

The requirement of a Due Diligence Review (DDR) of the Successor Agency Funds was mandated by the State of California Department of Finance as a result of the passage of AB 1484. Macias Gini & O'Connell is an authorized firm to conduct this review and have quoted a fee of not to exceed \$30,000. The Department of Finance (DOF) has denied the Successor Agency's attempt to include this cost in its Recognized Obligation Payment Schedule (ROPS) and has advised staff that the Administration Allowance must be used to pay this obligation. During the budget adoption, the Administration Allowance of \$250,000 was earmarked for staffing, legal and other operating expenses as part of the wind down costs. Staff will make every attempt to cover this obligation within that budget in account SADB-4400-51005.

BACKGROUND

AB 1484 passed by the legislature on June 27, 2012 stipulates that an audit firm authorized by the County Auditor Controller (CAC) be hired to conduct a DDR of the Successor Agency of the former Covina Redevelopment Agency. This review will determine the amount of cash on hand that will be subject to payment to the CAC which in turn will be distributed to other taxing entities in the County. The City of Covina's General Fund will receive a portion of these funds, but the amount is unknown at this time.

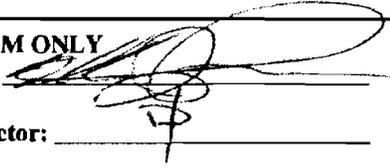
Macias Gini & O'Connell (current City Auditors) is a firm authorized by the CAC and has submitted a quotation of not to exceed \$30,000 for this review. Under CMC Section 2.20.175 Professional Services need not be competitively bid. Further, due to time restraints under AB 1484 there wasn't sufficient time to get proposals from other firms to conduct this audit. Due to these time restraints, the City Manager signed the Letter of Engagement since the field work for the review had to begin prior to the Council meeting date. Therefore, staff is requesting the Board to ratify the Executive Director's signature to the Engagement Letter.

RELEVANCE TO STRATEGIC PLAN

Not applicable

EXHIBITS

A. Letter of Engagement – Macias Gini & O’Connell

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
Executive Director: _____	Other: _____



CITY OF COVINA

125 East College Street • Covina, California 91723-2199

October 8, 2012

Macias Gini & O'Connell LLP
Attention: Jean Horimoto
2029 Century Park East, Suite 500
Los Angeles, CA 90067

In connection with your engagement to apply agreed-upon procedures solely to assist Covina, California (City), as Successor Agency to the Covina Redevelopment Agency (Successor Agency), in determining balances available for transfer to taxing entities, as prescribed in Sections 34179.5 and 34179.6 of the California Health and Safety Code (Code), we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement regarding Successor Agency assets transferred from the former Redevelopment Agency's Low and Moderate Income Housing Funds.

- 1) The report and exhibits are presented in accordance with the Code.
- 2) We are responsible for selecting the criteria and for determining that such criteria are appropriate for our purposes.
- 3) We are not aware of any transfers (as defined by Code Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012, that have not been properly identified in the agreed-upon procedures report and its related exhibits.
- 4) We have made available to you all information that we believe is relevant in determining balances available for transfer to taxing entities, as prescribed in Sections 34179.5 and 34179.6 of the Code.
- 5) We have responded fully to all inquiries made to us by you during the engagement.
- 6) Your report is intended solely for the information and use of the Successor Agency, the California State Controller's Office, and the California Department of Finance and is not intended to be, and should not be, used by anyone other than these specified parties.

Signature: _____

Name: Daryl Parrish

Title: Executive Director of the Successor Agency

Signature: _____

Name: Dilu De Alwis

Title: Finance Director

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: November 6, 2012

ITEM NO.: CC 8

STAFF SOURCE: Kalieh Honish, Director of Public Works
Alex González, Assistant Director of Public Works
Laura Lara, Assistant Civil Engineer

ITEM TITLE: Award of Bid for Sewer Main Replacement at Vincent Avenue and New Sewer Installation at Charter Drive – Project No. S-1206

STAFF RECOMMENDATION

That the City Council:

- a. Approve the construction drawings for the project; and
- b. Award the bid for Sewer Main Replacement at Vincent Avenue and New Sewer Installation at Charter Drive, Project No. S-1206, to MG Construction as the lowest responsive and responsible bidder in the amount of \$219,752.00.

FISCAL IMPACT

The project will be funded with Wastewater Revenue Funds which are budgeted within Account No. 6300-2700-55350. The remaining expenditures for the project are limited to the costs of in-house Engineering and Inspection costs, all of which are budgeted within the approved Fiscal Year 2012-13 Budget under Account No. 1010-2100-50010. Accordingly, awarding the bid for the project will have no negative fiscal impact.

BACKGROUND

Project No. S-1206 consists of upgrading the size of the existing 10-inch sanitary sewer on Vincent Avenue to 12-inch main and installing an 8-inch sanitary sewer on Charter Drive to improve flows. The project limits are as follows:

- Vincent Avenue- 250 feet North of Badillo Street
- Charter Drive- North of Covina Boulevard

The project was duly noticed and advertised, and bids were received in the City Clerk's office on October 4, 2012. After a general review of the bids was completed and any mathematical errors in unit price equations were corrected, MG Construction, as shown on the attached Exhibit B, was the lowest bidder with a bid of \$219,752.00. The highest bid was received from Cedro Construction, Incorporated in the amount \$354,843.50. The Engineer's Estimates for the project was \$243,000.00.

RELEVENCE TO THE STRATEGIC PLAN

While not directly responsive to any of the currently identified objectives of the Strategic Plan improvements of the City’s sanitary sewer system to reduce the potential for sewage overflows support the specific Strategic Plan’s Goals of enhancing financial stability and becoming an environmentally sustainable community.

