

CLAREMONT CITY COUNCIL

MEETING AGENDA

“We are a vibrant, livable, and inclusive community dedicated to quality services, safety, financial strength, sustainability, preservation, and progress with equal representation for our community.”

City Council Chamber
225 Second Street
Claremont, CA 91711



COUNCILMEMBERS

**ED REECE
MAYOR**

COREY CALAYCAY

JENNIFER STARK

SAL MEDINA

JED LEANO

**Tuesday
May 23, 2023
6:30 PM**

Meetings are open to the public for in-person attendance or remotely via Zoom. Should Zoom be disrupted, the in-person meeting will continue unless one or more Councilmembers are attending the meeting remotely pursuant to Assembly Bill 2449.

To participate in the meeting via Zoom, download Zoom on any phone or computer device cut and paste the following link into your browser to access and participate in the live City Council meeting at 6:30 p.m.: <https://zoom.us/j/256208090> or to only listen from the phone dial (213)338-8477, Webinar ID: 256 208 090.

Public comment may be provided by one of the following methods. Each speaker will be given up to four minutes to provide their comment.

OPTION 1: IN-PERSON LIVE COMMENTS – When the item you wish to speak to is announced, please proceed to the speaker’s podium one by one. Do not form a line in the center aisle.

OPTION 2: E-MAIL – Public comments may be sent via email to the City Clerk’s office at sdesautels@ci.claremont.ca.us and jcostanza@ci.claremont.ca.us. All emails will be distributed to the City Council and imaged into the record of the meeting.

OPTION 3: MAIL – Public comments may be mailed to Claremont City Hall, Attn: City Clerk’s Office, PO Box 880, Claremont, CA 91711. All comments received via mail will be distributed to the City Council and imaged into the record of the meeting.

OPTION 4: TELEPHONICALLY – Members of the public wanting to address the City Council telephonically are requested to inform the Claremont City Clerk’s office no later than 3:00 p.m. on the day of the meeting. The Claremont City Clerk’s office can be reached at (909) 399-5461 or (909) 399-5463. You will be called during consideration of the item you are interested in.

OPTION 5: REMOTE LIVE COMMENTS – Through Zoom, if you wish to speak, you may virtually select the "raise hand" button, which can be seen by the City Clerk. If you are dialing in by telephone and wish to speak, please push *9. This will "raise your hand".

The meeting will not be live streamed through Granicus as the meeting will be live streamed through Zoom instead. The recorded meeting will be uploaded to the City website and preserved.

CALL TO ORDER THE MEETING OF THE CITY COUNCIL

REMOTE PARTICIPATION REQUEST PURSUANT TO ASSEMBLY BILL 2449

If a member of the legislative body is attending pursuant to Assembly Bill 2449 and Zoom is disrupted, the meeting will be suspended until Zoom can be restored.

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

ROLL CALL

CLOSED SESSION REPORT

CEREMONIAL MATTERS, PRESENTATIONS, AND ANNOUNCEMENTS

Announcements:

Claremont Helen Renwick Library Updates

FEDERAL HOLIDAYS AND OBSERVANCES

Holidays This Month and Upcoming

Memorial Day, May 29, 2023

MAYOR AND COUNCIL

Council Items

Council Assignment Reports

City Councilmembers may serve as representatives on regional organizations. This time is allocated for reports about their activities. For information about the Council's local, intergovernmental and regional appointments please visit the City website: <https://www.ci.claremont.ca.us/government/city-council/city-council-assignments-and-appointments>.

CITY MANAGER REPORT

PUBLIC COMMENT

The Council has set aside this time for persons in the audience who wish to comment on items that ARE NOT LISTED ON THIS AGENDA, but are within the jurisdiction of the City Council.

Members of the audience will later have the opportunity to address the City Council regarding ALL OTHER ITEMS ON THE AGENDA at the time the Council considers those items.

At this time the Council will take public comment for 30 minutes. Public Comment will resume later in the meeting if there are speakers who did not get an opportunity to speak because of the 30-minute time limit.

The Brown Act prohibits the City Council from taking action on oral requests relating to items that are not on the agenda. The Council may engage in a brief discussion, refer the matter to staff, and/or schedule requests for consideration at a subsequent meeting.

The Council requests, but does not require, speakers to identify themselves. When you come up to speak, please state your name unless you wish to remain anonymous. Each speaker will be allowed four (4) continuous minutes.

CONSENT CALENDAR

All matters listed on the consent calendar are considered to be routine. The City Council or one or more Commissions and/or Committees have previously considered most of the items on the consent calendar. The Council may act on these items by one motion following public comment.

Only Councilmembers may pull an item from the consent calendar for discussion.

The City Council will waive reading of resolutions and ordinances. Each resolution and ordinance will be numbered following Council approval.

Now is the time for those in the audience to comment on the consent calendar. Each speaker will be allowed four (4) continuous minutes to comment on items on the consent calendar.

1. ADOPTION OF A RESOLUTION APPROVING THE CITY WARRANT REGISTER

Recommendation: Staff recommends that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, dated May 11, 2023.

Attachment(s): Resolution Approving City Warrant Register Dated May 11, 2023

2. CITY COUNCIL MINUTES OF MAY 9, 2023 (SPECIAL AND REGULAR)

Recommendation: Staff recommends that the City Council approve and file the special and regular City Council meeting minutes of May 9, 2023.

Attachment(s): Draft Special Meeting Minutes of May 9, 2023
Draft Regular Meeting Minutes of May 9, 2023

3. SANITATION AND SEWER RATE INCREASE OF 3.0 PERCENT BASED UPON THE CONSUMER PRICE INDEX FROM MARCH 2022 TO MARCH 2023, EFFECTIVE JULY 1, 2023 (FUNDING SOURCE: SANITATION AND SEWER FUNDS)

Recommendation: Staff recommends that the City Council receive and file the report.

Attachment(s): Sanitation and Sewer Fee Summary 2023-24
Excerpt from the Draft 05-03-23 CHS Commission Minutes

4. AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH INNOVATION PAINTING, INC. FOR THE ALEXANDER HUGHES COMMUNITY CENTER PAINTING PROJECT AND APPROPRIATION OF ADDITIONAL FUNDS (FUNDING SOURCE: GENERAL FUND)

Recommendation: Staff recommends that the City Council:

- A. Authorize the City Manager to enter into an agreement with Innovation Painting, Inc. in the amount of \$35,000 for the painting of the Alexander Hughes Community Center and authorize a ten percent contingency in the amount of \$3,500, for a total not-to-exceed amount of \$38,500; and
- B. Appropriate an additional \$17,000 from the Equipment and Facility Revolving Reserve to fully fund the cost of the project, including contingency.

5. AUTHORIZATION TO AMEND EXISTING CONTRACTS AND APPROPRIATION OF ADDITIONAL FUNDING FOR THE BUS SHELTER ENHANCEMENT PROJECT (FUNDING SOURCES: GRANT FUNDS, PROPOSITION A FUND, AND PROPOSITION C FUND)

Recommendation: Staff recommends that the City Council:

- A. Authorize the City Manager to execute an amendment to the existing contract with Tolar Manufacturing, Inc., increasing compensation by \$46,667.42, for a total contract amount of \$564,260.32;
- B. Authorize the City Manager to execute an amendment to the existing contract with Green Giant Landscape, Inc., increasing compensation by \$10,090.20, for a total amount of \$318,090.20;
- C. Authorize the City Manager to execute an amendment to the existing contract with JBohn Associates, increasing compensation by \$10,000, for a total contract amount of \$22,500; and
- D. Appropriate \$464,434.62 from the Proposition A Fund to cover the portion of the project originally allocated for FTA funding, as well as for unanticipated project expenses.

6. RELEASE OF SUBDIVISION IMPROVEMENT BOND FOR FINAL TRACT MAP NO. 71420. APPLICANT - WILLIAM LYONS HOMES LLC, AN ENTITY OF TAYLOR MORRISON, INC.

Recommendation: Staff recommends that the City Council release the performance bond for Final Tract Map No. 71420.

Attachment(s): Tract Map No. 71420

7. ADOPTION OF A RESOLUTION DETERMINING AND ESTABLISHING THE 2023-24 APPROPRIATIONS LIMIT IN THE AMOUNT OF \$50,381,914

Recommendation: Staff recommends that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, DETERMINING AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-24.

Attachment(s): Resolution Determining and Establishing the Appropriations Limit
Appropriations Limit Calculation

8. SECOND READING AND ADOPTION OF AN ORDINANCE IMPOSING HEIGHTENED TENANT PROTECTIONS FOR JUST CAUSE EVICTIONS FOR CERTAIN RESIDENTIAL TENANCIES IN THE CITY OF CLAREMONT (FUNDING SOURCE: GENERAL FUND)

Recommendation: Staff recommends that the City Council:

A. Waive further reading and adopt AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ADDING CHAPTER 8.34 ("JUST CAUSE FOR EVICTION") TO TITLE 8 ("HEALTH AND SAFETY") OF THE CLAREMONT MUNICIPAL CODE, PROHIBITING THE TERMINATION OF CERTAIN RESIDENTIAL TENANCIES WITHOUT "JUST CAUSE" IN THE CITY OF CLAREMONT; and

B. Determine that the ordinance is not subject to environmental review and exempt from environmental review under the California Environmental Quality Act (CEQA).

Attachment(s): "Just Cause Eviction" Ordinance

PUBLIC HEARINGS - None

ORDINANCES - None

ADMINISTRATIVE ITEM

9. RESOLUTION UPDATING THE FEE SCHEDULE FOR THE INCLUSIONARY HOUSING IN-LIEU FEE (FUNDING SOURCE: INCLUSIONARY HOUSING FUND)

Recommendation: Staff recommends that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, UPDATING THE FEE SCHEDULE FOR THE INCLUSIONARY HOUSING IN-LIEU FEE PURSUANT TO CHAPTER 16.036 OF THE CLAREMONT MUNICIPAL CODE.

Attachment(s): Resolution Updating Fee Schedule for Inclusionary Housing In-Lieu Fee
Inclusionary Housing Ordinance No. 2021-04
City of Claremont - Inclusionary Housing: In-Lieu Fee Analysis

CONTINUED PUBLIC COMMENT

This time is reserved for those persons who were unable to speak earlier in the agenda because of the 30-minute time restriction.

COMMISSIONS

One Architectural Commission Vacancy
One Planning Commission Vacancy
Two Upcoming Public Art Committee Vacancies
Various Upcoming End-of-Term Vacancies

ADJOURNMENT

THE NEXT REGULAR MEETING OF THE CLAREMONT CITY COUNCIL WILL BE HELD ON, JUNE 13, 2023, AT 6:30 P.M., IN THE CLAREMONT COUNCIL CHAMBER, 225 WEST SECOND STREET, CLAREMONT, CA 91711.

A LOOK AHEAD – Upcoming Meetings and Tentative Agenda Items

Appointments/Reappointments - Public Art Committee
City Warrant Register Dated May 25, 2023
Draft City Council Meeting Minutes of May 23, 2023
Award of Contract - Urban Forest Management Services
Award of Contract - Cahuilla Park Walkway Repairs
Renewal of Contract - Granicus
LACDA Cooperation Agreement 2024-26 Block Grant Program Qualification Period
Agreement - Seismic and Engineering Services
Award of Contract - Sewer Rehabilitation Project Phase 5
Award of Contract - Sanitation Automated Containers
Resolution Authorizing TDA/STA Claims Submittal
Award of Contract - Sanitation Truck Purchase
Landscape and Lighting District Public Hearing
Shared Mobility Ordinance
Diversity, Equity, and Inclusion Consultant Findings Report
American Rescue Plan Act E-Bicycle Program
Long Range Financial Plan and Reserve Policy Update

MATERIALS RELATED TO AN ITEM ON THIS AGENDA, AND SUBMITTED TO THE CITY COUNCIL AFTER PUBLICATION OF THE AGENDA, ARE AVAILABLE TO THE PUBLIC IN THE CITY CLERK'S OFFICE AT 207 HARVARD AVENUE, CLAREMONT, MONDAY THROUGH THURSDAY, 7 AM – 6 PM. SUBJECT MATERIALS WILL BE MADE AVAILABLE ON THE CITY WEBSITE AS SOON AS POSSIBLE - www.ci.claremont.ca.us. For more information, please call the City Clerk's Office at 909-399-5461.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, THIS AGENDA WILL BE MADE AVAILABLE IN APPROPRIATE ALTERNATIVE FORMATS TO PERSONS WITH DISABILITIES. ANY PERSON WITH A DISABILITY WHO REQUIRES A MODIFICATION OR ACCOMMODATION IN ORDER TO PARTICIPATE IN A CITY MEETING SHOULD CONTACT THE CITY CLERK AT 909-399-5461 "VOICE" OR 1-800-735-2929 "TT/TTY" AT LEAST THREE (3) WORKING DAYS PRIOR TO THE MEETING, IF POSSIBLE.

I, JAMIE COSTANZA, DEPUTY CITY CLERK OF THE CITY OF CLAREMONT, CALIFORNIA, HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING AGENDA WAS POSTED AT CLAREMONT CITY HALL, 207 HARVARD AVENUE, ON MAY 18, 2023, PURSUANT TO GOVERNMENT CODE SECTION 54954.2.

POST THROUGH: May 24, 2023



Claremont City Council

Agenda Report

File #: 4706

Item No: 1.

TO: ADAM PIRRIE, CITY MANAGER

FROM: JAMIE COSTANZA, DEPUTY CITY CLERK

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

ADOPTION OF A RESOLUTION APPROVING THE CITY WARRANT REGISTER

RECOMMENDATION

Staff recommends that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, dated May 11, 2023.

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office.

Submitted by:

Jamie Costanza
Deputy City Clerk

Attachment:

Resolution Approving City Warrant Register Dated May 11, 2023

RESOLUTION NO. 2023-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

NOW THEREFORE, THE CLAREMONT CITY COUNCIL DOES HEREBY RESOLVE:

SECTION 1. That the list of claims and demands dated May 11, 2023, totaling \$1,406,960.21 has been audited as required by law.

SECTION 2. That warrant numbers 4474 through 4478, 251776 through 251908, and 5000 through 5001, inclusive, are hereby allowed in the amounts and ordered paid out of the respective funds.

SECTION 3. That the Mayor shall sign this Resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED, AND ADOPTED this 23rd day of May, 2023.

Mayor, City of Claremont

ATTEST:

City Clerk, City of Claremont



Claremont City Council

Agenda Report

File #: 4707

Item No: 2.

TO: ADAM PIRRIE, CITY MANAGER

FROM: JAMIE COSTANZA, DEPUTY CITY CLERK

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

CITY COUNCIL MINUTES OF MAY 9, 2023 (SPECIAL AND REGULAR)

RECOMMENDATION

Staff recommends that the City Council approve and file the special and regular City Council meeting minutes of May 9, 2023.

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office.

Submitted and Prepared by:

Jamie Costanza
Deputy City Clerk

Attachments:

- A - Draft Special Meeting Minutes of May 9, 2023
- B - Draft Regular Meeting Minutes of May 9, 2023

**CLAREMONT CITY COUNCIL
SPECIAL MEETING MINUTES**

ATTACHMENT A

Tuesday, May 9, 2023 – 5:15 p.m.

Meeting Conducted In Person and Via Zoom. Video Recording is Archived on the City Website
<https://www.ci.claremont.ca.us/government/city-council/watch-city-council-meetings>

CALL TO ORDER

Mayor Pro Tem Medina called the meeting to order at 5:18 p.m.

ROLL CALL

PRESENT

COUNCILMEMBER: CALAYCAY, LEANO, MEDINA, STARK

ABSENT

COUNCILMEMBER: REECE

ALSO PRESENT

Jamie Earl, Assistant City Manager; Alisha Patterson, City Attorney

Closed Session

Mayor Pro Tem Medina invited public comment.

There were no requests to speak.

At 5:20 p.m., the City Council recessed to closed session:

Pursuant to Government Code Section 54956.9(d)(2) and (e)(1):

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

***Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) and Paragraph (1) of Subdivision (e) of California Government Code Section 594956.
One Potential Case***

The City Council reconvened from closed session at 6:31 p.m.

Closed Session Report

Mayor Pro Tem Medina stated there was no reportable action.

ADJOURNMENT

At 6:31 p.m., Mayor Pro Tem Medina adjourned the meeting.

Mayor

ATTEST:

Deputy City Clerk

**CLAREMONT CITY COUNCIL
MEETING MINUTES**

Tuesday, May 9, 2023 – 6:30 p.m.

Meeting Conducted In Person and Via Zoom. Video Recording is Archived on the City Website
<https://www.ci.claremont.ca.us/government/city-council/watch-city-council-meetings>

CALL TO ORDER

Mayor Pro Tem Medina called the meeting to order at 6:33 p.m.

PLEDGE OF ALLEGIANCE**MOMENT OF SILENCE****ROLL CALL****PRESENT**

COUNCILMEMBER: CALAYCAY, LEANO, MEDINA, STARK

ABSENT

COUNCILMEMBER: REECE

ALSO PRESENT

Jamie Earl, Assistant City Manager; Alisha Patterson, City Attorney; Aaron Fate, Police Chief; Jeremy Swan, Director of Community Services; Brad Johnson, Director of Community Development; Melissa Vollaro, Director of Human Services; Nishil Bali, Finance Director

CLOSED SESSION REPORT

Mayor Pro Tem Medina stated there was no reportable action from the 5:15 p.m. closed session meeting.

CEREMONIAL MATTERS, PRESENTATIONS, AND ANNOUNCEMENTS

The City Council received a presentation from Priscilla Espinoza on upcoming events taking place at the Claremont Helen Renwick Library.

ANNOUNCEMENT OF FEDERAL HOLIDAYS/OBSERVANCES

Memorial Day, May 29, 2023

MAYOR AND COUNCIL

Council Items - None

Council Assignment Reports

This item starts at 1:20:50 in the archived video.

Councilmember Stark reported that she attended the Southern California Association of Governments annual conference and the San Gabriel Valley Council of Governments Environmental and Natural Resources Committee where they received a presentation on Tesla superchargers. Lastly, she reported on the San Gabriel Valley Council of Governments Water Policy Committee and reminded everyone to continue conserving water. She asked City staff to invite the LA County Flood Control District to present an update at a future City Council meeting.

Councilmember Leano reported that he attended the Southern California Association of Government General Assembly meeting where they elected new officers.

CITY MANAGER REPORT

This item starts at 1:25:38 in the archived video.

Assistant City Manager Earl reported that on June 7 the City will facilitate a neighborhood meeting to discuss the Stone Canyon water seepage issue, the City's collection of the SoCal Gas utility user tax will pause starting July 1, 2023 and will last for a period of 5 months, invited all to the May 11 Committee on Human Relations workshop on civility, and invited all to the City's Memorial Day ceremony. Lastly, she announced the honorees for this years' 4th of July celebration: John Neiuber, Grand Marshal; Raul Rodriguez, Honored Citizen; and Carmen Flores and Tatiana Guerrero, Honored Community Group.

PUBLIC COMMENT

This item starts at 1:28:55 in the archived video.

Mayor Reece invited public comment.

Ross Pringle, Claremont Streets for People, spoke in support of the Heart of the Foothills event and shared participant suggestions that included pedestrian and bicycle safety in the City.

There were no other requests to speak.

CONSENT CALENDAR

This item starts at 1:36:01 in the archived video.

Mayor Pro Tem invited public comment on the Consent Calendar.

Buff Brown, Claremont Streets for People, spoke in support of Consent Calendar Item No. 5 and shared information regarding road safety.

Unidentified speaker spoke about speeding on College Avenue and asked the City Council to add speed bumps or cameras to help deter speeding.

Ross Pringle, Claremont Streets for People, spoke in support of Consent Calendar Item No. 5 and urged the City Council to instruct KOA Corporation to create a plan that protects the most vulnerable road users like pedestrians and bicyclists.

There were no other requests to speak.

1. Resignation of Planning Commissioner Tom Andersen
Accepted with regret the resignation of Tom Andersen from the Planning Commission effective May 17, 2023.
2. Adoption of a Resolution Approving the City Warrant Register
Adopted Resolution No. 2023-28, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND

SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, dated April 27, 2023.

3. City Council Minutes of April 25, 2023 (Regular)
Approved and filed the regular City Council meeting minutes of April 25, 2023.
4. 2023-24 Landscape and Lighting District Engineer's Report (Funding Source: Landscape and Lighting District Fund)
 - A. Adopted Resolution No. 2023-29, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, APPROVING THE ENGINEER'S REPORT PREPARED BY WILLDAN FINANCIAL SERVICES AS FILED, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN LANDSCAPE AND LIGHTING DISTRICT NO. LL001 FOR THE FISCAL YEAR 2023/24 PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972 FOR THE MAINTENANCE AND SERVICING OF LIGHTING AND LANDSCAPING, AND GIVING NOTICE OF AND SETTING THE TIME AND PLACE OF THE PUBLIC HEARING ON THE LEVY OF THE PROPOSED ASSESSMENTS; and
 - B. Set a public hearing date of June 13, 2023, for the purpose of hearing any comments on the proposed 2023-24 LLD assessment and for the ordering of the annual levy.
5. Authorization to Enter Into a Professional Services Agreement with KOA Corporation and Appropriate Funds for the Preparation of a Local Road Safety Plan (Funding Source: Proposition C)
 - A. Authorized the City Manager to execute a professional services agreement with KOA Corporation for the preparation of a Local Road Safety Plan in the amount of \$105,728, and authorize a ten percent contingency in the amount of \$10,573, for a not-to-exceed amount of \$116,301; and
 - B. Appropriated \$116,301 from the Proposition C Fund to complete this project.
6. Authorization to Amend the Existing Professional Services Agreement with Willdan Engineering to Extend the Term and Increase Compensation for Public Works Inspection Services (Funding Source: General Fund)
Authorized the City Manager to execute an amendment to the existing professional services agreement for public works inspection services with Willdan Engineering, extending the term to December 31, 2023 and increasing compensation by \$168,000, for a total not-to-exceed amount of \$293,000.
7. Resolution Adopting a List of Projects for Fiscal Year 2023-24 Funded by Senate Bill 1: The Road and Accountability Act of 2017 (Funding Source: Senate Bill 1 – Road Maintenance and Rehabilitation Account)
Adopted Resolution No. 2023-30, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2023-24 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.
8. Approval of the Claremont Library Maintenance Agreement (Funding Source: Landscape and Lighting District Fund)
Authorized the City Manager to execute the Library Grounds Maintenance Agreement for the period of July 1, 2023 through June 30, 2028, in an amount of \$20,812 for 2023-24, and allowing for an annual increase to the base amount according to the Consumer Price Index for the Los Angeles-Anaheim-Riverside Metropolitan statistical area.

Councilmember Calaycay moved to approve the Consent Calendar.

Councilmember Calaycay asked that the Police Department provide extra patrol to help address speeding on College Avenue.

Chief Fate responded to a suggestion to use speed cameras and explained that speed cameras are illegal in California and confirmed that extra monitoring will take place on College Avenue.

The motion was seconded by Councilmember Stark, and carried on a roll call vote as follows:

AYES: Councilmember – Calaycay, Leano, Medina, Stark

NOES: Councilmember – None

ABSENT: Councilmember – Reece

PUBLIC HEARINGS – None

Mayor Pro Tem Medina announced that Administrative Item No. 10 would be heard next as there may be a considerable amount of City Council discussion on Item No. 9.

ADMINISTRATIVE ITEM

10. Annual Report for the Military Equipment Use Policy of the Claremont Police Department as Required by Assembly Bill 481 – Military Equipment: Funding, Acquisition, and Use (Funding Source: General Fund)

Karlan Bennet, Police Lieutenant, gave a PowerPoint Presentation, and responded to questions from the City Council regarding which surrounding Cities have armored vehicles, closest City to Claremont who has an armored vehicle, and is the equipment and vehicle maintenance of the proposed armored vehicle in the existing City budget.

Mayor Reece invited public comment.

Unidentified speaker questioned the cost of the armored vehicle and how much is budgeted for these types of military equipment.

There were no other requests to speak.

Lieutenant Bennet responded to a question raised during the public comment period that if approved, the City will be receiving the vehicle at no cost; therefore the cost would be for annual and routine maintenance.

Councilmember Stark spoke in support of highly trained personnel that will use the equipment.

Councilmember Stark moved to receive the Annual Military Equipment Use Report and approve the acquisition of the equipment listed under “New Request – Category 2 and Category 12”, seconded by Councilmember Calaycay, and carried on a roll call vote as follows:

AYES: Councilmember – Calaycay, Leano, Medina, Stark

NOES: Councilmember – None

ABSENT: Councilmember – Reece

ORDINANCE

9. Continuation of Item No. 10 from the April 25, 2023 City Council Agenda - Consideration of Tenant Protections – (1) First Reading and Introduction of an Ordinance Imposing Heightened Tenant Protections for Just Cause Evictions for Certain Residential Tenancies in the City of Claremont; and (2) First Reading and Introduction of an Ordinance Imposing Heightened Rent Stabilization Requirements for Certain Residential Tenancies in the City of Claremont (Funding Source: General Fund)

This item starts at 2:01:54 in the archived video.

Katie Wand, Assistant to the City Manager, gave a PowerPoint presentation and shared that no additional public comment will be taken as public comment concluded at the April 25, 2023 City Council meeting.

City Attorney Patterson, Ms. Wand, and Brad Fliehmman, Building Official, responded to questions raised during the public comment period regarding other policies that may include wording that the Building Official has deemed the work necessary, litigated ordinances, AB 1482 definition of “substantially remodel”, cost of litigation, examples of code compliance for health and safety reasons, and the ability and timeframe to modify an adopted ordinance.

The City Council originally discussed Key Decision 2.5 at its April 25, 2023, meeting and provided preliminary direction to not narrow AB 1482’s definition of “substantially remodel”. After further discussion, a majority of the City Council directed the City Attorney to incorporate the following language in the “Just Cause for Eviction” ordinance: “The owner has demonstrated to the satisfaction of the City’s Building Official or his/her/their designee that the work is necessary to bring the rental unit into compliance with applicable codes and laws affecting the health and safety of tenants of the building.”

The City Council recessed at 8:14 p.m.
The City Council reconvened at 8:20 p.m.

Ms. Wand continued to respond to additional questions from the City Council regarding data collection on rental units, use of American Rescue Plan Act Funds, rental assistance amount, and rental assistance agencies.

The City Council discussed “Key Decisions 4-7” and provided the following direction/guidance as summarized below:

- Key Decision 4 – The City Council imposed relocation assistance to be provided by housing providers’ equivalent to three months’ rent.
- Key Decision 5 – The City Council requested that the potential inclusion of “anti-harassment language” in the City’s “Just Cause for Eviction” ordinance be further considered by housing providers and tenants. As such, the City Council asked staff to conduct stakeholder outreach and to return to City Council at a later date with a recommendation.
- Key Decision 6 – The City Council agreed that the ordinance shall not apply to residential tenancies in a building or in a complex of commonly-owned buildings with nine (9) or fewer rental units.
- Key Decision 7 – The City Council will not be pursuing a “Rent Stabilization” ordinance at this time. The City Council requested that staff present cost options and additional information during their City Council Priorities/Budget Discussion for the 2024-26 budget

cycle pertaining to the feasibility of additional staffing/programming associated with the collection and management of Claremont-specific rental housing data.

The City Council recessed at 9:44 p.m.
The City Council reconvened at 9:53 p.m.

Based on direction provided at the April 25, 2023, City Council meeting and direction provided tonight, the City Attorney incorporated the requested changes to the “Just Cause for Eviction” ordinance.

Councilmember Stark moved to introduce for first reading and that reading be by title only AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA ADDING CHAPTER 8.34 ("JUST CAUSE FOR EVICTION") TO TITLE 8 ("HEALTH AND SAFETY") OF THE CLAREMONT MUNICIPAL CODE, PROHIBITING THE TERMINATION OF CERTAIN RESIDENTIAL TENANCIES WITHOUT "JUST CAUSE" IN THE CITY OF CLAREMONT, seconded by Councilmember Leano, and carried on a roll call vote as follows:

AYES: Councilmember – Leano, Medina, Stark
NOES: Councilmember – Calaycay
ABSENT: Councilmember – Reece

ADJOURNMENT

Mayor Pro Tem Medina adjourned the meeting of the Claremont City Council at 9:58 p.m. The next regular meeting of the Claremont City Council will be held on Tuesday, May 23, 2023, at 6:30 p.m., in the Claremont Council Chamber.

Mayor Pro Tem

ATTEST:

Deputy City Clerk



Claremont City Council

Agenda Report

File #: 4714

Item No: 3.

TO: ADAM PIRRIE, CITY MANAGER

FROM: JEREMY SWAN, COMMUNITY SERVICES DIRECTOR

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

SANITATION AND SEWER RATE INCREASE OF 3.0 PERCENT BASED UPON THE CONSUMER PRICE INDEX FROM MARCH 2022 TO MARCH 2023, EFFECTIVE JULY 1, 2023 (FUNDING SOURCE: SANITATION AND SEWER FUNDS)

SUMMARY

The Sewer and Sanitation Fee Ordinances provide a mechanism to increase rates automatically based on the Consumer Price Index (CPI) for the Los Angeles area, as reported by the U.S. Bureau of Labor Statistics. Rate increases must be based upon the finding that the revenue generated by the CPI increase is necessary to cover the cost of operations and maintenance, labor and insurance, equipment and capital, facilities, debt, contingencies, and reserves to maintain solvent sanitation and sewer maintenance operations. The Sewer and Sanitation Fee Ordinances cap CPI increases at an amount not to exceed 3.0 percent. The CPI from March 2022 through March 2023 for the Los Angeles area was 3.7 percent.

After evaluating anticipated revenues and expenditures for 2023-24 and beyond, staff determined that a 3.0 percent increase in sewer and sanitation rates is necessary to sustain operations. The automatic CPI increase has been approved by the City Council via Sewer and Sanitation Fee Ordinances 2021-01 and 2021-02, respectively. The proposed fees, as outlined in Attachment A, will be administratively approved by the City Manager and will go into effect on July 1, 2023.

RECOMMENDATION

Staff recommends that the City Council receive and file the report.

ALTERNATIVE TO RECOMMENDATION

In addition to the recommendation, there is the following alternative:

- Request additional information from staff.

FINANCIAL REVIEW

The 2023-24 Sewer Fund budget includes \$1,048,819 in anticipated expenditures to cover ongoing costs to provide sewer maintenance services. Revenue projections for 2023-24 total \$1,071,000, including the proposed 3.0 percent increase. The 2023-24 budgeted expenditures do not include a proposed Sewer Cleaning and Condition Assessment set to begin in 2024. It is estimated that an updated cleaning and condition assessment will cost approximately \$820,000. Such assessments, as well as Capital Improvement Projects are typically funded using balances that have accumulated in the Sewer Fund. Therefore, the 3.0 percent increase is necessary to ensure that adequate funds are available for upcoming Capital Improvement Projects and to sustain increases in operating costs in accordance with the fee resolution.

The 2023-24 Sanitation Fund budget includes \$7,841,124 in anticipated expenditures to cover the cost to provide refuse collection and street sweeping services. The City anticipates generating approximately \$8,221,412 in revenues with the proposed 3.0 percent increase. Revenues are expected to exceed expenditures in 2023-24 because there are no vehicle replacements scheduled. However, the Sanitation Division anticipates approximately \$1.15 million in necessary vehicle purchases in 2024-25. Sanitation vehicles are purchased using funds that have accumulated in the Sanitation Fund balance. Therefore, the 3.0 percent increase is necessary to ensure that funds are available for scheduled vehicle replacements and to sustain increases in operating costs in accordance with the fee ordinance.

The staff cost to prepare this report and administer this program is estimated at \$5,500 and is included in the operating budget of the Community Services Department.

ANALYSIS

The City is required to cover all of its expenses for sewer and sanitation services through fees and charges for service. These fees are deposited into the Sewer and Sanitation Funds and are used solely for the provision of sewer and sanitation services. The Sewer Fund covers the costs to maintain the City's sanitary sewer system. The Sanitation Fund covers the costs associated with the City's solid waste and recycling collection programs and street sweeping services.

On June 8, 2021, the City Council adopted Ordinances 2021-01 and 2021-02, which created a mechanism for annual increases in Sewer and Sanitation fees. Through 2026, annual increases in fees shall be based upon the Consumer Price Index (CPI) for all urban customers in the Los Angeles area, published by the United States Department of Labor, Bureau of Labor Statistics, for the period of March of the previous year through March of the current year, not to exceed 3.0 percent annually. As required by Proposition 218, notice of each increase will be provided to all ratepayers.

The CPI for Los Angeles-Long Beach-Anaheim from March 2022 through March 2023 is 3.7 percent. After evaluating anticipated revenues and expenditures for 2022-23 and beyond, staff determined that a 3.0 percent increase in sewer and sanitation rates is necessary to sustain operations. The

proposed fees, as outlined in the attachment, have been administratively approved by the City Manager and will go into effect on July 1, 2023.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City's strategic and visioning documents and finds that it applies to the following City Planning Documents: Council Priorities, Sustainable City Plan, Economic Sustainability Plan, General Plan, and the 2022-24 Budget.

CEQA REVIEW

This item is not subject to environmental review under the California Environmental Quality Act (CEQA).

COUNCIL COMMITTEE/COMMISSION REVIEW

The Community and Human Services Commission received and filed this report at its May 3, 2023 meeting. An excerpt from the draft meeting minutes is included as Attachment B.

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office.

Submitted by:

Jeremy Swan
Community Services Director

Prepared by:

Kristin Mikula
Community Services Commission

Attachments:

A - Sanitation and Sewer Fee Summary 2023-24

B - Excerpt from the Draft 05-03-23 Community and Human Services Commission Meeting Minutes

**Claremont Sewer and Sanitation Fee Schedule
Effective July 1, 2023**

SANITATION FEES

Description	Unit	Current Fee	Updated Fee	Notes
RESIDENTIAL SERVICE				
35-Gallon				
Curbside	Per month	\$ 27.06	\$ 27.87	
Curbside with discount*	Per month	\$ 21.68	\$ 22.33	
Off-Street	Per month	\$ 56.39	\$ 58.08	
Off-Street with discount*	Per month	\$ 51.00	\$ 52.53	
Off-Street with discount & disability	Per month	\$ 25.83	\$ 26.60	
64-Gallon				
Curbside	Per month	\$ 32.34	\$ 33.31	
Curbside with discount*	Per month	\$ 25.88	\$ 26.65	
Off-street	Per month	\$ 61.66	\$ 63.50	
Off-street with discount*	Per month	\$ 55.20	\$ 56.85	
Off-Street with discount & disability	Per month	\$ 30.03	\$ 30.93	
96-Gallon				
Curbside	Per month	\$ 41.25	\$ 42.48	
Curbside with discount*	Per month	\$ 33.03	\$ 34.02	
Off-street	Per month	\$ 70.57	\$ 72.68	
Off-street with discount*	Per month	\$ 62.36	\$ 64.23	
Off-Street with discount & disability	Per month	\$ 37.19	\$ 38.30	
(2) 96-Gallon				
Curbside	Per month	\$ 59.86	\$ 61.65	
Curbside with discount*	Per month	\$ 47.89	\$ 49.32	
Off-street	Per month	\$ 93.33	\$ 96.12	
(3) 96-Gallon				
Curbside**	Per month	\$ 79.26	\$ 81.63	
(4) 96-Gallon				
3 containers	Per month	\$ 98.66	\$ 101.61	

Description	Unit	Current Fee	Updated Fee	Notes
Valet Service				
Additional containers	Each/Per month	\$ 4.15	\$ 4.27	
Discount & Disability - 3 containers	Per month	\$ 4.15	\$ 4.27	
Discount & Disability - Additional Containers	Each/Per month	\$ 4.15	\$ 4.27	
Residential Unscheduled Service / Special Pickup				
3 containers		\$ 27.82	\$ 28.65	
Additional containers	Each	\$ 13.90	\$ 14.31	
Customer Request -- Change Out / Service Charge	Each service	\$ 13.90	\$ 14.31	
Temporary Automated Refuse Containers				
Monthly Fee		\$ 25.05	\$ 25.80	2 Months Maximum plus a one-time \$14.31 service fee
One time fee		\$ 13.90	\$ 14.31	
Steam Clean Automated Container				
Per container		\$ 13.91	\$ 14.31	
To pick up & return container after cleaning		\$ 27.82	\$ 28.65	
Additional Organics & Recycling Containers				
Additional Organics Container	Each/Per month	\$ 5.66	\$ 5.82	One 96-Gallon organics container provided at no additional cost, each additional container charged at \$5.82 per month
Additional Recycle Container	Each/Per month	\$ 5.66	\$ 5.82	One 96-Gallon recycle container provided at no additional cost, each additional container charged at \$5.82 per month
Organics Countertop Pail	Each	\$ 5.15	\$ 5.30	

Description	Unit	Current Fee	Updated Fee	Notes
MULTI-FAMILY SERVICE				
Refuse Service				
Automated Containers	Per unit / Per month	\$ 25.18	\$ 25.93	
Bin	Per unit / Per month	\$ 25.18	\$ 25.93	
Off Street Service				
3 containers	Per month	\$ 29.32	\$ 30.19	
Additional containers	Per month	\$ 4.15	\$ 4.27	
Bin	Per month	\$ 18.14	\$ 18.68	
Multi-Family Unscheduled Service / Special Pickups				
Bin	Per month	\$ 34.79	\$ 35.82	
Bin on Saturday	Per month	\$ 41.75	\$ 43.00	
Automated Container	Per month	\$ 27.82	\$ 28.65	
Additional Organics & Recycling Containers				
Additional Organics Container	Each/Per month	\$ 5.66	\$ 5.82	One 96-Gallon organics container provided at no additional cost for every two units. (For example, one 96-gallon container is provided at no additional cost for properties with two units. Two 96-gallon containers are provided at no cost for properties with 3-4 units, etc.) Additional containers are charged at \$5.82 per month

Description	Unit	Current Fee	Updated Fee	Notes
Additional Recycle Container	Each/Per month	\$ 5.66	\$ 5.82	One 96-Gallon recycle container provided at no additional cost for every two units. (For example, one 96-gallon container is provided at no additional cost for properties with two units. Two 96-gallon containers are provided at no cost for properties with 3-4 units, etc.) Additional containers are charged at \$5.82 per month
* 20% discount on refuse based on container size				
** An additional \$19.98 per month charged for each extra refuse container over two containers in FY 2024.				
COMMERCIAL SERVICE				
1 Bin				
Pickup - 1x	Per month	\$ 166.86	\$ 171.86	
Pickup - 2x	Per month	\$ 332.26	\$ 342.22	
Pickup - 3x	Per month	\$ 499.87	\$ 514.86	
Pickup - 4x	Per month	\$ 665.28	\$ 685.23	
Pickup - 5x	Per month	\$ 830.69	\$ 855.61	
Pickup - 6x	Per month	\$ 1,029.60	\$ 1,060.48	
2 Bins				
Pickup - 1x	Per month	\$ 333.74	\$ 343.75	
Pickup - 2x	Per month	\$ 664.51	\$ 684.44	
Pickup - 3x	Per month	\$ 999.79	\$ 1,029.78	
Pickup - 4x	Per month	\$ 1,330.59	\$ 1,370.50	
Pickup - 5x	Per month	\$ 1,661.39	\$ 1,711.23	
Pickup - 6x	Per month	\$ 2,059.24	\$ 2,121.01	
3 Bins				
Pickup - 1x	Per month	\$ 500.61	\$ 515.62	

Description	Unit	Current Fee	Updated Fee	Notes
Pickup - 2x	Per month	\$ 996.78	\$ 1,026.68	
Pickup - 3x	Per month	\$ 1,499.69	\$ 1,544.68	
Pickup - 4x	Per month	\$ 1,995.89	\$ 2,055.76	
Pickup - 5x	Per month	\$ 2,492.09	\$ 2,566.85	
Pickup - 6x	Per month	\$ 3,088.87	\$ 3,181.53	
4 Bins				
Pickup - 1x	Per month	\$ 667.49	\$ 687.51	
Pickup - 2x	Per month	\$ 1,329.03	\$ 1,368.90	
Pickup - 3x	Per month	\$ 1,999.59	\$ 2,059.57	
Pickup - 4x	Per month	\$ 2,661.18	\$ 2,741.01	
Pickup - 5x	Per month	\$ 3,322.81	\$ 3,422.49	
Pickup - 6x	Per month	\$ 4,118.50	\$ 4,242.05	
5 Bins				
Pickup - 1x	Per month	\$ 834.37	\$ 859.40	
Pickup - 2x	Per month	\$ 1,661.29	\$ 1,711.12	
Pickup - 3x	Per month	\$ 2,499.49	\$ 2,574.47	
Pickup - 4x	Per month	\$ 3,326.48	\$ 3,426.27	
Pickup - 5x	Per month	\$ 4,153.50	\$ 4,278.10	
Pickup - 6x	Per month	\$ 5,148.12	\$ 5,302.56	
6 Bins				
Pickup - 1x	Per month	\$ 1,001.24	\$ 1,031.27	
Pickup - 2x	Per month	\$ 1,993.55	\$ 2,053.35	
Pickup - 3x	Per month	\$ 2,999.39	\$ 3,089.37	
Pickup - 4x	Per month	\$ 3,991.77	\$ 4,111.52	
Pickup - 5x	Per month	\$ 4,984.21	\$ 5,133.73	
Pickup - 6x	Per month	\$ 6,177.74	\$ 6,363.07	
7 Bins				
Pickup - 1x	Per month	\$ 1,168.12	\$ 1,203.16	
Pickup - 2x	Per month	\$ 2,325.82	\$ 2,395.59	
Pickup - 3x	Per month	\$ 3,499.29	\$ 3,604.26	
Pickup - 4x	Per month	\$ 4,657.07	\$ 4,796.78	