EXHIBITS

- A. Bid Summary
- B. Project Plans on file with the Public Works Department, Engineering Section

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: November 6, 2012

ITEM NO.: CC 9

STAFF SOURCE: Dilu de Alwis, Finance Director 
Kim Raney, Chief of Police

ITEM TITLE: City Council Adopt Resolutions **No.12-7117** to Amend the Fiscal Year 2012-2013 Budget for New Appropriations.

STAFF RECOMMENDATION

Adopt **Resolution No. 12-7117**, amending Fiscal Year 2012-2013 budget of the General Fund, Police and Fire Impact Fee funds in the amount of \$46,000

FISCAL IMPACT

The Undesignated Reserve balance as of June 30, 2012 (unaudited) are as follows; \$3,865,666 General Fund, \$56,566 Police Impact Fee and \$18,418 Fire Impact Fee. The following amounts will be drawn down from reserves \$30,000 General Fund, \$8,000 from Police Impact Fees and \$8,000 from Fire Impact Fees. The accounts to be increased are listed in exhibit B.

BACKGROUND

During the recently closed fiscal year (2011/2012), various projects were identified by Police which were not included in the adopted budget. The Police Department identified using department-wide savings during the year to fund these projects. However, since the projects were not encumbered with contracts or purchase orders, all savings roll into fund balance at year-end and funding has to be "re-requested" as new appropriations.

- The Covina Police Department has joined with Azusa, Glendora, Irwindale & La Verne Police Departments in a law enforcement radio project that will take all five police agencies from VHF radio frequency operations to much needed and required UHF trunked radio system. These five agencies will be forming a JPA and will also join the Interagency Communications Interoperability System (ICIS) which already supports a dozen other Los Angeles County agencies in a goal to obtain a county wide interoperable radio system, which will also have the ability to integrate with LA-RICS should that project become operational. The five agencies have equally acquired grant funds to implement this important project in an effort to purchase licenses, infrastructure, and radio equipment and support services. The Covina Police Department is requesting \$30,000 to fund the purchase and installation of supporting hardware (consolettes) for this project for our 9-1-1 Communications Center.

- The City owned building that houses the Covina Police Department located at 444 North Citrus Avenue is in need of exterior upkeep. The building has not been painted in fifteen years and the stucco exterior is stained, cracking, fading and deteriorating. The Police Department is requesting \$10,000 to fund the repair and painting of the front exterior portion of the building which faces the public (San Bernardino Road and Citrus Avenue sides). Repairs will consist of power washing, scraping, filling cracks/holes and painting the surface.
- Securing the data is a critical component of the departments operations. The server room has to maintain a temperature to assure the operations of the equipment housed therein. The equipment currently in the room is inefficient and there is a need to replace/relocate the cooling unit to the roof of the building and run ducts to the server room. The \$6,000 cost of this replacement is not budgeted and a new appropriation is required.

EXHIBITS

- A. **Resolution 12-7117**
- B. **Listing of accounts to be increased.**

REVIEW TEAM ONLY	
City Attorney: _____	Finance Director: _____
City Manager: _____	Other: _____

RESOLUTION NO. 12-7117

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF COVINA, CALIFORNIA, AMENDING THE
FISCAL YEAR 2012-2013 GENERAL FUND AND CIP
FUND**

WHEREAS, the City of Covina is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California ("City"); and

WHEREAS, the budget for the City of Covina for fiscal year commencing July 1, 2012 and ending June 30, 2013 was approved on June 19, 2012; and

WHEREAS, the approved budget is in accordance with all applicable ordinances of the City and all applicable statutes of the State; and

WHEREAS, the reallocation of the appropriations between departmental activities may be made by the City Manager, amendments (increases/decreases) to the Budget shall be by approval and Resolution of the City Council;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Covina, as follows:

SECTION 1. Amend the fiscal year 2012-2013 General Fund and Capital Improvement Fund Budgets as follows shown in exhibit B

SECTION 2. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 6TH DAY OF NOVEMBER.

Kevin Stapleton, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM;

Marco Martinez, City Attorney

Exhibit B

City of Covina

New Appropriation Account Listing

Account #	Amount	Description
1010-1410-52220	\$30,000	Radios for interoperability project - General Fund Cost
4703-1000-59110	8,000	Transfer out to General Fund from Police Impact Fee Fund Cost
4706-1000-59110	8,000	Transfer out to General Fund from Fire Impact Fee Fund Cost
1010-1000-49120	(16,000)	Transfer in from Special Revenue Funds - General Fund Revenue
1010-1000-55100	10,000	Building & Structures - Painting of building - General Fund Cost
1010-1000-55900	6,000	Other Equipment - Air Conditioner - General Fund Cost

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: November 6, 2012

ITEM NO.: CC 10

STAFF SOURCE: Lisa Brancheau, Assistant to the City Manager
Shelby Williams, City Planner



ITEM TITLE: City Council to adopt Resolution No. 12-7118, to approve the City of Covina Employer/Employee Public Transit Agreement

STAFF RECOMMENDATION

Adopt **Resolution No. 12-7118** approving a reduction in the amount of off-street parking spaces for a development located within the Covina Town Center Specific Plan area at 500-504 North Citrus Avenue by an Employer/Employee Public Transit Agreement.

FISCAL IMPACT

Planning Division Revenues were increased in the fiscal year of 2011 by \$3,187.00, the amount paid by the applicant for the required Site Plan Review application fee.

BACKGROUND

The City Attorney directed staff to prepare the necessary documentation to reduce the off-street parking for a development located within the Covina Town Center Specific Plan area. The applicant plans to enter into an agreement with the City to pay for at least fifty (50) percent of the cost of public transit for its employees in order to qualify for a parking credit of six (6) spaces under the TCSP, and thereby satisfy the parking requirement of the Covina Municipal Code. If adopted tonight, the Resolution will become effective immediately.

RELEVANCE TO THE STRATEGIC PLAN

The adoption of the resolution to reduce the off-street parking for the subject property will further the goals of the Covina Town Center Specific Plan which is to revitalize downtown Covina. In addition, the applicant will proceed with improvements to an existing commercial building to create a dwelling unit on the second floor, retail and office spaces on the first floor.

EXHIBITS

- A. Resolution No. 12-7118
- B. City of Covina-Employer/Employee Public Transit Agreement (TCSP Parking Reduction for 500-504 North Citrus Avenue, Covina, CA 91723)

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: _____	Other: _____

RESOLUTION NO. 12-7118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, APPROVING A REDUCTION IN THE AMOUNT OF OFF-STREET PARKING SPACES FOR A DEVELOPMENT LOCATED WITHIN THE COVINA TOWN CENTER SPECIFIC PLAN AREA AT 500-504 NORTH CITRUS AVENUE BY AN EMPLOYER/EMPLOYEE PUBLIC TRANSIT AGREEMENT.

WHEREAS, the Law Offices of Michael Munoz (Employer) owns a two-story building located at 500-504 North Citrus Avenue, Covina California 91723; and

WHEREAS, Employer has applied for a Site Plan Review (SPR11-011(A)) from the City to develop the above –described building; and

WHEREAS, in processing the Site Plan Review, City staff has determined that ten (10) on-site parking spaces would be required for the Employer to satisfy the parking requirements of the Covina Municipal Code, and Employer’s site only provides four (4) parking spaces. Therefore, there is a deficiency of six (6) off-street parking spaces otherwise required by the Covina Municipal Code ;and

WHEREAS, the Covina Town Center Specific Plan (“TCSP”) provides that the City may approve a reduction in the number of off-street parking spaces when :

- A development is located within one-quarter (1/4) mile of a Metrolink station, and
- An employer implements a ride-sharing program approved by the City (such as carpooling, vanpooling, or shuttle/jitney services), and/or an employer pays for at least fifty (50) percent of the cost of public transit for its employees; and

WHEREAS, Employer’s building is located within one-quarter (1/4) mile of the Covina Metrolink station; and

WHEREAS, Employer has entered into a Public Transit Agreement (“Agreement”) this 6th day of November, 2012 with the City of Covina; and

WHEREAS, pursuant to the Agreement, Employer commits to pay for at least fifty (50) percent of the cost of public transit for its employees in order to qualify for a parking credit of six(6) spaces under the TCSP, and thereby satisfy the parking requirement of the Covina Municipal Code.

NOW THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Covina, as follows:

SECTION 1. The City does hereby approve the TCSP Parking Reduction for 500-504 North Citrus Avenue, Covina, California, 91723 pursuant to the Agreement (Exhibit A).

SECTION 2. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and is in force.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2012.

Mayor, City of Covina

ATTEST:

City Clerk, City of Covina

APPROVED AS TO FORM;

City Attorney

CERTIFICATION

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, hereby CERTIFY that Resolution No. ??? was adopted by the Covina City Council at a regular meeting of the City Council held this ____ day of _____, 20__, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Catherine M. LaCroix
Deputy City Clerk

**City of Covina – Employer/Employee Public Transit Agreement
(TCSP Parking Reduction – 500-504 N. Citrus Avenue, Covina, CA 91723)**

This Employer/Employee Public Transit Agreement ("Agreement") is entered into as of this _____ day of _____, 2012, ("Effective Date") by and between the City of Covina, a California municipal corporation ("City") and the Law Offices of Michael Munoz ("Employer"), hereinafter referred to collectively as the Parties.

WHEREAS, Employer owns a two-story building located at 500-504 N. Citrus Avenue, Covina, California 91723.

WHEREAS, Employer has applied for a Site Plan Review from the City to develop the above-described building (SPR 11-010(A)).

WHEREAS, in processing the Site Plan Review, City staff has determined that ten (10) on-site parking spaces would be required for Employer to satisfy the parking requirements of the Covina Municipal Code, and Employer's site only provides four (4) parking spaces. Therefore, there is a deficiency of six (6) off-street parking spaces otherwise required by the Covina Municipal Code.

WHEREAS, the Covina Town Center Specific Plan ("TCSP") provides that the City may approve a reduction in the number of off-street parking spaces when:

- a development is located within one-quarter (1/4) mile of a Metrolink station, and
- an employer implements a ride-sharing program approved by the City (such as car pooling, vanpooling, or shuttle/jitney services), and/or an employer pays for at least fifty (50) percent of the cost of public transit for its employees.

WHEREAS, Employer's building is located within one-quarter (1/4) mile of the Covina Metrolink Station.

WHEREAS, pursuant to this Agreement, Employer hereby commits to pay for at least fifty (50) percent of the cost of public transit for its employees in order to qualify for a parking credit of six (6) spaces under the TCSP, and thereby satisfy the parking requirements of the Covina Municipal Code.

NOW THEREFORE, in consideration of the promises set forth in this Agreement, the Parties agree as follows:

1. Employer hereby agrees to pay not less than fifty (50%) of any and all fares, tolls, charges, fees and/or costs ("Costs") incurred by its employees, interns, or volunteers working at Employer's place of business ("Employees") associated with travel on any Metrolink train, as well as for travel on any ridesharing/park & ride buses or other vehicles used to transport an Employee from work, home or another off-site location to a Metrolink train station. Employer shall only be

obligated to pay for said Costs when incurred by an Employee travelling to and from Employer's place of business or while on Employer business. Employer is not obligated to pay for said Costs when incurred by an Employee for personal or leisure activities outside of Employer business. Employer may, at its option, either pay its Employees for said Costs either in advance or on a reimbursement basis.