Description	Unit	Current Fee	Updated Fee	Notes
Pickup - 6x	Per month	\$ 7,207.37	\$ 7,423.59	
Monthly Charge Per Refuse Container		\$ 32.12	\$ 33.08	
Off-street Service - Bin	Per pick-up	\$ 18.15	\$ 18.69	Per bin per pick-up
Commercial Unscheduled Service / Special Pickup				
Bin	Per pick-up	\$ 34.79	\$ 35.82	
Bin on Saturday	Per pick-up	\$ 41.75	\$ 43.00	
Automated Container	Per pick-up	\$ 27.82	\$ 28.65	
Commercial Food Waste Collection Service				
Compacting Bin	Per pick-up	\$ 250.61	\$ 258.12	Plus actual disposal cost
Roll-offs	Per pick-up	\$ 250.61	\$ 258.12	Plus actual disposal cost
TEMPORARY BIN RENTALS				
Bins (3 or 4 cubic yard)				
Flat fee, per pickup	Per week per pickup	\$ 152.42	\$ 156.99	
Extension Fee	Per Day	\$ 13.90	\$ 14.31	7 day maximum
Service Fee		\$ 34.78	\$ 35.82	
Relocation Fee		\$ 38.10	\$ 39.24	25% of the weekly fee set forth above
Cancellations		\$ 27.82	\$ 28.65	For bin rentals less than 24 hours prior to delivery date
Steam Cleaning Bins	Per bin	\$ 159.65	\$ 164.43	Per bin per service
Roll-offs (10 or 40 cubic yards)				
Flat fee, per pickup	Per week / per dump	\$ 682.77	\$ 703.25	Up to 7 tons
Extension Fee	Per day	\$ 41.75	\$ 43.00	7 day maximum
Service Fee		\$ 34.78	\$ 35.82	
Relocation Fee		\$ 170.69	\$ 175.81	25% of weekly fee set forth above

Description	Unit	Current Fee	Updated Fee	Notes
Overweight Fee		Actual Cost		7-9 tons billed at the current tipping fee; over 9 tons billed at State of CA Vehicle Code - Division 18, CH1, Article 2, Section 42030 - for the amount of the overload weight.
Cancellations		\$ 27.82	\$ 28.65	For roll-off rentals less than 24 hours prior to delivery date
Bulk Item Pickups				
Residential (additional p/u's after 3 free)	Per load	\$ 34.79	\$ 35.82	
Residential (off schedule)		\$ 41.75	\$ 43.00	
Commercial / Multi-Family	Per Load	\$ 41.75	\$ 43.00	
Locks for Bins/Enclosures		\$ 76.40	\$ 78.69	Includes lock & 2 keys
Street Sweeping Fees				
Single-family dwelling unit	Per month	\$ 4.24	\$ 4.36	
Multi-family dwelling with (2-5 units)	Per month	\$ 8.26	\$ 8.50	
Multi-family dwelling with (6-10 units)	Per month	\$ 11.95	\$ 12.30	
Multi-family dwelling with (11-15 units)	Per month	\$ 15.18	\$ 15.63	
Multi-family dwelling with (16-20 units)	Per month	\$ 18.63	\$ 19.18	
Multi-family dwelling with (21-25 units)	Per month	\$ 22.10	\$ 22.76	
Multi-family dwelling with (26-30 units)	Per month	\$ 25.47	\$ 26.23	
Multi-family dwelling with (31-40 units)	Per month	\$ 33.15	\$ 34.14	
Multi-family dwelling with (41-50 units)	Per month	\$ 41.43	\$ 42.67	
Multi-family dwelling with (51-60 units)	Per month	\$ 49.73	\$ 51.22	
Multi-family dwelling with (61-70 units)	Per month	\$ 58.04	\$ 59.78	
Multi-family dwelling with (71-80 units)	Per month	\$ 66.34	\$ 68.33	
Multi-family dwelling with (81-90 units)	Per month	\$ 74.62	\$ 76.85	
Multi-family dwelling with (90-100 units)	Per month	\$ 82.91	\$ 85.39	
Multi-family dwelling with (100-150 units)	Per month	\$ 96.74	\$ 99.64	

Description	Unit	Current Fee	Updated Fee	Notes
Multi-family dwelling with (151 units & up)	Per month	\$ 124.38	\$ 128.11	
Church and Public School	Per month	\$ 12.28	\$ 12.64	
College Building on Public Street	Per month	\$ 12.28	\$ 12.64	
Other Buildings	Per month	\$ 12.28	\$ 12.64	

Special charges for any other service not specified shall be assessed a Special Circumstance Fee. The Special Circumstance Fee shall be determined as follows:

- a. The cost per hour of a Senior Solid Waste Operator multiplied by the amount of time necessary to provide the service (time will be calculated in increments of 15 minutes), plus
- b. The cost per mile of the equipment used to provide the service multiple by the distance traveled necessary to provide the service, plus
- c. Any disposal costs related to the Special Circumstance service, plus
- d. 20% administrative charge

SEWER FEES

Description	Unit	Current Fee	Updated Fee	Notes
Single-family residences (includes PUDs, duplexes, triplexes, fourplexes, condominiums, and apartments)	Per Dwelling Unit Per Year	\$ 72.84	\$ 75.02	
Dormitories, rest homes, hospitals, and institutional buildings	Per Resident Per Year	\$ 12.58	\$ 12.95	
Colleges, private, and public schools	Per Student Per Year	\$ 0.49	\$ 0.50	
Hotels, motels, businesses, and industrial establishments	Per CCF of Water Usage Per Year	\$ 0.19	\$ 0.20	
Religious Facilities	Per Building Per Year	\$ 23.14	\$ 23.83	
Single Family Residences with Low Income Discount (20%)	Per Dwelling Unit Per Year	\$ 58.26	\$ 60.00	

Human Services Director Vollaro reported on:

- Reserve Park Rangers Recognition
- Spring Celebration Highlights
- Heart of the Foothills Highlights
- Summer 2023 Recreation Brochure
- Claremont Hills Wilderness Park Survey
- Committee on Human Relations Civility Workshop
- Senior & Youth Programs Volunteer Recognition Events
- Memorial Day Ceremony
- 4th of July Updates

PUBLIC COMMENT

This item starts at 00:16:46 in the archived video.

Chair Silva invited public comment.

Meg Mathies, Claremont resident, spoke regarding the proposed tree mitigation plan that was pulled from the March 1, 2023 Commission Meeting agenda. Dr. Mathies stated that she and others felt that the original plan was inadequate and needed to include greater transparency and community involvement, as well as the expertise of a third-party professional urban forester. As Claremont's urban forest is part of the identity of the City and provides countless benefits, appropriate removals should be done as a last resort and after consultation with third-party professionals.

Priscilla Espinosa, Claremont Helen Renwick Teen and Adult Librarian, presented upcoming programs and events at the library during the month of May.

CONSENT CALENDAR

This item starts at 00:24:06 in the archived video.

Commissioner Kane pulled Items 4 and 5 from the Consent Calendar.

Chair Silva invited public comment on Consent Calendar Items 1, 2, 3, and 6.

There were no requests to speak.

1. Community and Human Services Commission Meeting Minutes of April 5, 2023
Approved and filed the Community and Human Services Commission Meeting Minutes of April 5, 2023.
2. Committee Meeting Minutes
Received and filed the various Committee meeting minutes.

3. Tree Plantings and Removals for February 2023
Received and filed the report.

6. Sanitation and Sewer Rate Increase of 3.0 Percent Based upon the Consumer Price Index from March 2022 to March 2023, Effective July 1, 2023
Received and filed the report.

Commissioner Kane moved to approve Consent Calendar Items 1, 2, 3, and 6, seconded by Commissioner Brower, and carried on a roll call vote as follows:

AYES: Commissioner – Brower, Glass, Kane, Naticchia, Scott Toux, Sifuentes, Silva
NOES: Commissioner – None

Items Removed from the Consent Calendar

4. Urban Forest Update – 2022

This item starts at 00:27:40 in the archived video.

Community Services Manager Dillman presented a report on urban forest statistics for 2022, including staffing; species diversity; and size, age, and geographical distribution of City trees. Manager Dillman also highlighted some updates to ongoing urban forest concerns, such as the liquidambar mitigation plan, pests currently affecting trees in the City, effects of the drought, the urban forest condition assessment conducted by West Coast Arborists, and potential high-risk trees. Manager Dillman provided a look ahead at staffing; trimming, watering, and planting guidelines; and handling of infrastructure conflicts. The City's goals include a healthier urban forest, continued outreach and education, and a focus on the quality of trees over quantity.

Manager Dillman responded to questions from the Commission regarding designations of and plans for potential high risk trees, rates of and reasons for survival of smaller trees versus larger trees, the average number of removals per year, ease of access to historical tree data, the percentage of the urban forest considered high-risk, and how many high-risk trees appear in the monthly tree plantings and removals reports.

Chair Silva invited public comment.

There were no requests to speak.

The Commission received and filed the report.

5. Semi-Annual Reporting of Urban Forest Activities

This item starts at 00:53:36 in the archived video.



Claremont City Council

Agenda Report

File #: 4708

Item No: 4.

TO: ADAM PIRRIE, CITY MANAGER

FROM: JEREMY SWAN, COMMUNITY SERVICES DIRECTOR

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH INNOVATION PAINTING, INC. FOR THE ALEXANDER HUGHES COMMUNITY CENTER PAINTING PROJECT AND APPROPRIATION OF ADDITIONAL FUNDS (FUNDING SOURCE: GENERAL FUND)

SUMMARY

In April 2022, the City Council approved funding for several deferred maintenance projects. One of these projects was the painting of the Alexander Hughes Community Center. At the time, an appropriation of \$21,500 was approved for the project, and in April 2023, City staff solicited bids. At the close of the bid period, six bids were received ranging from \$35,000 to \$89,200. Innovation Painting, Inc. was the lowest responsible bidder with a bid of \$35,000.

Staff recommends entering into an agreement with Innovation Painting, Inc. for the painting of the Alexander Hughes Community Center, and appropriating an additional \$17,000 from the Equipment and Facility Revolving Reserve to fully fund the project. The project is expected to be completed in summer 2023.

RECOMMENDATION

Staff recommends that the City Council:

- A. Authorize the City Manager to enter into an agreement with Innovation Painting, Inc. in the amount of \$35,000 for the painting of the Alexander Hughes Community Center and authorize a ten percent contingency in the amount of \$3,500, for a total not-to-exceed amount of \$38,500; and
- B. Appropriate an additional \$17,000 from the Equipment and Facility Revolving Reserve to fully fund the cost of the project, including contingency.

ALTERNATIVE TO RECOMMENDATION

In addition to the recommendation, there is the following alternative:

- Request additional information from staff.

FINANCIAL REVIEW

In April 2022, the City Council approved funding for a list of deferred maintenance projects. On this list was the painting of the Alexander Hughes Center. At the time, it was estimated that the project would cost \$21,500. In April 2023, City staff solicited bids for the project, and the lowest responsible bidder was Innovation Painting, Inc., with a bid in the amount of \$35,000.

The cost of the proposed painting services, including a ten percent contingency, is \$38,500. To fully fund the project, an appropriation of an additional \$17,000 from the Equipment and Facility Revolving Reserve is necessary.

This purchase complies with all City and State purchasing guidelines. Bid and contract documents are available for review in the City Clerk's office. The staff cost to prepare this report and administer this project is estimated at \$1,560 and is included in the operating budget of the Community Services Department.

ANALYSIS

The City took over ownership of the Alexander Hughes Center over twenty years ago. Since then, the building has not been updated with new paint. To refresh the building, it is recommended that the building exterior be repainted with updated colors. Funding for the painting of the Alexander Hughes Center was included on the list of deferred maintenance items that the City Council approved in April 2022. At the time, it was estimated that the project would cost \$21,500.

In April 2023, City staff solicited bids for the Alexander Hughes Community Center Painting Project. Six bids were received ranging from \$35,000 to \$89,200. Innovation Painting, Inc. was the lowest responsive bidder with a total cost of \$35,000. Staff recommends entering into an agreement with Innovation Painting, Inc. in the amount of \$35,000, plus a ten percent contingency of \$3,500, for a total not-to-exceed amount of \$38,500. Staff anticipates the project will be completed in summer 2023.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City's strategic and visioning documents and finds that it applies to the following City Planning Documents: Council Priorities, Sustainable City Plan, Economic Sustainability Plan, General Plan, 2022-24 Budget, and the Youth and Family Master Plan.

CEQA REVIEW

This item is not subject to environmental review under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office.

Submitted by:

Jeremy Swan
Community Services Director

Prepared by:

Cari Dillman
Community Services Manager



Claremont City Council

Agenda Report

File #: 4709

Item No: 5.

TO: ADAM PIRRIE, CITY MANAGER

FROM: JEREMY SWAN, COMMUNITY SERVICES DIRECTOR

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

AUTHORIZATION TO AMEND EXISTING CONTRACTS AND APPROPRIATION OF ADDITIONAL FUNDING FOR THE BUS SHELTER ENHANCEMENT PROJECT (FUNDING SOURCES: GRANT FUNDS, PROPOSITION A FUND, AND PROPOSITION C FUND)

SUMMARY

In January 2023, the City Council awarded contracts for the Bus Shelter Enhancement Project and approved related funding. As the project commenced, several unanticipated costs were discovered, including sales tax on the shelters, a minimum purchase quantity for customized concrete colors, and additional consulting services. Due to the increased costs, the contracts with Tolar Manufacturing, Inc., Green Giant Landscape, Inc., and JBohn Associates must be amended to increase compensation.

Originally, the project was funded through Proposition 1B (Prop 1B), Federal Transportation Authority (FTA), and Proposition C (Prop C) funds. The bidding process did not meet FTA Buy America requirements; therefore, FTA funds cannot be used on the project, and the amount of the project that was to be funded by FTA funds will need to be covered by alternate sources. The FTA funds appropriated for the project totaled \$397,677, and the unanticipated expenses total \$66,757.62. The total amount of required alternate funding is \$464,434.62.

The City has approximately \$2.8 million in available Proposition A fund balance. Since this project meets Proposition A requirements, staff recommends appropriating \$464,434.62 in Proposition A funds to cover the amount originally allocated for FTA funding, as well as for the unanticipated project expenses.

RECOMMENDATION

Staff recommends that the City Council:

A. Authorize the City Manager to execute an amendment to the existing contract with Tolar

Manufacturing, Inc., increasing compensation by \$46,667.42, for a total contract amount of \$564,260.32;

- B. Authorize the City Manager to execute an amendment to the existing contract with Green Giant Landscape, Inc., increasing compensation by \$10,090.20, for a total amount of \$318,090.20;
- C. Authorize the City Manager to execute an amendment to the existing contract with JBohn Associates, increasing compensation by \$10,000, for a total contract amount of \$22,500; and
- D. Appropriate \$464,434.62 from the Proposition A Fund to cover the portion of the project originally allocated for FTA funding, as well as for unanticipated project expenses.

ALTERNATIVE TO RECOMMENDATION

In addition to the recommendation, there is the following alternative:

- Request additional information from staff.

FINANCIAL REVIEW

In January 2023, the City Council awarded four contracts for the Bus Shelter Enhancement Project and approved three different funding sources to fund the total project cost of \$863,093. Tolar Manufacturing, Inc. failed to include sales tax in their bid on the fabrication of the bus shelters. The total cost of the sales tax is \$46,667.42.

Green Giant Landscape, Inc. included the cost of colored concrete associated with this project; however, there was a minimum order required due to the custom colors that were chosen. The cost for additional concrete not included in the original cost for site work is \$10,090.20.

The project has required JBohn Associates to spend more time on the project than initially estimated. It is estimated JBohn Associates will expend an additional \$10,000 on consulting services.

The additional funds necessary to complete the project total \$66,757.62, and the adjusted total cost of the project is \$929,850.62.

The Federal Transportation Authority (FTA) requires all capital purchases to meet Buy America provisions. The bid process was completed prior to the decision to use FTA funds for the bus shelter project, so Buy America provisions were not included in the Request for Proposals (RFP). The \$397,677 in FTA funds originally earmarked for this project will be saved for a future phase of bus shelter enhancements.

The City currently has approximately \$2.8 million in Proposition A fund balance. Staff proposes the use of Proposition A funds to cover the \$397,677 originally allocated to FTA Funds, as well as for the additional unanticipated costs of \$66,757.62. The total cost to be funded through Proposition A is \$464,434.62.

The chart below describes the costs and funding sources originally associated with the project, along with the proposed increases and adjusted funding allocations.

Bus Shelter Enhancement Project		
Project Cost		
Description	Original Cost	Proposed Cost
Site Work Preparation	\$ 280,000.00	\$ 290,090.20
Site Work Contingency (10%)	\$ <u>28,000.00</u>	\$ <u>28,000.00</u>
Sub Total Site Work	\$ 308,000.00	\$ 318,090.20
Fabrication	\$ 470,539.00	\$ 517,206.42
Fabrication Contingency (10%)	\$ <u>47,053.90</u>	\$ <u>47,053.90</u>
Sub Total Fabrication	\$ 517,592.90	\$ 564,260.32
Inspection Services	\$ 25,000.00	\$ 25,000.00
Consultation Services	\$ <u>12,500.00</u>	\$ <u>22,500.00</u>
Sub Total Services	\$ 37,500.00	\$ 47,500.00
Total	\$ 863,092.90	\$ 929,850.52
Funding		
Funding Source	Original Allocation	Proposed Allocation
Prop 1B	\$ 147,494.00	\$ 147,494.00
FTA	\$ 397,677.00	\$ 0.00
Prop C	\$ 317,921.90	\$ 317,921.90
Prop A	\$ <u>0.00</u>	\$ <u>464,434.62</u>
Total Project	\$ 863,092.90	\$ 929,850.52

The staff cost to prepare this report and administer this project is estimated at \$11,480 and is included in the operating budget of the Community Services Department.

ANALYSIS

In January 2023, the City Council awarded four contracts for the Bus Shelter Enhancement Project. The project includes the installation of new bus shelters at sixteen stops throughout the City. The four contracts were awarded to Tolar Manufacturing, Inc., Green Giant Landscape, Inc., RKA Consulting Group, and JBohn Associates, Inc. The total project cost, including contingencies, was \$863,092.90. Funding for the project was made up of three different transportation funding sources, including Proposition 1B, Federal Transportation Authority (FTA), and Proposition C funds.

Tolar Manufacturing, Inc. (Tolar) was awarded the contract for fabrication and installation of the bus shelters in the amount of \$470,539.00, plus a ten percent contingency, for a total of \$517,592.90; however, their bid did not include sales tax for the fabrication, and the omission was brought to staff's attention after the agreement was executed. The total amount of sales tax for the fabrication is \$46,667.42. The existing contract with Tolar has a not-to-exceed amount of \$517,592.90; therefore, the contract must be amended to increase compensation to an amount not to exceed \$564,260.32.

Green Giant Landscape, Inc. (Green Giant) was awarded the contract for site preparation services for bus shelter installation. The Request for Proposals included the square footage of concrete necessary for the project and certain specifications for the color concrete required under the contract. Four of the colors included in the scope of work are custom colors; therefore, a minimum purchase of thirty buckets is required. Under the scope of work, only two buckets of each color are required. Green Giant included the cost of the concrete needed for this project in the quantity specified in the scope of work, but did not include the cost to meet the minimum custom color requirement. The

amount for the additional concrete is \$10,090.20. Green Giant’s existing contract with a ten percent contingency has a not-to-exceed amount of \$308,000; therefore, the contract with Green Giant must be amended to increase compensation to an amount not to exceed \$318,090.20. The excess buckets of concrete not needed for this project will be stored for use for a future phase of bus shelter enhancements.

JBohn Associates, Inc. was retained for design and installation consulting services, and as the project moved along, it became apparent that additional funding was necessary for consulting. Staff recommends increasing the not-to-exceed amount for JBohn Associates by \$10,000, for a total contract amount of \$22,500.

The bids for fabricating the bus shelters were submitted in January 2022. In summer 2022, FTA funding was allocated for the project. The RFP did not include Buy America provisions, as required by FTA. Buy America provisions require any steel, iron, or manufactured goods to be produced in the United States. Although Tolar Manufacturing could revise its costs to meet Buy America provisions, FTA would not allow the use of FTA funds for the project because it was not bid with the Buy America requirements. FTA funds originally allocated for this project amounted to \$397,677.

Staff recommends the use of Proposition A funds to cover the increased costs, as well as the portion of the project originally allocated to FTA funds, totaling \$464,434.62. Staff also recommends amending the contracts with Tolar Manufacturing, Inc., Green Giant Landscape, Inc., and JBohn Associates, Inc. increasing their respective contract amounts as described above. The FTA funds originally allocated for this project will be used for a future phase of bus stop enhancements.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City’s strategic and visioning documents and finds that it applies to the following City Planning Documents: Council Priorities, Economic Sustainability Plan, General Plan, 2022-24 Budget, and the Youth and Family Master Plan.

CEQA REVIEW

This item is not subject to environmental review under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk’s Office.

Submitted by:

Prepared by:

Jeremy Swan
Community Services Director

Cari Dillman
Community Services Manager



Claremont City Council

Agenda Report

File #: 4718

Item No: 6.