2. Pursuant to the TCSP, City hereby approves a reduction in Employer's off-street parking requirement in the amount of six (6) spaces. This reduction is personal to Employer and shall not run with the land or with Employer's successors in interest. Employer may not assign this Agreement or any rights hereunder to any other party without City's prior written consent, which consent may be granted, conditioned or withheld in City's reasonable discretion.

3. Employer shall maintain complete and accurate records with respect to all its costs and expenses incurred under this Agreement for a period of five (5) years. All such records shall be clearly identifiable. Employer shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement.

4. In the event of a default, either Party may terminate the whole or any part of this Agreement by giving written notice to the other party of such termination, and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. In the event of an Employer default, City may, in addition to terminating this Agreement, initiate proceedings to revoke Employer's Site Plan Review, in accordance with the Covina Municipal Code.

5. City and Employer each remain an autonomous and separate entity, solely responsible for its own actions. No relationship of employment, agency, partnership or joint venture is to be created by or implied from this License.

6. If either Party commences an action against the other Party arising out of or in connection with this Agreement, the prevailing Party in such action shall be entitled to have and recover from the losing Party reasonable attorneys' fees and costs.

7. This Agreement may be executed in duplicate originals or counterparts, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

By signing this Agreement, the undersigned warrants that it has the power to execute this Agreement on behalf of its respective Party and to bind that Party to the terms of this Agreement.

CITY:

City of Covina,
a California municipal corporation

City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

EMPLOYER:

Law Offices of Michael Munoz

Michael Munoz, Owner

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: November 6, 2012

ITEM NO.: CC 11

STAFF SOURCE: Daryl J. Parrish, City Manager 
Catherine LaCroix, Sr. Deputy City Clerk 

ITEM TITLE: Update on the Strategic Plan

STAFF RECOMMENDATION

Receive and file the monthly Strategic Plan objectives update.

FISCAL IMPACT

None.

BACKGROUND

Due to a lack of quorum on October 25, 2012, the Strategic Planning Meeting Workshop at First Presbyterian Church was cancelled. Since the meeting facilitator, Marilyn Snider flew in from out of town and was present, we elected to hold the retreat with staff in order to move forward with updating the strategic plan six month objectives.

In accordance with the Strategic Plan process, progress toward achievement of the outlined objectives will be reported to the City Council following the retreat and at the second meeting of each month. Attached, for City Council's review, is the updated Strategic Plan objectives matrix. Since there was not a quorum on October 25, also included is the previous Strategic Plan objective matrix.

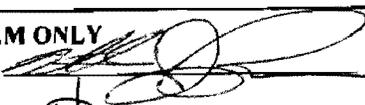
The next Strategic Planning Meeting Workshop is scheduled for April 3, 2013.

RELEVANCE TO THE STRATEGIC PLAN

See attached matrix.

EXHIBITS

- A. Updated Strategic Plan Objective Matrix
- B. Previous Strategic Plan Objective Matrix
- C. Strategic Planning Analysis

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

CITY OF COVINA ✪ STRATEGIC OBJECTIVES

October 25, 2012 – April 1, 2013

THREE-YEAR GOAL: <i>Enhance financial well-being</i>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By February 1, 2013	Finance Director	Recommend to the City Council for action the distribution of a RFP to hire a consultant for a City-Wide Fee Study, including a discussion of the cost as part of the 2013-2014 budget process.				
2. By April 1, 2013	City Manager (lead), Finance Director and HR Director, working with the labor groups	Achieve the goal of reaching sustainable compensation packages.				
3. By April 1, 2013	Finance Director	Manage the cost of current contracted services and report the results to the City Manager.				

THREE-YEAR GOAL: *Enhance safety and quality of life in Covina*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the November 6, 2012 City Council meeting	Police Chief and Public Works Director	Present to the City Council for action an ordinance regulating non-owner occupied rental properties.				
2. At the November 20, 2012 City Council meeting	Police Chief	Present to the City Council for action a revised false alarm ordinance.				
3. By April 1, 2013	Police Chief	Propose to the City Council for action entering into a JPA for a new, UHF-based, interoperable radio system.				

THREE-YEAR GOAL: *Foster innovation and efficiency*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By December 1, 2012	City Manager	Ensure new business cards ordered include the QR code or the latest code technology.				
2. At the February 19, 2013 City Council meeting	Council Subcommittee on Renewable Energy (Mayor Kevin Stapleton-lead)	Make recommendations to the City Council for action for the scope of the Renewable Energy RFP.				
3. At the March 19, 2013 City Council meeting	Council Member Peggy Delach (lead), City Manager and City Attorney	Develop and present to the City Council for action a program for employees to encourage and reward functional innovation and efficiency in City operations.				
4. At the March 19, 2013 City Council meeting	City Manager (lead), City Attorney, Police Chief and the Parks and Recreation Director	Present to the City Council for action a policy on social media and electronic communications.				
5. By April 1, 2013	City Attorney and Deputy City Clerk	Determine the feasibility of consolidating municipal elections with statewide elections and make a recommendation to the City Council for action.				