TO: ADAM PIRRIE, CITY MANAGER

FROM: BRAD JOHNSON, COMMUNITY DEVELOPMENT DIRECTOR

DATE: MAY 23, 2023

Reviewed by:

City Manager: AP

SUBJECT:

RELEASE OF SUBDIVISION IMPROVEMENT BOND FOR FINAL TRACT MAP NO. 71420. APPLICANT - WILLIAM LYONS HOMES LLC, AN ENTITY OF TAYLOR MORRISON, INC.

SUMMARY

The developer of Tract Map No. 71420 has completed all subdivision improvements along Base Line Road and Towne Avenue as required in the map's Subdivision Improvement Agreements. The developer requests that the City Council release the improvement bond associated with the tract.

Staff finds that, per the Subdivision Improvement Agreements for the tract, the time frame required to post the performance bond has been fulfilled. Therefore, staff recommends that the City Council release the performance bond.

RECOMMENDATION

Staff recommends that the City Council release the performance bond for Final Tract Map No. 71420.

ALTERNATIVE TO RECOMMENDATION

In addition to the staff recommendation, there are the following alternatives:

- Request additional information from staff.

FINANCIAL REVIEW

The following performance bond will be released as a result of the recommended City Council action:

- Tract Map No. 71420 Performance Bond #PB03010401592

According to the Subdivision Improvement Agreement, the Performance Bond may be released one year after the completion and acceptance of said improvements by the City.

The staff cost to prepare this report is estimated at \$866 and is included in the operating budget of the Community Development Department.

ANALYSIS

Per the Subdivision Improvement Agreement, the Performance Bond is eligible for release one year after the acceptance of the off-site improvements.

Tract Map No. 71420 is located at the southeast corner of the Towne Avenue and Base Line Road intersection and creates one residential lot for 95 residential units. A copy of the submitted final map, which illustrates the parcel location and configuration, is attached (Attachment A).

Map Review

The City Council approved the Final Tract Map No. 71420 and entered into a Subdivision Improvement Agreement with the developer on October 14, 2014.

Public Improvements

As part of the subdivision requirements, the developer has constructed improvements both on-site and within the public right-of-way. Improvements within the public right-of-way include but are not limited to handicap ramps, sidewalks, curbs, gutters, street lights, and landscaping.

These improvements have been completed per the Subdivision Improvement Agreement, consistent with the approved plans. The installation of these improvements has been inspected and accepted by the City and there are no additional public improvements required by the tract maps.

To close this project, the developer is now requesting the release of the remaining bond.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City's strategic and visioning documents and finds that it does not apply to the City Planning Documents.

CEQA REVIEW

This item is not subject to environmental review under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office.

Submitted by:

Brad Johnson
Community Development Director

Prepared by:

Enrique Villalobos
Associate Engineer

Reviewed by:

Maria B. Tipping, P.E.
City Engineer

Attachment:

Tract Map No. 71420

1 LOT
6.069 ACRES

SHEET 1 OF 3 SHEETS

TRACT NO. 71420

IN THE CITY OF CLAREMONT,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BEING A SUBDIVISION OF PROPOSED LOT 1 AND PROPOSED LOT 2 OF LOT LINE ADJUSTMENT NO. 06-LL01
RECORDED FEBRUARY 3, 2006 AS INSTRUMENT NO. 06-0262301 OF OFFICIAL RECORDS,
IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

FOR CONDOMINIUM PURPOSES

ROBERT L. WHEELER IV. L.S. 8639 APRIL, 2014

OWNER'S STATEMENT:

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

WE HEREBY DEDICATE TO THE CITY OF CLAREMONT, AN EASEMENT FOR SANITARY SEWER PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

WE HEREBY DEDICATE TO THE CITY OF CLAREMONT, AN EASEMENT FOR EMERGENCY ACCESS AND PUBLIC UTILITY PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

WE HEREBY RESERVE HEREON EASEMENTS FOR PUBLIC WATER PURPOSES AS SHOWN ON THIS MAP.

WILLIAM LYON HOMES, INC., A CALIFORNIA CORPORATION

BY: _____ BY: _____
NAME: _____ NAME: _____
TITLE: _____ TITLE: _____

NOTARY ACKNOWLEDGMENT:

STATE OF CALIFORNIA }
COUNTY OF _____ }

ON _____ BEFORE ME, _____ PERSONALLY
APPEARED _____, WHO PROVED
TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE
SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED
THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S)
ON THE INSTRUMENT, THE PERSON(S) OR ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED,
EXECUTED THE INSTRUMENT.

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

WITNESS MY HAND:

SIGNATURE _____ MY PRINCIPAL PLACE OF BUSINESS IS
NOTARY PUBLIC IN AND FOR SAID STATE IN _____ COUNTY.

(NAME PRINTED) MY COMMISSION EXPIRES: _____
MY COMMISSION NO: _____

SIGNATURE OMISSION NOTES:

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

POMONA LAND & WATER COMPANY HOLDER OF AN EASEMENT FOR PIPE LINES OR AQUEDUCTS AND INCIDENTAL PURPOSES, RECORDED JANUARY 15, 1904 AS INSTRUMENT NO. 115 IN BOOK 1974, PAGE 65 OF DEEDS. THE LOCATION OF THE EASEMENT CANNOT BE DETERMINED FROM RECORD INFORMATION.

CITY OF CLAREMONT HOLDER OF AN EASEMENT FOR SANITARY SEWER PURPOSES AND INCIDENTAL PURPOSES, RECORDED AUGUST 7, 1963 AS INSTRUMENT NO. 5644 OF OFFICIAL RECORDS.

CITY OF CLAREMONT HOLDER OF AN EASEMENT FOR SANITARY SEWER PURPOSES AND INCIDENTAL PURPOSES, RECORDED FEBRUARY 3, 1964 AS INSTRUMENT NO. 4381 IN BOOK D2346, PAGE 15 OF OFFICIAL RECORDS.

SOUTHERN CALIFORNIA EDISON COMPANY HOLDER OF AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, RECORDED APRIL 7, 1964 AS INSTRUMENT NO. 1460 IN BOOK D2423, PAGE 943 OF OFFICIAL RECORDS.


SOUTHERN CALIFORNIA EDISON COMPANY HOLDER OF AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, RECORDED FEBRUARY 26, 1971 AS INSTRUMENT NO. 395 OF OFFICIAL RECORDS.

THE STATE OF CALIFORNIA HOLDER OF AN EASEMENT FOR SANITARY SEWER AND INCIDENTAL PURPOSES, RECORDED JULY 22, 1998 AS INSTRUMENT NO. 98-1250055 OF OFFICIAL RECORDS.

SOUTHERN CALIFORNIA EDISON COMPANY HOLDER OF AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, RECORDED MARCH 25, 2005 AS INSTRUMENT NO. 05-690618 OF OFFICIAL RECORDS.

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF WILLIAM LYON HOMES, INC., A CALIFORNIA CORPORATION, ON APRIL 1, 2014. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT THEY WILL BE SET IN THOSE POSITIONS BEFORE TWENTY-FOUR MONTHS FROM THE FILING DATE OF THIS MAP, AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP AND THAT TIE NOTES TO ALL CENTERLINE MONUMENTS SHOWN AS "TO BE SET" WILL BE ON FILE IN THE OFFICE OF THE DIRECTOR OF PUBLIC WORKS WITHIN TWENTY-FOUR MONTHS FROM THE FILING DATE SHOWN HEREON. I HEREBY STATE THAT SAID SURVEY IS TRUE AND COMPLETE AS SHOWN.


ROBERT L. WHEELER IV, L.S. 8639 DATE 08/22/14



CITY ENGINEER'S STATEMENT:

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

LORETTA ANN MUSTAFA, P.E. DATE _____
CITY ENGINEER
RCE 44095, EXPIRES 6/30/15



CITY SURVEYOR'S STATEMENT:

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

DAVID G. GILBERTSON, L.S. DATE _____
ACTING CITY SURVEYOR
LS 6941, EXPIRES 9/30/2015



CITY CLERK'S CERTIFICATE:

I HEREBY CERTIFY THAT THE CITY COUNCIL OF THE CITY OF CLAREMONT
ON _____ 2014, APPROVED THIS MAP.

SAID COUNCIL DID ACCEPT ON BEHALF OF THE CITY, THE EASEMENTS FOR EMERGENCY ACCESS, PUBLIC UTILITY AND SANITARY SEWER PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

CITY CLERK _____ DATE _____

SPECIAL ASSESSMENT STATEMENT:

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

CITY TREASURER OF THE CITY OF CLAREMONT DATE _____

BASIS OF BEARINGS:

THE BASIS OF BEARING FOR THIS SURVEY IS THE STATE PLANE COORDINATE SYSTEM, ZONE 5, NORTH AMERICAN DATUM 1983, AS DETERMINED LOCALLY BY THE LINE BETWEEN NGS CORS STATIONS "LORS" AND "PSDM", BOTH AS PUBLISHED ON NGS DATA SHEETS, BEING N46°34'22"E (2007.0 EPOCH).

CONDOMINIUM NOTE:

THIS SUBDIVISION IS APPROVED AS A CONDOMINIUM PROJECT FOR 95 UNITS, WHEREBY THE OWNERS OF THE UNITS OF AIR SPACE WILL HOLD AN UNDIVIDED INTEREST IN THE COMMON AREAS WHICH WILL, IN TURN, PROVIDE THE NECESSARY ACCESS AND UTILITY EASEMENTS FOR THE UNITS.

I HEREBY CERTIFY THAT SECURITY IN THE AMOUNT OF \$ _____ HAS BEEN FILED WITH THE EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS SECURITY FOR THE PAYMENT OF TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND SHOWN ON MAP OF TRACT NO. 71420 AS REQUIRED BY LAW.

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

BY _____ DEPUTY DATE _____

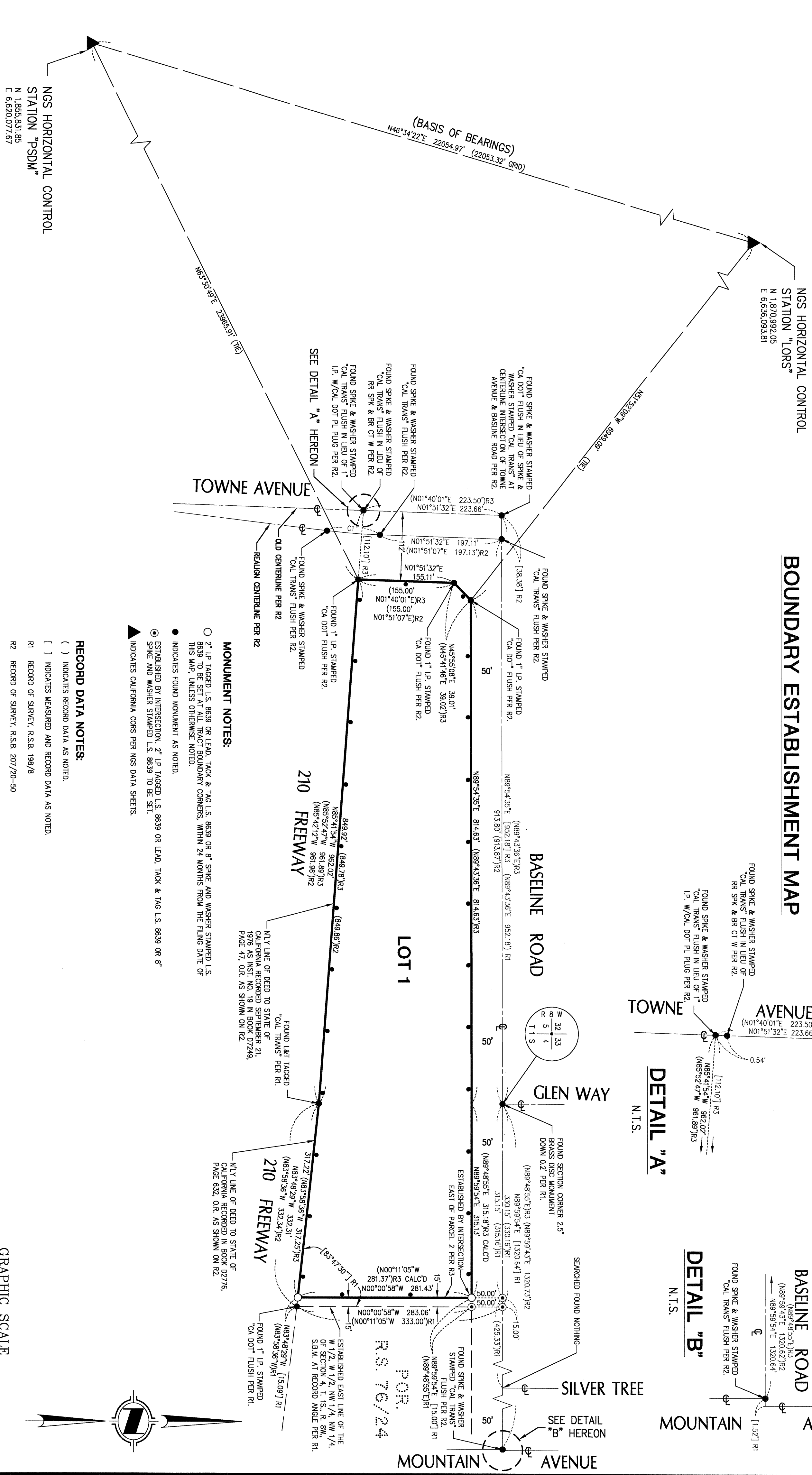
I HEREBY CERTIFY THAT ALL CERTIFICATES HAVE BEEN FILED AND DEPOSITS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT.

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

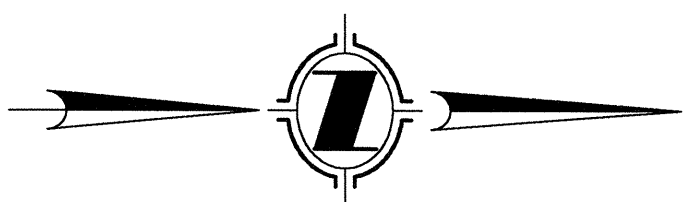
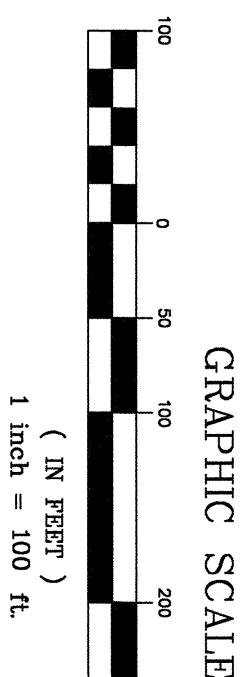
BY _____ DEPUTY DATE _____

TRACT NO. 71420

IN THE CITY OF CLAREMONT,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA
BOUNDARY ESTABLISHMENT MAP

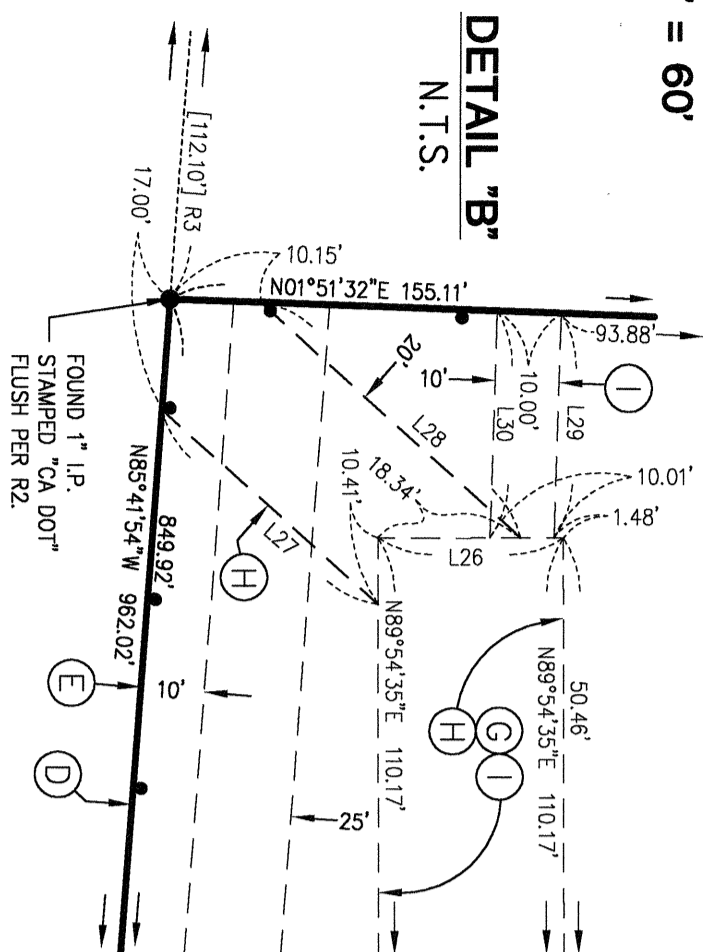


CURVE	DELTA	RADIUS	LENGTH
C1	5°00'00"	984.25'	85.89'] R2

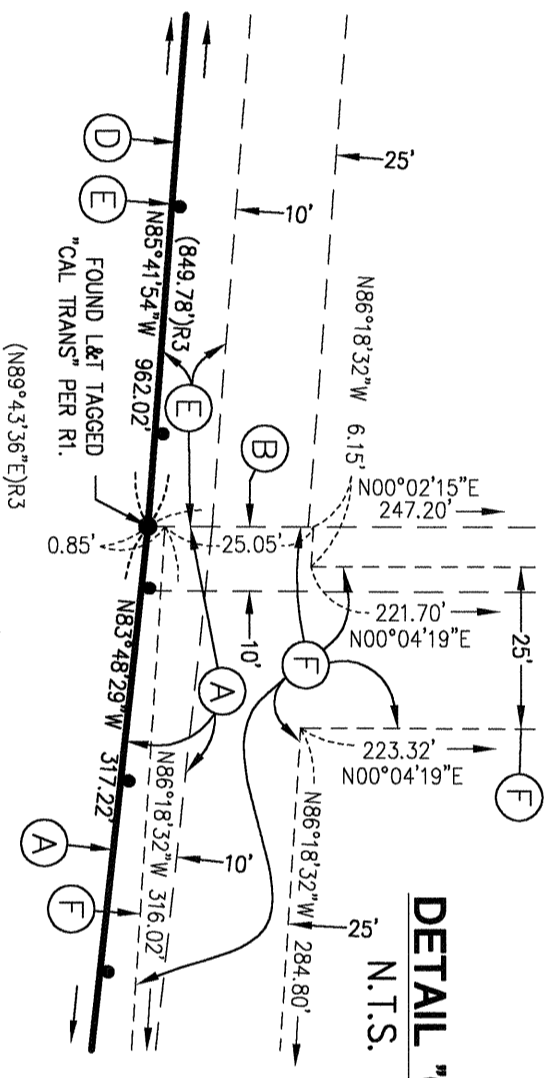


TRACT NO. 71420

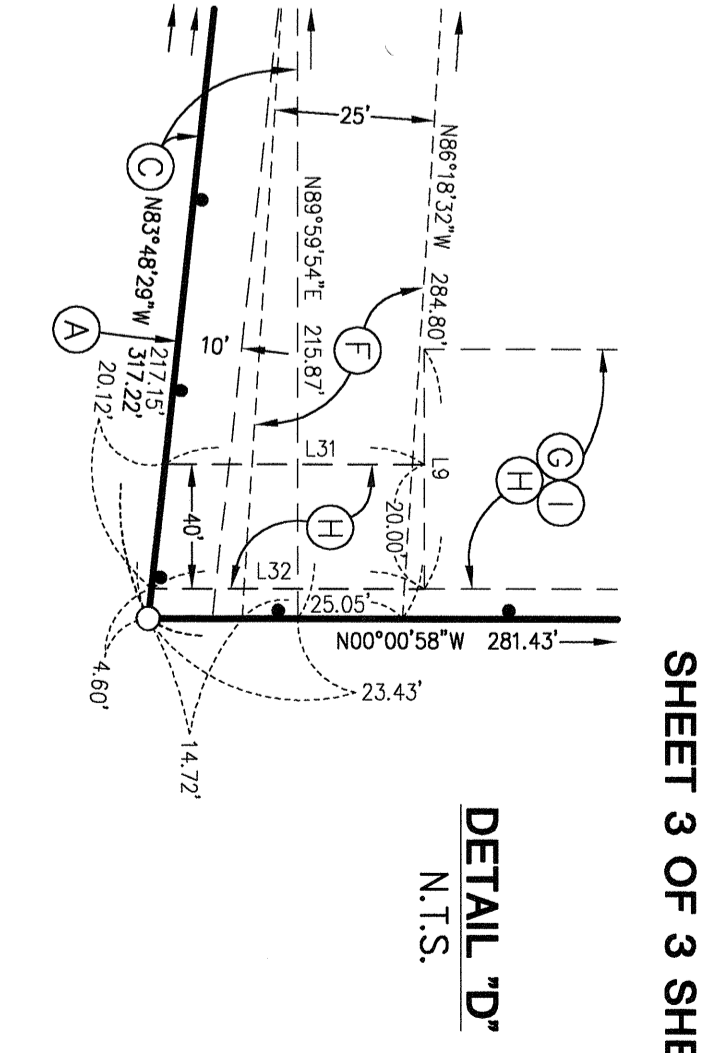
IN THE CITY OF CLAREMONT,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



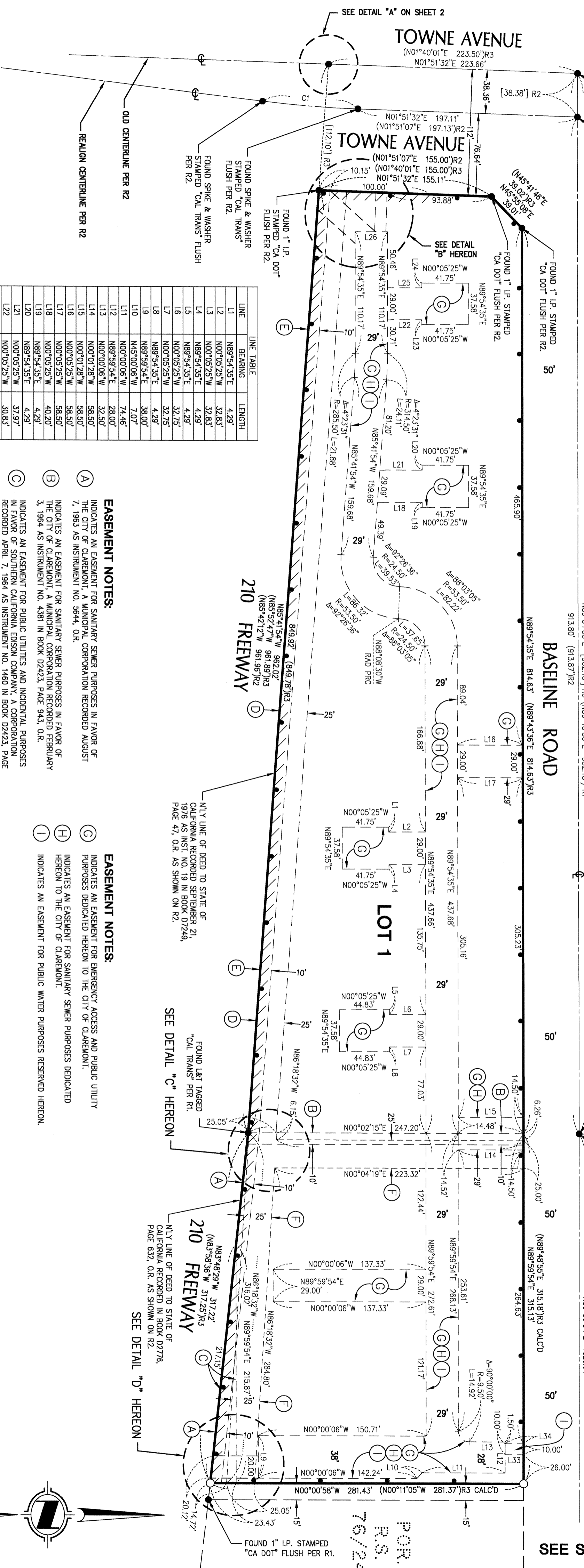
FOUND SPIKE & WASHER STAMPED "CA DOT" FLUSH IN LIEU OF SPIKE & WASHER STAMPED "CAL TRANS" AT CENTERLINE INTERSECTION OF TOWNE AVENUE & BASELINE ROAD PER R2.
FOUND SPIKE & WASHER STAMPED "CAL TRANS" FLUSH PER R2.



FOUND SECTION CORNER 2.5" BRASS DISC MONUMENT DOWN 0.2" PER R1.
FOUND SPIKE & WASHER STAMPED "CAL TRANS" PER R1.



FOUND 1" I.P. STAMPED "CA DOT" FLUSH PER R2.
FOUND SPIKE & WASHER STAMPED "CAL TRANS" FLUSH PER R2.



LINE TABLE

LINE	BEARING	LENGTH
L1	N89°54.35'E	4.29'
L2	N00°05.25'W	32.83'
L3	N00°05.25'W	32.83'
L4	N89°54.35'E	4.29'
L5	N89°54.35'E	4.29'
L6	N00°05.25'W	32.75'
L7	N00°05.25'W	32.75'
L8	N89°54.35'E	4.29'
L9	N89°59.54'E	38.00'
L10	N45°00.06'W	74.46'
L11	N89°59.54'E	28.00'
L12	N00°00.06'W	39.50'
L13	N00°01.28'W	58.50'
L14	N00°01.28'W	58.50'
L15	N00°05.25'W	58.50'
L16	N00°05.25'W	58.50'
L17	N00°05.25'W	58.50'
L18	N00°05.25'W	40.20'
L19	N89°54.35'E	4.29'
L20	N89°54.35'E	4.29'
L21	N00°05.25'W	37.97'
L22	N00°05.25'W	30.83'
L23	N89°54.35'E	4.29'
L24	N89°54.35'E	4.29'
L25	N00°05.25'W	30.83'
L26	N00°05.25'W	29.00'
L27	N41°51.07'E	45.44'
L28	N41°51.07'E	54.71'
L29	N89°09.03'W	34.85'
L30	N89°09.03'W	35.19'
L31	N00°00.06'W	40.55'
L32	N00°00.06'W	42.72'
L33	N00°00.06'W	16.50'
L34	N00°00.06'W	16.50'

EASEMENT NOTES:

- (A) INDICATES AN EASEMENT FOR SANITARY SEWER PURPOSES IN FAVOR OF THE CITY OF CLAREMONT, A MUNICIPAL CORPORATION RECORDED AUGUST 7, 1963 AS INSTRUMENT NO. 5644, O.R.
- (B) INDICATES AN EASEMENT FOR SANITARY SEWER PURPOSES IN FAVOR OF THE CITY OF CLAREMONT, A MUNICIPAL CORPORATION RECORDED FEBRUARY 3, 1964 AS INSTRUMENT NO. 4381 IN BOOK D2423, PAGE 943, O.R.
- (C) INDICATES AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION RECORDED APRIL 7, 1964 AS INSTRUMENT NO. 1460 IN BOOK D2423, PAGE 943, O.R.
- (D) INDICATES AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION RECORDED FEBRUARY 26, 1971 AS INSTRUMENT NO. 395, O.R.
- (E) INDICATES AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF CALIFORNIA RECORDED JULY 22, 1999 AS INSTRUMENT NO. 98-1250055, O.R.
- (F) INDICATES AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION RECORDED MARCH 23, 2009 AS INSTRUMENT NO. 03-69018, O.R.

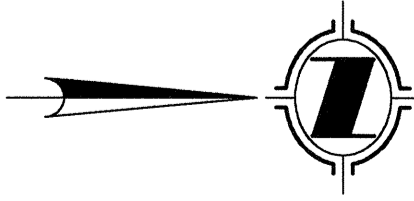
EASEMENT NOTES:

- (A) INDICATES AN EASEMENT FOR EMERGENCY ACCESS AND PUBLIC UTILITY PURPOSES DEDICATED HERETO TO THE CITY OF CLAREMONT.
- (B) INDICATES AN EASEMENT FOR SANITARY SEWER PURPOSES DEDICATED HERETO TO THE CITY OF CLAREMONT.
- (C) INDICATES AN EASEMENT FOR PUBLIC WATER PURPOSES RESERVED HERETO.

INDICATES NON-VEHICULAR ACCESS PER R1

SEE SHEET 2 FOR BOUNDARY ESTABLISHMENT MAP, MONUMENT NOTES, RECORD DATA NOTES AND NOTE

GRAPHIC SCALE
(IN FEET)
1 Inch = 60 Ft.



CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH
C1	5700.00"	994.25'	83.89' R2



Claremont City Council

Agenda Report

File #: 4710

Item No: 7.

TO: ADAM PIRRIE, CITY MANAGER

FROM: NISHIL BALI, FINANCE DIRECTOR

DATE: MAY 23, 2023

Reviewed by:

City Manager: AP

SUBJECT:

ADOPTION OF A RESOLUTION DETERMINING AND ESTABLISHING THE 2023-24 APPROPRIATIONS LIMIT IN THE AMOUNT OF \$50,381,914

SUMMARY

The "Gann Initiative", established by 1979's Proposition 4, insured voters that limits were placed on all State and local government appropriations. After the passage of Proposition 13, fiscal conservatives were concerned that State spending increases would prompt California lawmakers to increase other taxes to compensate for the reduction in property tax revenues. The Gann Limit was proposed as a mechanism to limit State spending. In June 1990, California voters approved Proposition 111 which revised the annual adjustment factors applied to the 1986-87 appropriations limit and each year thereafter.

Pursuant to Article XIII B of the State Constitution and Section 7910 of the State Government Code, all government entities must adopt an annual appropriations limit. The Gann Appropriations Limit specifies that appropriations funded by taxes may be increased annually by the change in California per capita income and the change in Claremont population or Los Angeles County population.

The City Council is required to confirm, each fiscal year, the factors used for calculating the annual appropriations limit. Using the changes in California per capita income and Los Angeles County's population provided by the State Department of Finance, the calculated appropriations limit for 2023-24 is \$50,381,914.

RECOMMENDATION

Staff recommends that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, DETERMINING AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-24.

ALTERNATIVE TO RECOMMENDATION

In addition to the recommendation, there is the following alternative:

- Request additional information.

FINANCIAL REVIEW

Budgeted tax receipts subject to the appropriations limit for 2023-24 total \$35,690,035. These revenues are \$14,691,879 less than the calculated appropriations limit of \$50,381,914.

The staff cost to prepare this report is estimated at \$891 and is included in the operating budget of the Financial Services Department.

ANALYSIS

The appropriations limit for 2023-24 is included as an Exhibit to the proposed Resolution (Attachment A).

The data used to calculate the City of Claremont's 2023-24 appropriations limit is the change in California per capita income and the change in Claremont population (Attachment B). The application of these factors to the City's 2022-23 appropriations limit of \$48,599,694 results in an appropriations limit of \$50,381,914 for 2023-24.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City's strategic and visioning documents and finds that it applies to the following City Planning Documents: 2023-24 Budget.

CEQA REVIEW

This item is not subject to environmental review under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office. Documentation supporting the appropriations limit calculation is on file in the City Clerk's Office, in accordance with the State's filing requirements.

Submitted by:

Nishil Bali
Finance Director

Attachments:

- A - Resolution Determining and Establishing the Appropriations Limit
- B - Appropriations Limit Calculation

RESOLUTION NO. 2023-**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, DETERMINING AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-24**

WHEREAS, Pursuant to Article XIII-B of the State Constitution and Section 7910 of the State Government Code, all government entities must adopt an annual appropriations limit; and

WHEREAS, the Exhibit, attached hereto, detailing the base year appropriations limit, the various adjustment factors from fiscal years 1978-79 through 2023-24 and the appropriations limit for all these years is incorporated into this resolution as though fully set forth; and

WHEREAS, pursuant to Government Code Section 7910, the documentation used for the determination of the appropriations limit has been available to the public for at least fifteen days prior to this meeting.

NOW THEREFORE, THE CLAREMONT CITY COUNCIL DOES HEREBY RESOLVE:

SECTION 1. The above recitals are true and correct and incorporated herein.

SECTION 2. That the City Council specifically selects the following annual adjustment factors for determining the appropriations limit pursuant to California Constitution, Article XIII-B, Section 8, Subdivision (c):

a. Population Adjustment Factor

(1) The population adjustment factor selected for fiscal year 2023-24 is the change in population within the City of Claremont.

b. Cost of Living Adjustment Factor

(1) The cost of living adjustment factor selected for fiscal year 2023-24 is the change in California per capita personal income.

SECTION 3. The City Council establishes the appropriations limit for the City of Claremont for fiscal year 2023-24 in accordance with the figures contained in the Exhibit that were calculated pursuant to Proposition 111.

SECTION 4. That the Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

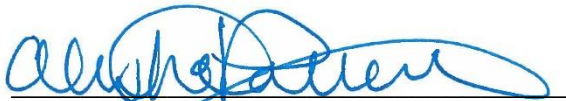
PASSED, APPROVED, AND ADOPTED this 23rd day of May, 2023.

Mayor, City of Claremont

ATTEST:

City Clerk, City of Claremont

APPROVED AS TO FORM:



City Attorney, City of Claremont

CITY OF CLAREMONT
APPROPRIATIONS LIMIT CALCULATION

----- CLAREMONT POPULATION -----				-- LOS ANGELES COUNTY POPULATION --			-- POPULATION FACTOR --			COST OF LIVING FACTOR				---- APPROPRIATION LIMIT ----	
DATE	ORIGINAL	REVISED	LAST REV.	ORIGINAL	REVISED	LAST REV.	PROP. 4 CITY	PROP. 111 COUNTY	U.S. C.P.I.	CALIF PER CAPITA	PROP. 4	PROP. 111	PROP 4	PROP. 111	FY
1-1-78		27,087											\$4,337,133		1978-79
1-1-79	28,137	28,367	29,815				1.1007		10.17%		1.1017		5,259,386		1979-80
1-1-80	29,815	30,245	30,245				1.0144			12.11%	1.1211		5,981,204		1980-81
1-1-81	30,245	32,956	33,123				1.0952			9.12%	1.0912		7,148,031		1981-82
1-1-82	33,123	33,733					1.0184		6.79%		1.0679		7,773,837		1982-83
1-1-83	33,257	33,582					0.9955			2.35%	1.0235		7,920,718		1983-84
1-1-84	33,589	34,248					1.0198		4.74%		1.0474		8,460,424		1984-85
1-1-85	34,213	34,362					1.0033		3.74%		1.0374		8,805,807		1985-86
1-1-86	34,362	35,060		8,228,477			1.0203		2.30%		1.0230		9,191,210		1986-87
1-1-87	35,060	35,996		8,385,319	8,400,370		1.0267 *	1.0209	3.04%	3.47%	1.0304	1.0347 *	9,723,488	9,764,066	1987-88
1-1-88	35,996	36,932	36,741	8,536,807	8,555,937		1.0207 *	1.0185	3.93%	4.66%	1.0393	1.0466 *	10,314,808	10,430,606	1988-89
1-1-89	36,530	36,530	36,516	8,632,069	8,650,337		0.9939	1.0110 *	4.98%	5.19%	1.0498	1.0519 *	10,762,431	11,092,646	1989-90
1-1-90	36,530	36,800	36,595	8,749,615	8,769,994	8,812,192	1.0022	1.0187 *		4.21%		1.0421 *		11,775,812	1990-91
1-1-91	32,503	31,965	32,166	8,964,736	8,988,754		0.8882	1.0200 *		4.14%		1.0414 *		12,508,597	1991-92
1-1-92	32,559	32,556		9,065,427	9,087,399	9,052,040	1.0017	1.0110 *		-0.64%		0.9936 *		12,565,256	1992-93
1-1-93	32,719	32,724		9,139,357	9,158,425	9,139,766	1.0049	1.0078 *		2.72%		1.0272 *		13,007,706	1993-94
1-1-94	33,178	33,140		9,208,731	9,199,383		1.0140 *	1.0055		0.71%		1.0071 *		13,283,461	1994-95
1-1-95	33,632	33,900		9,229,730	9,312,421		1.0137 *	1.0033		4.72%		1.0472 *		14,101,014	1995-96
1-1-96	34,028	34,042		9,356,784	9,361,333		1.0118 *	1.0048		4.67%		1.0467 *		14,933,693	1996-97
1-1-97	34,405	34,345		9,476,976	9,459,681		1.0111	1.0124 *		4.67%		1.0467 *		15,824,923	1997-98
1-1-98	34,722	34,668		9,590,909	9,574,918		1.0110	1.0139 *		4.15%		1.0415 *		16,710,752	1998-99
1-1-99	35,413	35,269		9,744,931	9,702,280		1.0215 *	1.0178		4.53%		1.0453 *		17,843,305	1999-00
1-1-00	35,968	34,215		9,871,788	9,630,608		1.0198 *	1.0175		4.91%		1.0491 *		19,090,056	2000-01
1-1-01	35,255	34,942		9,790,152	9,641,223		1.0304 *	1.0166		7.82%		1.0782 *		21,208,619	2001-02
1-1-02	35,551	35,524		9,811,918	9,805,750		1.0174	1.0177 *		-1.27%		0.9873 *		21,309,894	2002-03
1-1-03	36,098	36,060		9,968,146	9,979,618		1.0162	1.0166 *		2.31%		1.0231 *		22,164,069	2003-04
1-1-04	36,337	36,349		10,092,305	10,096,795		1.0077	1.0113 *		3.28%		1.0328 *		23,149,719	2004-05
1-1-05	36,636	36,448		10,216,040	10,155,951		1.0079	1.0118 *		5.26%		1.0526 *		24,654,929	2005-06
1-1-06	36,612	36,732		10,235,632	10,246,513		1.0045	1.0078 *		3.96%		1.0396 *		25,831,188	2006-07
1-1-07	37,141	36,963		10,320,321	10,263,866		1.0111	1.0072 *		4.42%		1.0442 *		27,167,132	2007-08
1-1-08	37,242	37,057		10,352,128	10,289,936		1.0075	1.0086 *		4.29%		1.0429 *		28,576,262	2008-09
1-1-09	37,780	37,660		10,382,451	10,344,319		1.0195 *	1.0090		0.62%		1.0062 *		29,314,127	2009-10
1-1-10	37,608	34,946		10,430,366	9,811,390		0.9986	1.0083 *		-2.54%		0.9746 *		28,806,676	2010-11
1-1-11	35,053	35,021		9,848,442	9,836,718		1.0031	1.0038 *		2.51%		1.0251 *		29,641,936	2011-12
1-1-12	35,300	35,315		9,874,366	9,879,254		1.0080 *	1.0038		3.77%		1.0377 *		31,005,514	2012-13
1-1-13	35,749	35,768		9,947,906	9,953,626		1.0123 *	1.0069		5.12%		1.0512 *		32,993,890	2013-14
1-1-14	35,920	35,932		10,031,664	10,044,719		1.0042	1.0078 *		-0.23%		0.9977 *		33,174,763	2014-15
1-1-15	36,282	36,022		10,126,867	10,145,677		1.0097 *	1.0082		3.82%		1.0382 *		34,776,127	2015-16
1-1-16	36,218	36,165		10,231,861	10,173,616		1.0054	1.0085 *		5.37%		1.0537 *		36,955,075	2016-17
1-1-17	36,225	36,293		10,231,933	10,221,926		1.0017	1.0057 *		3.69%		1.0369 *		38,537,134	2017-18
1-1-18	36,446	36,479		10,274,346	10,245,275		1.0042	1.0051 *		3.67%		1.0367 *		40,155,200	2018-19
1-1-19	36,511	35,872		10,244,542	10,175,203		1.0009 *	0.9999		3.85%		1.0385 *		41,738,706	2019-20
1-1-20	35,807	35,877		10,163,868	10,127,550		0.9982	0.9989 *		3.73%		1.0373 *		43,247,934	2020-21
1-1-21	35,707	37,364		10,037,774	9,923,635		0.9953 *	0.9911		5.73%		1.0573 *		45,511,129	2021-22
1-1-22	37,072	37,034		9,861,224	9,826,563		0.9922	0.9929 *		7.55%		1.0755 *		48,599,694	2022-23
1-1-23	36,759			9,753,247			0.9926	0.9925		4.40%		1.0440		50,362,618	2023-24