THREE-YEAR GOAL: *Enhance customer service*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By January 31, 2013	Assistant to the City Manager and HR Director	Schedule, plan and hold an employee breakfast social that includes a program about a cause or event.				
2. By February 28, 2013	Deputy City Clerk	Conduct training for poll worker volunteers and staff interested in volunteering on election night.				
3. By March 31, 2013 and quarterly thereafter	HR Director	Provide an employee newsletter regarding achievements and other employee news and information.				

CITY OF COVINA STRATEGIC OBJECTIVES

April 5, 2012 – October 1, 2012

THREE-YEAR GOAL: <i>Enhance financial well-being</i>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By October 1, 2012	Director of Parks and Recreation and the Finance Director	Bring back to the City Council for action a process for increasing success in obtaining grants City-wide.			X	Assigned to handle Thunderfest logistics.
2. By October 1, 2012	City Management Team (Finance Director-lead)	Bring to the City Council for action a scope of work with identification of funding sources to pay for a revised Fee Study.		X		
3. By October 1, 2012	Finance Director and City Attorney	Present to the City Council for information and direction options for voter-approved public safety measures.		X		
4. By October 1, 2012	Council Member Peggy Delach (lead), City Manager and Lisa Brancheau	Bring to the City Council for consideration a marketing strategy(ies) to enhance local sales tax and to increase Covina's exposure.		X		

THREE-YEAR GOAL: *Enhance safety and quality of life in Covina*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By October 1, 2012	Public Works Director	Present to the City Council for consideration an ordinance regulating non-owner occupied rental properties.			X	Update to Council and request scheduling of public workshop in September AIC
2. By October 1, 2012	Council Member John King, working with Public Works staff	Identify a site for a community garden and possible funding sources.		X		Site identified and secured; possible fund source provided to Councilman King
3. By October 1, 2012	Police Chief	Present to the City Council for action options for a revised false alarm ordinance.		X		
4. By October 1, 2012	City Attorney and Police Chief	Explore the feasibility of establishing an extraordinary public safety response policy for restaurants and entertainment establishments, and make a recommendation(s) to the City Council for action.		X		

THREE-YEAR GOAL: *Foster innovation and efficiency*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the May 15, 2012 City Council meeting	Communications Manager and Mayor Kevin Stapleton	Develop a Public-Private Partnership to identify and market development opportunities in Covina.		X		First part completed by establishing QR Codes linked to Covina Opportunity information and demonstration at ICSC in Las Vegas.
2. At the October 2, 2012 City Council meeting	Council Subcommittee on Renewable Energy (Mayor Kevin Stapleton-lead)	Make recommendations to the City Council for action for the scope of the Renewable Energy RFP.			X	City Attorney provided a revised professional services agreement that altered the original project parameters. Subcommittee discussion is TBD.
3. At the August 21, 2012 City Council meeting	Mayor Kevin Stapleton (lead), City Manager, Police Chief and City Attorney	Develop and present to the City Council for action a program to encourage and reward functional innovation and efficiency in City operations.			X	Revise date to October 16, 2012
4. At the September 4, 2012 City Council meeting	City Manager (lead), Assistant Public Works Director and Police Chief	Develop and present to the City Council for action a policy on social media and electronic communications to solicit innovation and efficiency opportunities internally and externally.			X	Revised date to October 16, 2012
5. By the September 18, 2012 City Council meeting	City Manager	Ensure updating of each department's web page to be compatible with the QR code or the latest code technology.		X		

THREE-YEAR GOAL: *Enhance customer service*

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. By June 1, 2012	HR Director	Establish a written Employee of the Year nomination process and distribute to all of the Department Directors.	X			
2. By June 15, 2012	Deputy City Clerk	Hold an event to recognize Board, Commission and Committee members.	X			
3. By June 30, 2012	HR Director	Develop, distribute and analyze the results of a Customer Service Survey to obtain input from employees about their specific needs and tools to enable them to provide customer service.			X	Survey was completed in Aug. Staff is putting together analysis of results to be distributed by Sept. 30.
4. By September 1, 2012	HR Director and Deputy City Clerk, working with selected City staff	Develop and present the first in a series of mini workshops for all City staff to promote internal customer service.	X			Clerk staff has met with some depts. to go over procedures and requirements for meetings & minutes.
5. By October 1, 2012	HR Director and IT Manager	Enhance the City's Intranet to improve communication between departments.		X		Staff is looking into using the Employee Self Service via Munis.

WHAT ARE THE ACCOMPLISHMENTS OF THE CITY OF COVINA SINCE THE APRIL 2012 STRATEGIC PLANNING RETREAT?

Brainstormed List of Perceptions

- We're implementing our new financial system
- Fully automated water billing service
- The City was able to support Thunder Fest
- Covina Team piloted a charity program over the summer
- Extension on the FEMA grant for \$299,000
- City received the Excellence in Financial Reporting Award from the Government Finance Officers Association (GFOA)
- Bistro Provincia – new restaurant in town
- Parks and Recreation worked with Boy Scouts for completion of two Eagle Scouts projects for Olmec Head
- Police Department was able to obtain \$300,000 in reprogrammed grant money
- We had our first ever Public Works Open House event
- Awarded a bid for an upgrade of our CNG station for faster fill and better service
- Working with IT on a new Intranet
- Identified a site for a community garden and have a lease in place
- Bringing a revised false alarm ordinance to the City Council in November
- Procured temporary parking for Police and Fire staff
- First Chalk Arts Festival through the Cultural Arts Commission
- Updated the donated materials policy and the check out of materials policy at the Library
- Hundreds of seniors attended the "To Love Again... Finding the Love of Your Life and the Life You Love" event at the Senior Center
- Using QR codes on our business cards, on our City magazine and on our water bills
- We put three different sewer rehabilitation projects out to bid through our sewer bond
- Moving forward on a rental inspection ordinance
- The Olson Project is just about complete
- We have about \$15 million in capital projects for the water bond underway and they are about 75% complete
- Had a Disaster Preparedness Fair as a joint effort of the Police and Fire Departments
- Completed the HR internal survey to gauge where we need to make changes
- Prevailed in a lawsuit against the City which challenged the City's decision on a conditional use permit
- Employee of the Year nomination process was revised
- Raised over \$30,000 for the community to build a Fallen Officer Memorial
- Completed an energy efficiency project at the Library
- We have a balanced budget
- Water billing service has more than 98% satisfaction
- Very successful summer programs that were well attended
- Signed the \$2.15 million grant documents for Cougar Park
- Deputy City Clerk got her Certificated Municipal Clerk designation
- New restaurant in town – Stella Dog
- Partnership with Home Depot and Cal Poly Pomona Landscape Architecture Program students for the community garden
- Shut down an illegal marijuana dispensary
- Held a recognition event for boards and commissions and a second event for library volunteers
- Council approved ordinances to regulate alcohol sales and massage parlors
- Successful annual Dare to Care "cut-a-thon" was held – raised over \$40,000 for hospice
- Public Works successfully moved Olmec Head to Jalapa Park
- Public Works got an award from the SGVCOG for being a leader in energy savings
- Library held the first, very successful Family Place workshop
- Library is purchasing a new catalog system
- Successful Friday Night Farmers Market at the new Heritage Plaza

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: November 6, 2012

ITEM NO.: CB 1

STAFF SOURCE: Kalieh Honish, Interim Director of Public Works
Chief Kim Raney, Covina Police Department
Captain David Povero, Covina Police Department
Alex Gonzalez, Assistant Director of Public Works

ITEM TITLE: Re-Introduction of Ordinance No. 10-1980 Amending Title 5, Business Licenses and Regulations, by Adding Chapter 5.06 Pertaining to Rental Housing Permitting and Inspection

STAFF RECOMMENDATION

1. Re-introduce **Ordinance No. 10-1980**, amending Title 5, Business Licenses and Regulations, by adding Chapter 5.06 pertaining to rental housing permitting and inspection; and
2. Schedule second reading and consideration of adoption of Ordinance No. 10-1980 for the regular City Council meeting of November 20, 2012.

FISCAL IMPACT

The intent is that all work and inspections to be performed under the proposed ordinance would be paid for through the collection of permit application and inspection fees, which fees may only be used to fund this program. Therefore, implementation of a rental housing licensing program is intended to have no effect on the City's General Fund. However, the effect upon the General Fund would be dependent upon the application and inspection fees ultimately approved by the City Council.

BACKGROUND

Section 5.04.500 of the Covina Municipal Code requires all residential rental properties of four or more units to pay an annual business license tax to the City. Additionally, Section 5.04.020 of the Covina Municipal Code establishes that the payment of this tax is solely for the purpose of raising revenue for municipal purposes and is not intended for regulation. Therefore, while the owners of rental properties of four or more units pay an annual tax to the City for their business operations, the City's ability to inspect and regulate these businesses for the health, safety and welfare of the general public is severely restricted.

There are approximately 325 rental properties licensed within the city. This number includes only those properties containing four or more units and specifically does not include properties consisting of triplexes, duplexes, or single family homes under lease or rent which do not pay a business license tax. It is estimated that the currently un-licensed rental properties would bring the total number of rental properties in the city to over 2025. Concerns have recently arisen that

rental properties, apartment complexes, single family residences and foreclosures are not being maintained in a manner acceptable to the norms of the individual neighborhoods or with regard to the general health, welfare and safety of the community at large. Additionally, the inability to regulate the maintenance and operation of residential rental properties within the city to protect the general health, welfare and safety of the general public under the current business license tax provisions of the Municipal Code has shown to be problematic when dealing with absentee land owners. The proposed ordinance has been developed to address these concerns.

As drafted, the proposed ordinance would require all residential rental property owners to apply for and obtain an annual inspection permit from the City. Upon receipt of a complete application and payment of inspection and regulatory fees, staff would schedule the property for a variety of inspections dependent upon the type of rental property being permitted. For example, a rented single family home would be inspected by a Code Enforcement Officer to determine the general condition of the exterior envelope of the structure and the maintenance level of the property, in general. Absent a warrant or emergency, an inspection of the interior of the structure would not be conducted without consent of either the property owner or the tenant.

Conversely, a multi-unit apartment complex, boarding/rooming house or motel/hotel would be inspected by not only a Code Enforcement Officer or Building Inspector for the issues previously addressed, but also potentially by the Health Department, Fire Department, Police Department and Public Works Department to ensure compliance with all applicable, Health, Fire, Building, waste, recycling, stormwater and industrial waste regulations and public safety requirements for such properties. Similar to the single family home inspection, these inspections would deal primarily with general property appearance and maintenance issues, as well as mechanical operations (boiler rooms, laundry facilities, electrical/mechanical rooms) and public areas (swimming pools, carports). Absent a warrant or emergency, inspections of the interiors of individual or inhabited dwelling units would not be performed without consent of either the property owner or the tenant. Any deficiencies would be brought to the attention of the property owner; with issuance of the inspection permit being withheld until the necessary corrective actions were taken and the property was in full compliance with all applicable regulations. Failure to take the necessary corrective actions would result in the denial and/or revocation of the property's inspection permit.