*Option Chosen

APPROPRIATIONS LIMIT CALCULATION

Type of Tax	Actual FY 14-15	Actual FY 15-16	Actual FY 16-17	Actual FY 17-18	Actual FY 18-19	Actual FY 19-20	Actual FY 20-21	Actual FY 21-22	Budgeted FY 22-23	Budgeted FY 23-24
Secured Prop Tax (net)	8,171,972	8,670,124	9,117,597	9,515,631	9,972,316	10,548,385	10,937,494	11,414,306	11,495,600	11,992,000
Sales Tax	3,624,365	3,738,405	3,845,015	4,275,676	4,541,409	4,356,709	6,470,137	7,713,010	6,725,000	7,100,000
Sales Tax - Public Safety	333,395	337,660	346,528	361,212	378,372	368,201	397,448	454,303	455,000	469,000
Transient Occupancy Tax (TOT)	1,283,893	1,333,844	1,398,333	1,459,374	1,476,518	1,259,834	1,052,461	1,627,061	1,375,000	1,425,000
Business License	823,944	836,155	871,522	877,650	936,287	938,675	922,098	1,058,070	900,000	930,000
Property Transfer Tax	193,880	199,469	199,193	214,325	180,929	216,901	295,564	234,169	200,000	210,000
Utility User Tax (UUT)	4,548,155	4,235,629	4,151,019	4,338,814	4,116,015	4,122,118	4,367,505	4,868,791	4,375,000	4,594,000
Landscape & Lighting District (LLD)	2,342,924	2,385,040	2,420,132	2,509,740	2,639,375	2,676,006	2,765,041	2,782,026	3,013,201	3,103,597
State Gas Tax	1,044,197	689,086	687,677	899,013	1,370,201	1,485,728	1,420,641	1,493,705	1,849,726	1,905,037
Proposition A	632,231	648,365	662,051	675,584	727,257	704,810	734,605	904,235	871,136	897,270
Proposition C	524,857	538,042	549,492	560,011	603,239	584,641	609,329	750,044	722,584	744,262
Measure R	393,404	403,595	411,965	419,718	452,559	437,854	457,629	562,442	541,938	558,196
Measure M	-	-	-	380,360	509,648	492,924	518,512	636,468	614,197	632,623
Measure W	-	-	-	-	-	-	577,168	563,428	570,000	570,000
AQMD Clean Air Funds	44,566	46,092	46,250	46,360	47,273	46,160	46,756	45,846	45,000	45,000
GO Bond Assessment	612,424	572,781	398,451	508,259	518,166	467,084	474,391	497,925	516,800	514,050
Total	\$ 24,574,206	\$ 24,634,285	\$ 25,105,225	\$ 27,041,727	\$ 28,469,564	\$ 28,706,030	\$ 32,046,780	\$ 35,605,828	\$ 34,270,182	\$ 35,690,035
Allowable under GANN calculation	<u>\$ 33,174,763</u>	<u>\$ 34,776,127</u>	<u>\$ 36,955,075</u>	<u>\$ 38,537,134</u>	<u>\$ 40,155,200</u>	<u>\$ 41,738,706</u>	<u>\$ 43,247,934</u>	<u>\$ 45,511,129</u>	<u>\$ 48,599,694</u>	<u>\$ 50,362,618</u>
Amount Current Taxes are Less than GANN Limit	<u>\$ 8,600,557</u>	<u>\$ 10,141,841</u>	<u>\$ 11,849,851</u>	<u>\$ 11,495,407</u>	<u>\$ 11,685,636</u>	<u>\$ 13,032,676</u>	<u>\$ 11,201,155</u>	<u>\$ 9,905,300</u>	<u>\$ 14,329,512</u>	<u>\$ 14,672,583</u>

**CITY OF CLAREMONT
APPROPRIATIONS LIMIT CALCULATION**

ATTACHMENT B

----- CLAREMONT POPULATION -----				-- LOS ANGELES COUNTY POPULATION --			-- POPULATION FACTOR --			COST OF LIVING FACTOR				---- APPROPRIATION LIMIT ----	
DATE	ORIGINAL	REVISED	LAST REV.	ORIGINAL	REVISED	LAST REV.	PROP. 4 CITY	PROP. 111 COUNTY	U.S. C.P.I.	CALIF PER CAPITA	PROP. 4	PROP. 111	PROP 4	PROP. 111	FY
1-1-78		27,087											\$4,337,133		1978-79
1-1-79	28,137	28,367	29,815				1.1007		10.17%		1.1017		5,259,386		1979-80
1-1-80	29,815	30,245	30,245				1.0144			12.11%	1.1211		5,981,204		1980-81
1-1-81	30,245	32,956	33,123				1.0952			9.12%	1.0912		7,148,031		1981-82
1-1-82	33,123	33,733					1.0184		6.79%		1.0679		7,773,837		1982-83
1-1-83	33,257	33,582					0.9955			2.35%	1.0235		7,920,718		1983-84
1-1-84	33,589	34,248					1.0198		4.74%		1.0474		8,460,424		1984-85
1-1-85	34,213	34,362					1.0033		3.74%		1.0374		8,805,807		1985-86
1-1-86	34,362	35,060		8,228,477			1.0203		2.30%		1.0230		9,191,210		1986-87
1-1-87	35,060	35,996		8,385,319	8,400,370		1.0267 *	1.0209	3.04%	3.47%	1.0304	1.0347 *	9,723,488	9,764,066	1987-88
1-1-88	35,996	36,932	36,741	8,536,807	8,555,937		1.0207 *	1.0185	3.93%	4.66%	1.0393	1.0466 *	10,314,808	10,430,606	1988-89
1-1-89	36,530	36,530	36,516	8,632,069	8,650,337		0.9939	1.0110 *	4.98%	5.19%	1.0498	1.0519 *	10,762,431	11,092,646	1989-90
1-1-90	36,530	36,800	36,595	8,749,615	8,769,994	8,812,192	1.0022	1.0187 *		4.21%		1.0421 *		11,775,812	1990-91
1-1-91	32,503	31,965	32,166	8,964,736	8,988,754		0.8882	1.0200 *		4.14%		1.0414 *		12,508,597	1991-92
1-1-92	32,559	32,556		9,065,427	9,087,399	9,052,040	1.0017	1.0110 *		-0.64%		0.9936 *		12,565,256	1992-93
1-1-93	32,719	32,724		9,139,357	9,158,425	9,139,766	1.0049	1.0078 *		2.72%		1.0272 *		13,007,706	1993-94
1-1-94	33,178	33,140		9,208,731	9,199,383		1.0140 *	1.0055		0.71%		1.0071 *		13,283,461	1994-95
1-1-95	33,632	33,900		9,229,730	9,312,421		1.0137 *	1.0033		4.72%		1.0472 *		14,101,014	1995-96
1-1-96	34,028	34,042		9,356,784	9,361,333		1.0118 *	1.0048		4.67%		1.0467 *		14,933,693	1996-97
1-1-97	34,405	34,345		9,476,976	9,459,681		1.0111	1.0124 *		4.67%		1.0467 *		15,824,923	1997-98
1-1-98	34,722	34,668		9,590,909	9,574,918		1.0110	1.0139 *		4.15%		1.0415 *		16,710,752	1998-99
1-1-99	35,413	35,269		9,744,931	9,702,280		1.0215 *	1.0178		4.53%		1.0453 *		17,843,305	1999-00
1-1-00	35,968	34,215		9,871,788	9,630,608		1.0198 *	1.0175		4.91%		1.0491 *		19,090,056	2000-01
1-1-01	35,255	34,942		9,790,152	9,641,223		1.0304 *	1.0166		7.82%		1.0782 *		21,208,619	2001-02
1-1-02	35,551	35,524		9,811,918	9,805,750		1.0174	1.0177 *		-1.27%		0.9873 *		21,309,894	2002-03
1-1-03	36,098	36,060		9,968,146	9,979,618		1.0162	1.0166 *		2.31%		1.0231 *		22,164,069	2003-04
1-1-04	36,337	36,349		10,092,305	10,096,795		1.0077	1.0113 *		3.28%		1.0328 *		23,149,719	2004-05
1-1-05	36,636	36,448		10,216,040	10,155,951		1.0079	1.0118 *		5.26%		1.0526 *		24,654,929	2005-06
1-1-06	36,612	36,732		10,235,632	10,246,513		1.0045	1.0078 *		3.96%		1.0396 *		25,831,188	2006-07
1-1-07	37,141	36,963		10,320,321	10,263,866		1.0111	1.0072 *		4.42%		1.0442 *		27,167,132	2007-08
1-1-08	37,242	37,057		10,352,128	10,289,936		1.0075	1.0086 *		4.29%		1.0429 *		28,576,262	2008-09
1-1-09	37,780	37,660		10,382,451	10,344,319		1.0195 *	1.0090		0.62%		1.0062 *		29,314,127	2009-10
1-1-10	37,608	34,946		10,430,366	9,811,390		0.9986	1.0083 *		-2.54%		0.9746 *		28,806,676	2010-11
1-1-11	35,053	35,021		9,848,442	9,836,718		1.0031	1.0038 *		2.51%		1.0251 *		29,641,936	2011-12
1-1-12	35,300	35,315		9,874,366	9,879,254		1.0080 *	1.0038		3.77%		1.0377 *		31,005,514	2012-13
1-1-13	35,749	35,768		9,947,906	9,953,626		1.0123 *	1.0069		5.12%		1.0512 *		32,993,890	2013-14
1-1-14	35,920	35,932		10,031,664	10,044,719		1.0042	1.0078 *		-0.23%		0.9977 *		33,174,763	2014-15
1-1-15	36,282	36,022		10,126,867	10,145,677		1.0097 *	1.0082		3.82%		1.0382 *		34,776,127	2015-16
1-1-16	36,218	36,165		10,231,861	10,173,616		1.0054	1.0085 *		5.37%		1.0537 *		36,955,075	2016-17
1-1-17	36,225	36,293		10,231,933	10,221,926		1.0017	1.0057 *		3.69%		1.0369 *		38,537,134	2017-18
1-1-18	36,446	36,479		10,274,346	10,245,275		1.0042	1.0051 *		3.67%		1.0367 *		40,155,200	2018-19
1-1-19	36,511	35,872		10,244,542	10,175,203		1.0009 *	0.9999		3.85%		1.0385 *		41,738,706	2019-20
1-1-20	35,807	35,877		10,163,868	10,127,550		0.9982	0.9989 *		3.73%		1.0373 *		43,247,934	2020-21
1-1-21	35,707	37,364		10,037,774	9,923,635		0.9953 *	0.9911		5.73%		1.0573 *		45,511,129	2021-22
1-1-22	37,072	37,034		9,861,224	9,826,563		0.9922	0.9929 *		7.55%		1.0755 *		48,599,694	2022-23
1-1-23	36,759			9,753,247			0.9926	0.9925		4.40%		1.0440		50,362,618	2023-24

*Option Chosen

APPROPRIATIONS LIMIT CALCULATION

Type of Tax	Actual FY 14-15	Actual FY 15-16	Actual FY 16-17	Actual FY 17-18	Actual FY 18-19	Actual FY 19-20	Actual FY 20-21	Actual FY 21-22	Budgeted FY 22-23	Budgeted FY 23-24
Secured Prop Tax (net)	8,171,972	8,670,124	9,117,597	9,515,631	9,972,316	10,548,385	10,937,494	11,414,306	11,495,600	11,992,000
Sales Tax	3,624,365	3,738,405	3,845,015	4,275,676	4,541,409	4,356,709	6,470,137	7,713,010	6,725,000	7,100,000
Sales Tax - Public Safety	333,395	337,660	346,528	361,212	378,372	368,201	397,448	454,303	455,000	469,000
Transient Occupancy Tax (TOT)	1,283,893	1,333,844	1,398,333	1,459,374	1,476,518	1,259,834	1,052,461	1,627,061	1,375,000	1,425,000
Business License	823,944	836,155	871,522	877,650	936,287	938,675	922,098	1,058,070	900,000	930,000
Property Transfer Tax	193,880	199,469	199,193	214,325	180,929	216,901	295,564	234,169	200,000	210,000
Utility User Tax (UUT)	4,548,155	4,235,629	4,151,019	4,338,814	4,116,015	4,122,118	4,367,505	4,868,791	4,375,000	4,594,000
Landscape & Lighting District (LLD)	2,342,924	2,385,040	2,420,132	2,509,740	2,639,375	2,676,006	2,765,041	2,782,026	3,013,201	3,103,597
State Gas Tax	1,044,197	689,086	687,677	899,013	1,370,201	1,485,728	1,420,641	1,493,705	1,849,726	1,905,037
Proposition A	632,231	648,365	662,051	675,584	727,257	704,810	734,605	904,235	871,136	897,270
Proposition C	524,857	538,042	549,492	560,011	603,239	584,641	609,329	750,044	722,584	744,262
Measure R	393,404	403,595	411,965	419,718	452,559	437,854	457,629	562,442	541,938	558,196
Measure M	-	-	-	380,360	509,648	492,924	518,512	636,468	614,197	632,623
Measure W	-	-	-	-	-	-	577,168	563,428	570,000	570,000
AQMD Clean Air Funds	44,566	46,092	46,250	46,360	47,273	46,160	46,756	45,846	45,000	45,000
GO Bond Assessment	612,424	572,781	398,451	508,259	518,166	467,084	474,391	497,925	516,800	514,050
Total	\$ 24,574,206	\$ 24,634,285	\$ 25,105,225	\$ 27,041,727	\$ 28,469,564	\$ 28,706,030	\$ 32,046,780	\$ 35,605,828	\$ 34,270,182	\$ 35,690,035
Allowable under GANN calculation	<u>\$ 33,174,763</u>	<u>\$ 34,776,127</u>	<u>\$ 36,955,075</u>	<u>\$ 38,537,134</u>	<u>\$ 40,155,200</u>	<u>\$ 41,738,706</u>	<u>\$ 43,247,934</u>	<u>\$ 45,511,129</u>	<u>\$ 48,599,694</u>	<u>\$ 50,362,618</u>
Amount Current Taxes are Less than GANN Limit	<u>\$ 8,600,557</u>	<u>\$ 10,141,841</u>	<u>\$ 11,849,851</u>	<u>\$ 11,495,407</u>	<u>\$ 11,685,636</u>	<u>\$ 13,032,676</u>	<u>\$ 11,201,155</u>	<u>\$ 9,905,300</u>	<u>\$ 14,329,512</u>	<u>\$ 14,672,583</u>



Claremont City Council

Agenda Report

File #: 4715

Item No: 8.

TO: ADAM PIRRIE, CITY MANAGER

FROM: JAMIE COSTANZA, DEPUTY CITY CLERK

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

SECOND READING AND ADOPTION OF AN ORDINANCE IMPOSING HEIGHTENED TENANT PROTECTIONS FOR JUST CAUSE EVICTIONS FOR CERTAIN RESIDENTIAL TENANCIES IN THE CITY OF CLAREMONT (FUNDING SOURCE: GENERAL FUND)

SUMMARY

On January 1, 2020, the California Tenant Protection Act of 2019 (AB 1482) established an annual rent increase cap of five percent plus inflation or ten percent, whichever is lower. AB 1482 also prohibits evictions without “just cause” (as defined). However, AB 1482 contains numerous exceptions. One of those exceptions allows owners to evict tenants in order “to demolish or to substantially remodel” a rental unit. This report refers to these as “substantial remodel evictions.” After the tenancy is terminated, the owner can raise the rent on the newly-remodeled unit in excess of AB 1482’s rent cap.

Last year, several Claremont residents who are long-time renters in large apartment complexes reported that property owners were threatening to evict them when the County of Los Angeles’s eviction moratorium expired so that the owners could “substantially remodel” the tenants’ units and raise rents. These residents requested that the City Council consider tenant protection ordinances, including a “No Fault Eviction Ordinance” that provides stronger tenant protections than those provided by AB 1482. In response to these requests, at its regular meeting on October 25, 2022, the City Council approved a six-month temporary moratorium on certain substantial remodel evictions. The temporary moratorium went into effect immediately and will expire on June 30, 2023.

At its April 25, 2023 regular meeting, the City Council considered two draft ordinances. The first draft ordinance is a proposed permanent ordinance that would impose heightened tenant protections for “just cause” evictions, including but not limited to “no-fault” evictions due to substantial remodels for certain residential tenancies (“Just Cause Eviction Ordinance”). The second draft ordinance was a Rent Stabilization Ordinance, which would have limited increases in rent for certain residential tenancies beyond the limits currently imposed by AB 1482. The City Council heard public comment

on both draft ordinances at its April 25, 2023 meeting and began its deliberations, but due to the late hour, continued the item to its May 9, 2023 meeting so that the City Council could resume its deliberations at an earlier hour.

At the May 9, 2023 meeting, the City Council concluded deliberations on both tenant protection ordinances. The City Council approved a first reading and introduction of the Just Cause Eviction Ordinance (Attachment). However, the City Council decided not to move forward with a Rent Stabilization Ordinance at that time. Instead, the City Council requested that staff present cost options and additional information during their City Council Priorities/Budget Discussion for the 2024-26 budget cycle pertaining to the feasibility of additional staffing/programming associated with the collection and management of Claremont-specific rental housing data.

At its May 23, 2023 meeting, the City Council will consider a second reading and adoption of the Just Cause Eviction Ordinance (Attachment). If adopted by the City Council, the ordinance will go into effect on June 22, 2023.

RECOMMENDATION

Staff recommends that the City Council:

- A. Waive further reading and adopt AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ADDING CHAPTER 8.34 (“JUST CAUSE FOR EVICTION”) TO TITLE 8 (“HEALTH AND SAFETY”) OF THE CLAREMONT MUNICIPAL CODE, PROHIBITING THE TERMINATION OF CERTAIN RESIDENTIAL TENANCIES WITHOUT “JUST CAUSE” IN THE CITY OF CLAREMONT; and
- B. Determine that the ordinance is not subject to environmental review and exempt from environmental review under the California Environmental Quality Act (CEQA).

ALTERNATIVES TO RECOMMENDATION

In addition to the recommendation, there are the following alternatives:

- A. Do not adopt the ordinance.
- B. Request substantive changes to the ordinance, in which case, the ordinance would need to be re-introduced for the first reading. Depending on the nature and extent of the changes, the item may need to be continued to give staff time to revise the ordinance.
- C. Request additional information and direct staff to bring the ordinance back at a future meeting.

The temporary moratorium expires on June 30, 2023. If the City Council chooses any of the above alternatives, the moratorium will expire before a permanent ordinance would take effect.

FINANCIAL REVIEW

The cost of staff time to prepare outreach material, conduct two listening sessions, and prepare the materials for the April 25, May 9, and May 23 City Council meetings is estimated to be \$6,100. The legal costs to prepare these ordinances are estimated to be \$20,500. These costs are included in the operating budget of the Administrative Services Department.

ANALYSIS

Just Cause Eviction Ordinance

Last year, several Claremont residents who are long-time renters in large apartment complexes reported that property owners were threatening to evict them when the County's eviction moratorium expired so that they could "substantially remodel" their units and raise rents. These residents requested that the City Council consider tenant protection ordinances, including a "No Fault Eviction Ordinance" that provides stronger tenant protections than AB 1482. To more closely parallel AB 1482's just cause for eviction provisions (set forth in Section 1946.2 of the California Civil Code), the ordinance is titled a "Just Cause Eviction Ordinance" (rather than a "No Fault Eviction Ordinance"). The ordinance is drafted to incorporate and be identical to AB 1482's just cause for eviction provisions except it provides heightened tenant protections for substantial remodel evictions and higher amounts of relocation assistance in the event of a no-fault eviction.

Temporary No-Fault Eviction Moratorium

In response to renter concerns, at their regular meeting on October 25, 2022, the City Council approved a six-month temporary moratorium on certain substantial remodel evictions. The temporary moratorium went into effect immediately by way of an urgency ordinance and will expire on June 30, 2023.

Proposed Permanent Just Cause Eviction Ordinance

Many cities and counties (including the County of Los Angeles and the Cities of Los Angeles, Long Beach, Pasadena, South Pasadena, and Pomona) have adopted measures to heighten protections for tenants, including those facing no-fault evictions, such as:

- Refining the definition of "substantial remodel,"
- Requiring property owners to obtain building permits before they can evict a tenant for a "substantial remodel,"
- Requiring property owners to provide tenants with a detailed scope of work confirming that the work qualifies as a "substantial remodel,"
- Increasing the amount of relocation assistance property owners must provide tenants in connection with a no-fault eviction, and/or
- Including ordinance language that prevents tenants from being retaliated against or harassed by proprietors.

At its April 25 and May 9, 2023 regular meetings, the City Council provided staff with direction on which key components to include in the Just Cause Eviction Ordinance.

LEGAL REVIEW

The ordinance being considered by the City Council has been reviewed and approved as to form by the City Attorney.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City's strategic and visioning documents

and finds that it applies to the following City Planning Documents: Council Priorities and General Plan.

CEQA REVIEW

The Just Cause Eviction Ordinance is not subject to the California Environmental Quality Act (CEQA) under State CEQA Guidelines Section 15060(c)(2), in that the adoption of this ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is further and independently exempt from the California Environmental Quality Act under State CEQA Guidelines Section 15061(b)(3), in that it can be seen with certainty there is no possibility this action will have a significant effect on the environment.

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk's Office.