Prior to the preparation of this report, staff, including the City Manager and representatives of the Police and Public Works Departments, met with representatives of the Prospero Park Apartment Owners' Association to review the proposed parameters of the ordinance and discuss its possible re-introduction and implementation. This meeting ended with the consensus of all parties present that the proposed ordinance could be a valuable tool in the protection of the general health, safety and welfare of rental property neighborhoods. The parameters of the ordinance were presented to the Covina Citizen's Finance Advisory Committee on July 23, 2012 and it was unanimously recommended that the ordinance be presented for introduction to the City Council.

An overview of this ordinance was previously presented to the City Council at a public workshop on October 2, 2012 by the Police and Public Works Departments, as a potential tool for City Officials, especially for Code Enforcement field operations, to maintain community

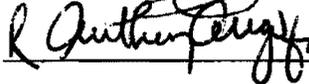
safety standards. Since that time, the City Attorney's Office has added certain provisions to ensure the ordinance's compliance with recent case law. This item is now re-introduced as directed by the Covina City Council at the public workshop of October 2, 2012, as well as the Strategic Planning session of October 25, 2012.

RELEVANCE TO THE STRATEGIC PLAN

On October 25, 2012 the City held a Strategic Planning session which directed staff to return to Council by November 6, 2012 with a rental housing ordinance and associated fees, under the goal of enhancing safety and quality of life in Covina.

EXHIBITS

A. Ordinance No. 10-1980

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

ORDINANCE NO. 10-1980

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA AMENDING TITLE 5, BUSINESS LICENSES AND REGULATIONS, BY ADDING CHAPTER 5.06 PERTAINING TO RENTAL HOUSING PERMITTING AND INSPECTION

THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1: Title 5 of the Covina Municipal Code is hereby amended by adding new Chapter 5.06 thereto to read as follows:

“Chapter 5.06

RENTAL HOUSING

Sections:

5.06.010	Definitions.
5.06.020	Permit – Required.
5.06.030	Permit – Application.
5.06.040	Permit – Investigation.
5.06.050	Permit – Grant or Denial.
5.06.055	Procedure for Inspections.
5.06.060	Permit – Suspension or Revocation.
5.06.070	Permit – Appeal.
5.06.080	Permit – Violation and Penalty.

5.06.010 **Definitions.** The following words and phrases when used in this chapter shall have the meanings hereinafter respectively ascribed to them:

A. “Boarding and rooming house” means a lodging house or other building or structure maintained, advertised, or held out to the public as a place where sleeping or rooming accommodations are furnished to the whole or any part of the public, whether with or without meals. Such places shall include all buildings or structures which provide sleeping and living accommodations to three or more persons unrelated to the operator, which are not otherwise licensed under this title as an apartment house, hotel or motel.

B. “Dwelling” means a building or portion thereof designed for residential purposes and approved by the city and improved with full utility services including connection to a public sewer or private septic tank. “Dwelling” includes single-family dwellings, two-family dwellings and multiple dwellings.

C. “Rental Housing” means a building, dwelling, or structure advertised or held out to the public for rent or lease for sleeping or living accommodations. Rental Housing includes boarding houses, rooming houses, apartment houses, dwellings, hotels and motels.

5.06.020 Permit – Required. Every person engaged in the business of renting, leasing, maintaining or conducting rental housing, regardless of the number of rental housing units, shall first obtain an annual inspection permit and pay an annual inspection and regulatory fee as established by resolution of the city council. The annual inspection and regulatory fee shall be in addition to and separate from any business license tax otherwise due pursuant to Chapter 5.04 of this Title and shall be used solely to finance the cost of registration, inspection and enforcement of this Chapter.

5.06.030 Permit – Application. Applications shall be submitted upon forms furnished by the Finance Director and shall be signed by the applicant. In addition to any other information which may reasonably be required by the Finance Director, the applicant shall show the true name of the applicant, his/her fictitious name or names, if any, his/her present residence address, his/her proposed business address in the city, the name under which the applicant conducted any similar business, if any, and the place of his/her residence at such time.

5.06.040 Permit – Investigation. The Building Official, Health Officer, Police Chief, Fire Chief and City Planner, within the jurisdiction and duties of their particular departments, shall ascertain whether or not the premises to be used comply with applicable laws, ordinances and regulations concerning such premises. A report of the investigations required hereby along with the application and any recommendations made shall be referred to the Finance Director for action thereon.

5.06.050 Permit – Grant or Denial.

A. The Finance Director shall review the application, investigation reports and recommendations and shall deny the permit if he or she finds any of the following to be true:

1. That any of the information on the application has been deliberately falsified.
2. That the required inspection and regulatory fee has not been paid.
3. That the premises do not comply with all applicable laws, ordinances and regulations concerning such premises.

B. If the Finance Director finds that there are no grounds for denial, he or she shall issue the permit. He or she may attach to such permit any conditions which are reasonably related to the grant in order to ensure that the public health, safety and general welfare are protected.

C. A rental housing inspection permit shall not preclude and the City may conduct subsequent inspections from time to time after issuance of a permit to ensure that the premises continue to be in compliance with all applicable laws, ordinances and regulations. Such inspections may be conducted pursuant to a regular inspection schedule or upon complaint received by the City.

5.06.055 Procedure for Inspections. The following procedures shall be followed for all initial and subsequent inspections:

A. **Exterior Inspection:** The City may inspect the exterior of rental housing at any time and without notice to the owner or tenants, provided the inspection is limited to what may be observed from the public right of way or from any property accessible to the general public (ie: front yard).