Submitted by:

Jamie Costanza
Deputy City Clerk

Reviewed by:

Katie Wand
Assistant to the City Manager

Attachment:

"Just Cause Eviction" Ordinance

ORDINANCE NO. 2023-**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, ADDING CHAPTER 8.34 (“JUST CAUSE FOR EVICTION”) TO TITLE 8 (“HEALTH AND SAFETY”) OF THE CLAREMONT MUNICIPAL CODE, PROHIBITING THE TERMINATION OF CERTAIN RESIDENTIAL TENANCIES WITHOUT “JUST CAUSE” IN THE CITY OF CLAREMONT**

WHEREAS, effective January 1, 2020, the Tenant Protection Action of 2019, Assembly Bill 1482 (“AB 1482”) added Sections 1946.2, 1947.12, and 1947.13 to the California Civil Code; and

WHEREAS, subject to certain exceptions, AB 1482: (1) limits rent increases over the course of any 12-month period to 5% plus the “percentage change in the cost of living” (as defined), or 10%, whichever is lower (the “rent stabilization provisions”); and (2) prohibits an “owner” (as defined) of “residential real property” (as defined) from terminating a tenancy without “just cause” (as defined) (the “just cause eviction provisions”); and

WHEREAS, AB 1482’s rent stabilization and just cause eviction provisions are intended to “help families afford to keep a roof over their heads, and... provide California with important new tools to combat our state’s broader housing and affordability crisis;” and

WHEREAS, AB 1482’s rent stabilization provisions do not apply to “a new tenancy in which no tenant from the prior tenancy remains in lawful possession of the residential real property” (Civ. Code § 1947.12(b)); and

WHEREAS, AB 1482’s just cause eviction provisions expressly permit a landlord to evict a tenant in order to “substantially remodel” the rental unit (Civ. Code § 1946.2(b)(2)(D)(i)); and

WHEREAS, AB 1482’s just cause eviction provisions define “substantially remodel” to mean:

“the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days”

(Civ. Code § 1946.2(b)(2)(D)(ii)); and

WHEREAS, AB 1482’s just cause eviction provisions specify that “[c]osmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation” (Civ. Code § 1946.2(b)(2)(D)(ii)); and

WHEREAS, AB 1482 permits a landlord to evict a tenant to “substantially remodel” the rental unit and then raise rents above AB 1482’s rent caps when a new tenancy begins; and

WHEREAS, AB 1482’s just cause eviction provisions expressly authorize local agencies (like the City of Claremont) to adopt ordinances that are “more protective” than AB 1482’s just cause eviction provisions, in which case, the “more protective” local ordinance will apply to non-exempt residential real property (Civ. Code § 1946.2(g)(1)(B)); and

WHEREAS, like many cities in Los Angeles County, the City of Claremont is experiencing a housing affordability crisis and a humanitarian crisis of homelessness that would be exacerbated by the displacement of renters; and

WHEREAS, the City is concerned that, without “more protective” local just cause eviction provisions, “substantial remodel” evictions will result in displaced tenants becoming homeless.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Recitals

The City Council finds the foregoing recitals and their findings to be true and correct, and hereby incorporates such recitals and their findings into this ordinance.

SECTION 2. Environmental Review

The City Council finds and determines that the adoption of this Ordinance is not subject to the California Environmental Quality Act (CEQA) under State CEQA Guidelines Section 15060(c)(2), in that the adoption of this Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is further and independently exempt from the California Environmental Quality Act under State CEQA Guidelines Section 15061(b)(3), in that it can be seen with certainty there is no possibility the adoption of this Ordinance will have a significant effect on the environment.

SECTION 3. Findings

The City Council has the power to enact an ordinance, not in conflict with general laws, as necessary to protect public peace, health, and safety, via exercise of the powers provided to cities in Article XI, Section 7, of the California Constitution, and in compliance with Government Code sections 36931 through 39637. The adoption of this ordinance furthers the preservation of the public peace, health, and safety in at least the following respects:

- A. Independent of the COVID-19 crisis, the City of Claremont is experiencing a housing affordability crisis, which is driving homelessness and displacement of residents to an unprecedented scale.

B. When a household spends more than 30 percent of its income on housing costs (i.e., is “rent burdened”), it has less disposable income for other necessities such as health care. In the event of unexpected circumstances, such as loss of income or health problems, households with a burdensome housing cost are more likely to become homeless. In Claremont, approximately 52.4% of renter-households use more than 30% of their incomes to cover housing costs, and of those renter-households, approximately 44.2% spend 35 percent or more of their income on housing costs. (2014–2019 ACS 5-Year Estimates.)

C. As the cost of housing in Southern California continues to rise, homelessness has become more prevalent. In the 2020 Greater Los Angeles Homeless Street Count, 17 unsheltered individuals were counted in Claremont. That number increased to 26 individuals in 2022.

D. The Greater Los Angeles Homeless Street Counts do not include individuals who live with relatives or friends, in nearby hotels, or in other transitional housing. The Claremont Unified School District reported that, as of July 2021, there were 125 children that fit into the latter category (although the School District includes some neighborhoods outside Claremont).

E. One of the most effective ways to address the homeless crisis is to prevent individuals and families from becoming homeless in the first place. To that end, the City has programs to assist families threatened with homelessness. For example, the City’s Department of Human Services is responsible for overseeing the City Senior and Family Emergency Fund. This fund helps Claremont families and seniors through initial crises. Once resolved, Human Services Department staff works with the recipients to connect with agencies to assist them in obtaining ongoing financial support.

F. Starting in April of 2020, Claremont’s residential tenants were generally protected from evictions by a variety of temporary COVID-19-related governmental measures, such as: (1) the California Judicial Council’s temporary emergency measures which effectively provided for a moratorium on all evictions; (2) the State of California’s eviction moratorium (ultimately codified through Assembly Bill 3088 (2020), Senate Bill 91 (2021), and Assembly Bill 81 (2021)); and (3) the County of Los Angeles’ Tenant Protections Resolution; and the City of Claremont’s Moratorium on Certain “No Fault” Residential Evictions (Ord. No. 2022-07). However, with the exception of the City’s Moratorium, those measures have now expired or have been lifted. The City’s Moratorium is due to automatically expire June 30, 2023.

G. The City has determined, both through direct residential tenant complaints and through information available on a regional basis, that tenants throughout the Los Angeles County region have reported experiencing a surge of no-fault eviction notices and threats of eviction. In response to such threats and notices, other municipalities in this region, including the County of Los Angeles and the Cities of

Los Angeles, Long Beach, Pasadena, South Pasadena, and Pomona, have adopted tenant protection ordinances.

H. Starting in or around the summer of 2022, numerous residential tenants in Claremont reported that their landlords were threatening to evict them after the County of Los Angeles's tenant protections expired for the alleged purpose of substantially remodeling their units.

I. More protective local eviction control provisions are needed to prevent tenants displaced by "substantial remodel" evictions from becoming homeless.

In accordance with AB 1482's just cause eviction provisions set forth in subsection (g)(1)(B) of Section 1946.2 of the California Civil Code, the City Council hereby makes a binding finding that the tenant protections in this ordinance are "more protective" than AB 1482's just cause eviction provisions, set forth in Section 1946.2 of the California Civil Code. The City Council further finds that this ordinance is consistent with Section 1946.2. This ordinance further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, and/or provides additional tenant protections that are not prohibited by any other provision of law.

SECTION 4. Code Amendment

Chapter 8.34 ("Just Cause Evictions") is added to Title 8 ("Health and Safety") of the Claremont Municipal Code to read as follows:

Chapter 8.34 Just Cause Evictions

8.34.000 Purpose of Chapter and Relationship to AB 1482

This chapter is consistent with the Tenant Protection Action of 2019, Assembly Bill 1482 (2019-2020), which is generally codified in Sections 1946.2, 1947.12, and 1947.13 to the California Civil Code ("AB 1482"). It is the City's intent that its residential tenants be afforded the strongest protections available under the law. This chapter is more protective than AB 1482's just cause eviction provisions set forth in Section 1946.2 of the California Civil Code.

As authorized by subsection (g) of Section 1946.2, this chapter provides for higher relocation assistance amounts and additional tenant protections for "no-fault just cause" evictions based on a property owner's intent to "substantially remodel" or demolish the residential real property. In all other respects, this chapter is identical to Section 1946.2 of the California Civil Code, as amended from time to time or replaced by a successor statute.

If any other governmental entity (including without limitation, the United States Government, the State of California, and the County of Los Angeles) adopts stronger tenant protections that apply to residential tenants in the City of Claremont, then the stronger tenant protections shall prevail, and the City shall not enforce conflicting tenant protections in this chapter.

8.34.010 Applicability of Chapter and Exceptions

A. Applicability. The tenant protections in this chapter apply to tenants and owners of real property that are subject to AB 1482's just cause eviction provisions set forth in subsection (a) of Section 1946.2 of the California Civil Code, as amended from time to time or replaced by a successor statute.

B. Exceptions. This chapter shall not apply to the types of residential real properties or residential circumstances that are exempt from AB 1482's just cause eviction provisions set forth in subsection (e) of Section 1946.2 of the California Civil Code, as amended from time to time or replaced by a successor statute. In addition, this chapter shall not apply to residential tenancies in a building or in a complex of commonly-owned buildings with nine (9) or fewer rental units.

8.34.020 "Just Cause" Required for "No-Fault" Evictions

A. AB 1482 Requirements. An owner of residential real property shall not terminate a tenancy that is subject to this chapter without just cause, which shall be stated in the written notice to terminate tenancy, unless the termination of the tenancy fully complies with AB 1482's just cause eviction provisions set forth in Section 1946.2 of the California Civil Code, as amended from time to time or replaced by a successor statute.

B. Heightened Requirements for Evictions Based on Intent to Demolish or Substantially Remodel the Residential Real Property. An owner of residential real property shall not terminate a tenancy that is subject to this chapter based on the owner's intent to "demolish or to substantially remodel the residential real property" (as described and defined subsection (b)(2)(D) of Section 1946.2 of the California Civil Code, as amended from time to time or replaced with a successor statute) unless and until all of the following additional requirements have been met:

1. Building permits (for a substantial remodel) and/or demolition permits (for a demolition) have been secured from the City of Claremont;
2. The tenant has been provided with copies of the building and/or demolition permit(s);
3. The tenant has been provided with a written detailed account of the scope of work, why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work cannot be completed within thirty (30) days; and
4. For a substantial remodel eviction, the owner has demonstrated to the satisfaction of the City's Building Official or his/her/their designee that the valuation of the work is at least six (6) times the cost of the tenant's monthly rent. For purposes of this requirement, the monthly rent shall be the average of the preceding twelve (12) month period.

5. For a substantial remodel eviction, the owner has demonstrated to the satisfaction of the City's Building Official or his/her/their designee that the work is necessary to bring the rental unit into compliance with applicable codes and laws affecting the health and safety of tenants of the building.

C. Failure to Comply. An owner's failure to strictly comply with this section shall render a notice of termination of a tenancy void and shall be an affirmative defense to an unlawful detainer action.

8.34.030 Relocation Assistance Required for "No-Fault" Evictions

If an owner of residential real property issues a termination notice based on a "no-fault just cause" (as defined in subsection (b)(2) of Section 1946.2 of the California Civil Code, as amended from time to time or replaced by a successor statute), the owner shall provide relocation assistance in accordance with AB 1482's just cause eviction provisions set forth in subsection (d) of Section 1946.2 of the California Civil Code, as amended from time to time or replaced by a successor statute, provided however, the amount of relocation assistance shall be increased to at least equal to three (3) months of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy.

An owner's failure to strictly comply with this section shall render the notice of termination void and shall be an affirmative defense to an unlawful detainer action.

8.34.040 Severability

If any provision of this chapter is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this chapter which can be implemented without the invalid provisions, and to this end, the provisions of this chapter are declared to be severable. The City Council hereby declares that it would have adopted this chapter and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

SECTION 5. Effective Date.

This Ordinance shall take effect thirty (30) days after its adoption in accordance with Government Code Section 36937. The provisions of this Ordinance shall apply to all residential rental units not specified in Section 4 to be exempt, including where a notice to vacate or to quit any such rental unit has been served prior to, as of, or after the effective date of this Ordinance, but where an unlawful detainer judgment has not been issued as of the effective date of this Ordinance.

SECTION 6. Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase, or portion of this Ordinance is, for any reason, held to be unconstitutional or invalid or

ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective. To this end, the provisions of this Ordinance are declared to be severable.

SECTION 7. Posting of Ordinance.

The Mayor shall sign this Ordinance and the City Clerk shall attest and certify to its passage and adoption. The City Clerk shall cause a summary of this Ordinance to be published or posted as required by law. In accordance with Government Code Section 8634, this ordinance and any amendments, extensions, and rescissions thereof shall be given widespread publicity and notice.

PASSED, APPROVED AND ADOPTED this 23rd day of May, 2023.

Mayor, City of Claremont

ATTEST:

City Clerk, City of Claremont

APPROVED AS TO FORM:



City Attorney, City of Claremont



Claremont City Council

Agenda Report

File #: 4716

Item No: 9.

TO: ADAM PIRRIE, CITY MANAGER

FROM: BRAD JOHNSON, COMMUNITY DEVELOPMENT DIRECTOR

DATE: MAY 23, 2023

Reviewed by:
City Manager: AP

SUBJECT:

RESOLUTION UPDATING THE FEE SCHEDULE FOR THE INCLUSIONARY HOUSING IN-LIEU FEE (FUNDING SOURCE: INCLUSIONARY HOUSING FUND)

SUMMARY

On September 14, 2021, the City Council adopted Ordinance No. 2021-04 amending Claremont Municipal Code Chapter 16.036 that pertains to the City's inclusionary housing requirements. The ordinance provides for developers of for-sale and rental housing units to pay an in-lieu fee under certain circumstances, as an alternative to constructing affordable units. In-lieu fees collected will be deposited into the Inclusionary Housing Fund, which must be used to increase and improve the supply of affordable housing in the City.

The previous Inclusionary Housing In-Lieu Fee study was conducted in 2014. Since then, Claremont's new home values have increased significantly. While the 2014 in-lieu fee has increased annually based on the Real Estate Research Council of Southern California's Real Estate and Construction Report, the affordability gap between the market-rate sales prices or rents and the affordable sales prices or rents now incentivizes developers to pay the in-lieu fee instead of providing affordable units. Additionally, the 2021 Inclusionary Housing Ordinance update requires developers of rental housing projects to provide affordable rental units and for developers of both for-sale and for-rent projects to provide five percent (5%) of the units as affordable for low-income households. The Inclusionary Housing In-Lieu Fee Analysis incorporated these changes into the new proposed fee schedule recommended by staff. A proposed Resolution updating the fee schedule for the Inclusionary Housing In-Lieu Fee is included as Attachment A to this report.

RECOMMENDATION

Staff recommends that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE

CITY OF CLAREMONT, CALIFORNIA, UPDATING THE FEE SCHEDULE FOR THE INCLUSIONARY HOUSING IN-LIEU FEE PURSUANT TO CHAPTER 16.036 OF THE CLAREMONT MUNICIPAL CODE.

ALTERNATIVE TO RECOMMENDATION

In addition to the recommendation, there is the following alternative:

- Request additional information.

FINANCIAL REVIEW

The proposed Inclusionary Housing In-Lieu fee schedule provides an updated estimate to fund affordable housing in the City that can be developed off-site and provides estimates for amounts that can be supported by ownership housing and apartment development projects. The proposed fees and associated expenses are accounted for separately and do not affect the City's General Fund budget.

The staff and consultant cost to prepare this report and administer this program is estimated at \$12,000 and is included in the operating budget of the Community Development Department.

ANALYSIS

The City's Inclusionary Housing Ordinance (Attachment B) provides that a developer can elect to pay a fee in lieu of developing an inclusionary unit on-site under the following circumstances:

- 1) Calculation for the number of inclusionary units results in a fraction of an inclusionary unit;
- 2) The housing development project has either five or six units; or
- 3) The housing development project has seven or more units, and the City Council has used its discretion to approve the developer's request to pay an in-lieu fee instead of providing inclusionary units.

Under the third scenario, the City Council cannot approve a developer's request to pay in-lieu fees unless the City Council finds that; 1) that the housing development project complies with all requirements in the administrative manual for the Inclusionary Housing Ordinance; 2) providing the inclusionary unit(s) on-site and/or through land dedication would result in an unreasonable economic hardship, and 3) the developer has explored and exhausted all options to reduce the cost of development and sources of funding to subsidize on-site inclusionary units. Even if the City Council can make all of these findings, it has discretion to deny a request for an in-lieu fee.

An update to the City's Inclusionary Housing In-Lieu Fee requires an in-lieu fee analysis to be performed. The foundational premise of the in-lieu fee analysis is that an in-lieu fee should correlate to the affordability gap associated with producing the affordable units required by the 2021 Inclusionary Housing Ordinance. The affordability gap is the difference between the achievable market rate sales prices or rents and the allowable sales prices or rents for the designated affordable housing units. Due to the current in-lieu fee being significantly lower than the affordability gap, developers have more incentive to pay the lower cost in-lieu fee, instead of developing the affordable units as part of their project.

The 2021 Ordinance made significant modifications to the original Inclusionary Housing Ordinance, such as requiring developers of rental housing projects to provide affordable units and a requirement

for both for sale- and for-rent developers to provide low-income affordable units. The 2014 in-lieu fee did not account for these two factors, therefore further increasing the affordability gap. Additionally, with changes to State laws, the City is experiencing an increased interest from housing developers that may request to pay the in-lieu fee.

Proposed In-Lieu Fee

Staff has worked with the consultant firm of Keyser Marston Associates (KMA) to determine the amount of the Inclusionary Housing In-Lieu Fee. To calculate the in-lieu fee amount, KMA quantified the financial impact associated with fulfilling the affordable housing requirements within market-rate development projects, and translated it into a per-square foot fee. The detailed methodology and analysis is explained in the report prepared by KMA (Attachment C).

Based on the results of the KMA analysis, the Inclusionary Housing In-Lieu Fee is proposed as follows:

In-Lieu Fee Payment Schedule Per Square Foot of Total Saleable or Leasable Area in the Residential Project		
Number of Units	For-Sale Housing Development	For-Rent Housing Development
5	\$3.00	\$1.54
6	\$6.00	\$3.09
7	\$9.00	\$4.63
8	\$12.00	\$6.18
9	\$15.00	\$7.72
10	\$18.00	\$9.26
11	\$21.00	\$10.81
12	\$24.00	\$12.35
13	\$27.00	\$13.89
14	\$30.00	\$15.44
15	\$33.00	\$16.98
16	\$36.00	\$18.53
17	\$39.00	\$20.07
18	\$42.00	\$21.61
19	\$45.00	\$23.16
20+	\$48.00	\$24.70

Proposed Fractional In-Lieu Fee

Since the calculation for the number of inclusionary units may result in a fractional unit, the developer would have the option to make an in-lieu payment to the Inclusionary Housing Fund.

Based on KMA’s analysis, the Inclusionary Housing Fractional In-Lieu Fee is proposed as follows:

Fractional In-Lieu Fee Payment Schedule in the Residential Project		
Fractional Unit	For-Sale Housing Development	For-Rent Housing Development
.1	\$60,160	\$15,800
.2	\$120,320	\$31,600
.3	\$180,480	\$47,400
.4	\$240,640	\$63,200
.5	\$300,990	\$78,990
.6	\$361,150	\$94,700
.7	\$421,310	\$110,500
.8	\$481,470	\$126,290
.9	\$541,630	\$142,090

LEGAL REVIEW

The proposed Resolution has been reviewed and approved as to form by the City Attorney.

RELATIONSHIP TO CITY PLANNING DOCUMENTS

Staff has evaluated the agenda item in relationship to the City’s strategic and visioning documents and finds that it applies to the following City Planning Documents: Council Priorities, General Plan, and 2022-24 Budget.

CEQA REVIEW

This item is not subject to environmental review under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE PROCESS

The agenda and staff report for this item have been posted on the City website and distributed to interested parties. If you desire a copy, please contact the City Clerk’s Office.

Submitted by:

Prepared by:

Brad Johnson
Community Development Director

Alex Cousins
Management Analyst

Attachments:

- A - Resolution Updating Fee Schedule for Inclusionary Housing In-Lieu Fee
- B - Inclusionary Housing Ordinance No. 2021-04
- C - City of Claremont - Inclusionary Housing: In-Lieu Fee Analysis

RESOLUTION NO. 2023-**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, UPDATING THE FEE SCHEDULE FOR THE INCLUSIONARY HOUSING IN-LIEU FEE PURSUANT TO CHAPTER 16.036 OF THE CLAREMONT MUNICIPAL CODE**

WHEREAS, in 2006 the City Council for the City of Claremont (“City Council”) adopted its Inclusionary Housing Ordinance, Chapter 16.036 to the Claremont Municipal Code (“CMC”); and

WHEREAS, on September 14, 2021, the City Council adopted Ordinance No. 2021-04 CMC Chapter 16.036 pertaining to the City’s inclusionary housing requirement to provide greater variety of levels of affordability in housing and apartment development projects; and

WHEREAS, Chapter 16.036 of the CMC provides an option to allow developers to elect to pay a fee in lieu of providing the affordable units within housing development projects; and

WHEREAS, Chapter 16.036 of the CMC authorizes a developer to elect to pay the in lieu fee if: 1) the housing development is proposing five or six units; and/or 2) calculation for the number of inclusionary units results in a fraction of an Inclusionary Unit; and

WHEREAS, for housing development projects with seven or more units, Chapter 16.036 of the CMC requires City Council approval of a developer’s request to pay an in-lieu fee; to approve such a request, the City Council must find: 1) that the housing development project complies with all requirements in the administrative manual; 2) providing the inclusionary unit on-site and/or through land dedication would result in an unreasonable economic hardship; 3) the developer has explored and exhausted all options to reduce the cost of development and sources of funding to subsidize on-site inclusionary units; even if the City Council can make these finding, it has discretion to deny a request to an in lieu fee and, instead, require the developer to construct the affordable units; and

WHEREAS, the amount of such an in-lieu fee must be established by City Council resolution; and

WHEREAS, the City’s consultant (Keyser Marston Associates, Inc., “KMA”) prepared a formal nexus study which project the financial burden imposed on a typical new housing development project by the inclusionary requirements into an equivalent per unit in-lieu fee; this analysis was presented to the City Council and made available to the public in the agenda report for this Resolution; the KMA analysis is incorporated herein by this reference as if set forth in full.