B. **Pre-Inspection Notice for Inspection of Interior Common Areas:** Where the exterior inspection provided for in this chapter reveals evidence of possible violations within an

interior common area of rental housing, the City may make an inspection of the interior common area. Prior to conducting an inspection of the interior common areas of rental housing (those areas generally limited to the owner, tenants, and their guests) the City shall give not less than five (5) calendar days prior written notice to the owner and to the tenants of the date and time of the inspection. The City may provide written notice to the owner and tenants by mail or by the posting of the official notice in a common area of the premises. Prior notice to inspect shall not be required if (i) the inspection is based upon a complaint lodged with the City or (ii) to determine whether a violation of this code exists which poses an immediate threat to public health or safety. Such inspection may include, but not be limited to, all hallways, stairways, lobbies, utility rooms, laundry rooms, storage rooms, recreation rooms, grounds, refuse areas, parking areas, building extensions, signs and other areas designated as common areas for the purpose of locating any violations of state or city laws, ordinances and regulations.

C. **Pre-Inspection Notice for Interior Inspection of Rental Housing Units:** Where the exterior or interior common area inspection provided for in this chapter reveals evidence of possible interior violations within a rental housing unit, the City may make an interior inspection of the unit. If the unit is occupied, the City official shall first present proper credentials to the tenant/occupant and request consent to enter, explaining the reasons for the interior inspection. If the unit is unoccupied, the City official shall first make a reasonable effort to locate the owner, occupant, or other person having charge or control of the unit and, if found, request consent to enter, explaining the reasons for the interior inspection. The City shall be authorized to inspect the interior of any rental housing unit for the purpose of enforcing state or city laws, ordinances and regulations only if:

1. Such inspection is at the request of or with the consent of the owner (if unoccupied) or tenant/occupant (if occupied);
2. Pursuant to an inspection warrant or other court order; or
3. Reasonable cause exists that the rental housing unit is so hazardous, unsafe, substandard or dangerous as to require immediate inspection without consent or a warrant to safeguard the public health or safety.

D. **Post-Inspection Notice after Interior Inspection of Rental Housing Units:** If an interior inspection of a rental unit is conducted, the City shall provide written notice to the tenant/occupant in each rental housing unit inspected pursuant to this chapter which, at a minimum, shall state that an inspection occurred and shall provide the address and telephone number where the tenant/occupant can get further information about the inspection. This notice may be provided by leaving it in the unit, by posting it at the premises, or by mailing by first class mail to the tenant/occupant or, if the unit appears unoccupied, to the owner.

5.06.060 Permit – Suspension or Revocation – Grounds. A. Based upon evidence provided to the Finance Director, the City shall suspend or revoke a permit if it finds any of the following:

1. That the permittee has failed to comply with the conditions attached to the permit.
2. That the permittee has violated any of the standards or regulations of this title.
3. That the permittee, or premises involved, is in violation of applicable sections of state law or this code relating to the conduct of his or her business or maintenance of the premises.

B. No permit shall be revoked until after a hearing has been held before the City Manager to determine just cause for such revocation; provided however that the Finance Director

may order any permits suspended pending such hearing, and it is unlawful for any person to operate rental housing until the suspended permit has been reinstated by the City Manager.

C. Notice of such hearing shall be given in writing and served at least five (5) calendar days prior to the date of the hearing thereon. The notice shall state the grounds of the complaint against the holder of such permit or against the business being conducted at the permitted premises, and shall state the time and place where such hearing will be held.

D. The notice shall be served upon the permit holder by delivering the same to such person or by leaving such notice at the place of business or residence of the permit holder in the custody of a person of suitable age and discretion. In the event the permit holder cannot be found and the service of such notice cannot be made in the manner herein provided, a copy of such notice shall be mailed, postage fully prepaid, addressed to the permit holder at his place of business or residence, at least five calendar days prior to the date of such hearing.

5.06.070 Appeal. A. Any person aggrieved by the grant, denial, suspension or revocation of a permit may appeal that decision by filing a written notice of such appeal and the grounds therefor with the City Clerk within ten (10) calendar days after the decision. Upon receipt of the appeal, the matter shall be set for review by the City Council. No rights shall be exercised under any permit until the City Council's decision.

B. In considering and ruling upon any appeal of the petitioner, the City Council shall judge the merits of the appeal based upon those grounds set forth in sections 5.06.050 and 5.06.060 of this code.

C. The City Council may reverse or affirm wholly or partly or may modify any decision, determination, or requirement of the Finance Director and City Manager and may make such decisions or determinations or impose such conditions as the facts warrant, and may order that a permit be granted, denied, suspended or revoked in accordance with their ruling. The decision of the city council shall be final. Any hearing may be continued from time to time.

5.06.080 Violation and Penalty. A. Every person who engages in the business of maintaining or conducting a rental housing unit without first obtaining a permit and paying an annual fee to do so to the City or who violates any provision of this title is guilty of a misdemeanor.

B. Any rental housing unit operated, conducted or maintained contrary to the provisions of this chapter is unlawful and a public nuisance and the City Attorney may, in addition to or in lieu of prosecuting a criminal action hereunder, commence an action or actions, proceeding or proceedings, for the abatement, removal, and enjoinder thereof, in the manner provided by law; and shall take other steps and shall apply to such court or courts as may have jurisdiction to grant such relief as will abate or remove such rental housing unit and restrain and enjoin any person from operating, conducting or maintaining rental housing contrary to the provisions of this chapter."

Section 2: Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof, is for any reason held to be unconstitutional or void, such decision shall not affect the validity of the remaining portion of this ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective

of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional or void.

Section 3: Certification. The City Clerk shall certify the passage of this ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passes and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a local weekly newspaper of general circulation and which is designated for that purpose.

ORDINANCE PASSED AND APPROVED on this ____ day _____, 2012.

Kevin Stapleton
Mayor

ATTEST:

Kay Manning
City Clerk

APPROVED AS TO FORM:

City Attorney