NOW THEREFORE, THE CLAREMONT CITY COUNCIL DOES HEREBY RESOLVE:

SECTION 1. The above recitals are true and correct and are incorporated herein.

SECTION 2. From midnight (12:00 a.m.) on May 24, 2023 until midnight (12:00 a.m.) on May 24, 2024, the Inclusionary Housing In-Lieu Fee pursuant to Chapter 16.036 of the Claremont Municipal Code is as follows:

In-Lieu Fee Payment Schedule Per Square Foot of Total Saleable or Leasable Area In the Residential Project		
Number of Units	For-Sale Housing Development	For-Rent Housing Development
5	\$3.00	\$1.54
6	\$6.00	\$3.09
7	\$9.00	\$4.63
8	\$12.00	\$6.18
9	\$15.00	\$7.72
10	\$18.00	\$9.26
11	\$21.00	\$10.81
12	\$24.00	\$12.35
13	\$27.00	\$13.89
14	\$30.00	\$15.44
15	\$33.00	\$16.98
16	\$36.00	\$18.53
17	\$39.00	\$20.07
18	\$42.00	\$21.61
19	\$45.00	\$23.16
20+	\$48.00	\$24.70

SECTION 3. From midnight (12:00 a.m.) on May 24, 2023 until midnight (12:00 a.m.) on May 24, 2024, the Inclusionary Housing Fractional In-Lieu Fee pursuant to Chapter 16.036 of the Claremont Municipal Code is as follows:

Fractional In-Lieu Fee Payment Schedule Per Square Foot of Total Saleable or Leasable Area In the Residential Project		
Fractional Unit	For-Sale Housing Development	For-Rent Housing Development
.1	\$60,160	\$15,800
.2	\$120,320	\$31,600
.3	\$180,480	\$47,400
.4	\$240,640	\$63,200
.5	\$300,990	\$78,990
.6	\$361,150	\$94,700
.7	\$421,310	\$110,500
.8	\$481,470	\$126,290
.9	\$541,630	\$142,090

SECTION 4. At midnight (12:00 a.m.) on May 24 of each year from 2024 through 2027 (inclusive), the fee schedule for the Inclusionary Housing In-Lieu Fee shall be automatically adjusted annually, based on the annual percentage change in the new home prices in Los Angeles County, as published in Real Estate Research Council of Southern California report, in order to ensure that the fees keep pace with inflation and the cost to construct affordable housing.

SECTION 5. The fee schedule for the Inclusionary Housing In-Lieu Fee shall be formally re-analyzed five years from the date of this resolution (i.e., on or before May 23, 2028).

SECTION 6. This Resolution shall become effective immediately upon its adoption.

SECTION 7. The Mayor shall sign this Resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

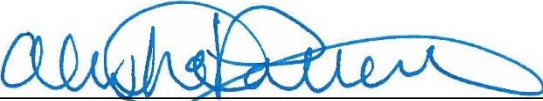
PASSED, APPROVED, AND ADOPTED this 23rd day of May, 2023.

Mayor, City of Claremont

ATTEST:

City Clerk, City of Claremont

APPROVED AS TO FORM:



City Attorney, City of Claremont

ORDINANCE NO. 2021-04

AN ORDINANCE OF THE CITY OF CLAREMONT, CALIFORNIA, ADOPTING A CODE AMENDMENT TO UPDATE THE CITY'S INCLUSIONARY HOUSING ORDINANCE – CHAPTER 16.036 TO THE CLAREMONT MUNICIPAL CODE. APPLICANT – CITY OF CLAREMONT

WHEREAS, in 2006, the City Council for the City of Claremont (“City Council”) adopted its Inclusionary Housing Ordinance, Chapter 16.036 to the Claremont Municipal Code (“CMC”); and

WHEREAS, the City’s Inclusionary Housing Ordinance was last amended in 2018 through the adoption of Ordinance 2018-10; and

WHEREAS, the State of California continues to face a housing crisis and, in particular, a shortage of affordable housing (Gov. Code § 65589.5(a)(1)(A)-(B), (2)(A) [“The lack of housing ... is a critical problem that threatens the economic, environmental, and social quality of life in California”; “California housing has become the most expensive in the nation”; “California has a housing supply and affordability crisis of historic proportions”]; and

WHEREAS, in adopting AB 1515 (2017-28 Regular Session), the California legislature reported that “California’s overall homeownership rate is at its lowest level since the 1940s” and that “[t]he state ranks 49th out of the 50 states in homeownership rates as well as in the supply of housing per capita” and that “[o]nly half of California’s households are able to afford the cost of housing in their local regions” (finding codified at Gov. Code § 65589.5(a)(2)(E)); and

WHEREAS, in adopting AB 1515 (2017-28 Regular Session), the California legislature also reported that “[t]he majority of California renters, more than 3,000,000 households, pay more than 30 percent of their income toward rent and nearly one-third, more than 1,500,000 households, pay more than 50 percent of their income toward rent” (finding codified at Gov. Code § 65589.5(a)(2)(G)); and

WHEREAS, “[w]hen Californians have access to safe and affordable housing, they have more money for food and health care; they are less likely to become homeless and in need of government-subsidized services; their children do better in school; and businesses have an easier time recruiting and retaining employees (Gov. Code § 65589.5(a)(2)(H)); and

WHEREAS, in March of 2021, the Southern California Association of Governments (“SCAG”) determined that the City of Claremont’s allocated share of the regional housing needs assessment (“RHNA”) for the Sixth Housing Element Cycle (2021-2029) is 1,711 units, which is comprised of: 556 very-low income units, 310 low income units, 297 moderate income units, and 548 above-moderate income units; and

WHEREAS, the City’s Inclusionary Housing Ordinance currently requires new residential developments with five (5) or more units to make at least fifteen percent (15%) of the units affordable to moderate income households (with the option of in lieu fees or land dedication as alternatives to the provision of inclusionary units on-site); and

WHEREAS, although the City's Inclusionary Housing Ordinance also provides credits if residential developments provide low income units (instead of moderate income units), no developer has ever exercised this option to provide low income units; and

WHEREAS, to meet its share of the RHNA for the Sixth Housing Element Cycle (2021-2029) and likely future Housing Element Cycles, the City needs more affordable housing units at a greater variety of affordability levels; and

WHEREAS, in accordance with Chapter 16.315 of the Claremont Municipal Code, the City initiated the preparation of the proposed update to Claremont's Inclusionary Housing Ordinance, Chapter 16.036 to the Claremont Municipal Code; and

WHEREAS, the proposed Code Amendment would amend the City's Inclusionary Housing Ordinance to require a greater variety of levels of affordability in housing development projects; and

WHEREAS, on July 20, 2021 and August 10, 2021, the Planning Commission held a duly noticed public hearing regarding the proposed Code Amendment, at which time oral and documentary evidence was introduced along with the written recommendation of the Planning Division of the City of Claremont; and

WHEREAS, after considering the proposed Code Amendment, the staff report, written public comments, and all information, evidence, and testimony received at its July 20, 2021 and August 10, 2021 meetings, the Planning Commission voted 5-0-1-1 (with one absence and one vacancy) to recommend the City Council approve the proposed Code Amendment; and

WHEREAS, on September 14, 2021, the City Council held a duly noticed public hearing regarding the proposed Code Amendment, at which time oral and documentary evidence was introduced along with the written recommendation of the Planning Division of the City of Claremont and the Resolution of the Planning Commission; and

WHEREAS, the City Council has considered the proposed Code Amendment, the Planning Commission Resolution, the staff report, written public comments, and all information, evidence, and testimony received at its September 14 and 28, 2021 meetings.

THE CITY COUNCIL OF THE CITY OF CLAREMONT DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds that all the facts set forth in the recitals are true and correct and are incorporated as substantive findings of this resolution.

SECTION 2. The California legislature has expressed its intent that cities (and other local agencies) "should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established

for planning purposes.” (Gov. Code § 65884(a)(2).) To that end, State Planning and Zoning Law and the implementing regulations to the California Environmental Quality Act (CEQA) exempt such determinations from environmental review. (Gov. Code § 65884(g); 14 Cal. Code Regs. §§ 15283, 15326.) In addition, this Ordinance is covered by CEQA’s “common sense” exception that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Here, it can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment, and therefore, the Ordinance is not subject to CEQA. The ordinance merely adjusts the already-existing levels of affordability required for housing development projects from fifteen percent (15%) moderate income to a mix of moderate and low income (still within 15%). This Ordinance may impact the cost of developing, purchasing, and/or renting housing, but those impacts are administrative and fiscal, which are not environmental impacts (i.e., administrative and fiscal activities are not “projects” under CEQA). (14 Cal. Code Regs. § 15378(b)(2), (4).)

SECTION 3. Based upon substantial evidence presented to the City Council during the public hearing, including the Planning Commission’s resolution, written staff reports, the staff presentation, written public comments, and verbal testimony, the City Council hereby finds and determines:

- A. It is appropriate to amend the Inclusionary Housing Ordinance City-wide.
- B. This Ordinance is consistent with the objectives, policies, general land uses and programs of the General Plan, and in particular, the Housing Element. The goal of the Housing Element as per Chapter 8 Provision of Adequate Housing - Goal 8-3 Provide opportunities throughout the City for adequate and affordable housing in a wide range of housing types to meet the needs of all socioeconomic segments of the community.
- C. This Ordinance would not be detrimental to the public interest, health, safety, convenience or welfare. The proposed amendment is being carried out in response to the public request to include a share of housing that is affordable to low and moderate income households and it is intended to supplement other programs that assist and encourage affordable housing in the City.
- D. The Planning Commission, after holding a duly-noticed public hearing, recommended the City Council adopt this Ordinance on August 10, 2021. The City Council has reviewed the Planning Commission’s resolution and agrees with the Planning Commission’s recommendation.

SECTION 4. Adoption of Code Amendment. Claremont Municipal Code Chapter 16.036 is hereby amended to read as follows:

**Chapter 16.036
INCLUSIONARY HOUSING**

- 16.036.000 Intent**
- 16.036.010 Definitions**
- 16.036.020 Applicability**
- 16.036.030 Inclusionary Unit Requirement**
- 16.036.040 Alternatives**

16.036.050 Procedures and Regulations
16.036.060 Standards
16.036.070 Enforcement
16.036.080 General Provisions

16.036.000 Intent

It is the intent of this chapter to establish standards and procedures that facilitate the development and availability of housing affordable to a range of households with varying income. The purpose of this chapter is to encourage the development and availability of such housing by ensuring that the addition of affordable housing units to the City's housing stock is in proportion with the overall increase in new jobs and housing units.

16.036.010 Definitions

As used in this chapter, the following terms shall have the following meanings:

"Adjusted for household size appropriate for the unit" means a household of one (1) person in the case of a studio unit, two (2) persons in the case of a one-bedroom unit, three (3) persons in the case of a two- bedroom unit, four (4) persons in the case of a three-bedroom unit, five (5) persons in the case of a four- bedroom unit, and six (6) persons in the case of a six-bedroom unit.

"Administrative Manual" means the Administrative Manual adopted pursuant to Section 16.036.050.E for the implementation and enforcement of the provisions of this chapter.

"Affordable housing costs" means the total housing costs paid by a qualifying household, which shall not exceed a specified fraction of their gross income, adjusted for household size appropriate for the unit, as follows:

A. Rental Units:

1. Low income units: thirty percent (30%) of sixty percent (60%) of the Los Angeles County area median income.
2. Moderate income units: thirty percent (30%) of one hundred and ten percent (110%) of the Los Angeles County area median income.

B. For Sale Units:

1. Claremont low income units: thirty percent (30%) of eighty percent (80%) of the Los Angeles County area median income.
2. Moderate income units: thirty-five percent (35%) of one hundred and ten percent (110%) of the Los Angeles County area median income.

"Affordable sales price" means the maximum price that can be charged for an Inclusionary Unit. The Affordable sales price is equal to the lesser of:

A. The sum of the supportable mortgage plus the benchmark down payment, which is used solely for calculation of the affordable sales price:

1. The benchmark down payment is set at 10% of the affordable sales price for Claremont low-income units.
2. The benchmark down payment is set at 5% of the affordable sales price for moderate income units.

B. The purchase price prospective buyers are willing to pay in return for purchasing a home that is subject to restrictive covenants.

“Appreciation” means the difference in dollar amount between the net resale price of the inclusionary unit, as defined in the Administrative Manual, at the time it is sold by the initial purchaser and the fair market value of the inclusionary unit at the time of the original sale.

“City Council” means the City Council of the City of Claremont.

“City principal” means the difference between the fair market value of the inclusionary unit at the time of initial sale of the unit and the affordable purchase price actually paid by the initial purchaser for that unit as a consequence of the requirements set forth in this chapter.

“City share of appreciation” means a proportionate share of the appreciation of each inclusionary unit based on the City principal to be paid to the City at the time of resale of an inclusionary unit by the initial purchaser in accordance with the equity share agreement. The City share of appreciation is calculated as a percentage of the appreciation which is equal to the ratio of the City principal to the fair market value of the inclusionary unit at the time of initial sale.

“Claremont low income households” means persons and families whose income does not exceed eighty percent (80%) of the Los Angeles County area median income, adjusted for household size.

“Claremont low income units” means for sale inclusionary units restricted to occupancy by Claremont low income households at the applicable affordable housing cost.

“Developer” means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a housing development project. The term “developer” also means the owner or owners for any such property for which such approvals are sought.

“Development agreement” means an agreement entered into between the City and a developer pursuant to Section 65865 of the California Government Code.

“Director” means the City’s Director of Community Development.

“Discretionary approval” means any entitlement or approval, including but not limited to a use permit, variance, design approval, and subdivision map.

“Equity share agreement” means an agreement by which appreciation on the value of an inclusionary unit from the time of the original purchase at an affordable price to the time of resale shall be shared between the purchaser of the inclusionary unit and the City. Such an agreement shall be a condition of sale of the inclusionary unit.

“Fair market value” means the fair market value of an inclusionary unit at the time of initial purchase of that unit without regard to any restrictions on sales price, as substantiated by an appraisal in a form and substance and by an appraiser acceptable to the City.

“Housing development project” means the construction of new projects (including mixed use projects) requiring any approval from the City (including approval of a building permit) for which an application has been submitted to the City and which would create one (1) or more additional dwelling units to be offered for rent or sale by construction or alteration of structures. All new construction projects creating one (1) or more additional dwelling units to be offered for rent or sale on contiguous parcels of land by a single developer shall constitute a single housing development project subject to the requirements of this chapter, and any accompanying regulations, regardless of whether such projects are constructed all at once, serially, or in phases. The term “housing development project” shall include the conversion of rental units to for-sale units and vice versa.

“Inclusionary housing agreement” means a legally binding written agreement between a developer and the City, in form and substance satisfactory to the Director and City Attorney, setting forth those provisions necessary to ensure that the requirements of this chapter, whether through the provision of inclusionary units or through an alternative method, are satisfied.

“Inclusionary housing fund” shall have the meaning set forth in Section 16.036.080.A.

“Inclusionary housing plan” means the plan referenced in Section 16.036.050 and further described in the Administrative Manual, which sets forth the manner in which the requirements of this chapter will be implemented for a particular housing development project.

“Inclusionary unit” means a dwelling unit developed pursuant to an inclusionary housing agreement that will be offered for rent or sale to low- and moderate-income households, at an affordable housing cost, pursuant to this chapter.

“Los Angeles County area median income” means the median income published by the California Department of Housing and Community Development (“HCD”) each year as required by California Code of Regulations, Title 25, Section 6932 and Health and Safety Code Section 50093.

“Low income households” is defined in Health and Safety Code Section 50079.5 as

persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. .

“Low income units” means rental inclusionary units restricted to occupancy by low income households at the applicable affordable housing cost.

“Market rate units” means dwelling units in a housing development project that are not inclusionary units.

“Moderate income households” means persons and families whose income does not exceed one hundred twenty percent (120%) of the Los Angeles County area median income, adjusted for household size.

“Moderate income units” means for sale inclusionary units restricted to occupancy by moderate income households at the applicable affordable sales price.

“Resale price” means the agreed upon purchase price negotiated between the initial purchaser of an inclusionary unit and the subsequent buyer upon resale, which is used for the purpose of determining the amount of appreciation that is shared under the terms of the equity share agreement. The resale price shall not include any fees, escrow costs, or closing costs incurred in connection with the resale of the inclusionary unit. The City may, through the equity share agreement or the regulations adopted pursuant to this chapter, require that the seller of the inclusionary unit provide documentation, including, but not limited to, an appraisal, demonstrating that the resale price is consistent with prevailing market sales prices for comparable homes in the City.

“Substantial rehabilitation” or **“substantially rehabilitated”** means the rehabilitation of at least one (1) dwelling unit that has substantial building and other code violations, and has been vacant for at least six (6) months, such that the unit is returned to the City’s housing supply as decent, safe, and sanitary housing, and the cost of such work constitutes at least twenty-five percent (25%) of the after-rehabilitation value of the dwelling unit, inclusive of the land value.

“Total housing costs” means the total monthly or annual recurring expenses required of a household to obtain shelter. For a rental unit, total housing costs include the monthly rent payment and utilities. For a for-sale unit, total housing costs include the mortgage payment (principal and interest), utilities, homeowner’s association dues, homeowner’s insurance, mortgage insurance, property taxes and assessments, and any other related assessments.

“Unrestricted units” has the same meaning as “market rate units.”

The Administrative Manual provides additional definitions for terms used in this chapter that are not defined in this Section.

16.036.020 Applicability

This chapter shall apply to all housing development projects, except as provided below:

- A. Housing development projects that will contain four (4) or fewer units.
- B. Housing development projects that are exempt from this chapter by State Law.
- C. Any dwelling unit or housing development project which is damaged or destroyed by fire or natural catastrophes so long as the use of the reconstructed building and number of dwelling units remain the same, and the cost of such rehabilitation constitutes no more than twenty-five percent (25%) of the after-rehabilitation square footage of the dwelling unit, inclusive of the land value.
- D. Student dormitories, student apartments owned and developed by educational institutions, and faculty housing associated with boarding schools below the college level.

16.036.030 Inclusionary Unit Requirement

- A. **Rental Units.** A total of five percent (5%) of all newly constructed rental units shall be low income units, and a total of ten percent (10%) of all newly constructed rental units shall be moderate income units.
- B. **For-Sale Units.** A total of five percent (5%) of all newly constructed for-sale units shall be Claremont low income units, and a total of ten percent (10%) of all newly constructed for-sale units shall be moderate income units.
- C. In the event the calculation for the number of inclusionary units results in a fraction of an inclusionary unit, the developer shall have the option of either:
 - 1. Providing a full inclusionary unit within the housing development project at the applicable affordability level; or
 - 2. Making an in lieu payment to the inclusionary housing fund in an amount equal to the percentage represented by the fractional unit multiplied by the applicable in lieu fee.
- D. For purposes of calculating the number of inclusionary units required by this chapter, any additional units authorized as a density bonus under Chapter 16.033 and California Government Code Section 65915 shall not be counted in determining the required number of inclusionary units.
- E. Subject to the exceptions listed below, while the Housing Accountability Act (Section 65589.5 of the California Government Code) and Section 56941.1 of the California Government Code are in effect, and provided the housing development project complies with applicable, objective general plan, zoning, and subdivision standards and criteria, including design review standards, the number of inclusionary units required for a housing development project will be determined based on the requirements that are or were in effect as of the latter of: the date the City's Community Development Department received a complete preliminary application that fully complies with Section 56941.1 of the California Government Code and any checklist or application form developed by the City; or the date the City received full payment of any applicable filing fee for review of

the preliminary application. If a housing development project does not require any discretionary approvals, submittal of a complete application for a building permit shall serve as the preliminary application.

The required number of inclusionary units required for a housing development project shall be recalculated in the following circumstances:

1. **Change in Number of Units.** If a change in the housing development project results in a change in the total number of units, exclusive of any increase resulting from the receipt of a density bonus, incentive, concession, waiver, or similar provision under Chapter 16.033 and California Government Code Section 65915, the number of inclusionary units required shall be recalculated based on the inclusionary housing requirements in effect as of the date of submittal of the revised housing development project.
2. **Change in Square Footage.** If a change in the housing development project results in the square footage of construction changing by 20 percent or more, exclusive of any increase resulting from the receipt of a density bonus, incentive, concession, waiver, or similar provision under Chapter 16.033 and California Government Code Section 65915, the number of inclusionary units required shall be recalculated based on the inclusionary housing requirements in effect as of the date of submittal of the revised housing development project. For purposes of this subdivision, "square footage of construction" means the building area, as defined by the California Building Standards Code (Title 24 of the California Code of Regulations).
3. **Failure to Timely Submit a Complete Application.** If the City's Community Development Department does not receive an application for the housing development project within one hundred and eighty (180) days of receipt of the preliminary application, or if the City's Community Development Department does not receive a complete application within ninety (90) days of notifying the applicant that the application is incomplete, then preliminary application shall expire and have no further force or effect, and the number of inclusionary units required shall be recalculated based on the inclusionary housing requirements in effect as of the date of submittal of a new preliminary application.

For housing development projects that do not comply with applicable, objective general plan, zoning, and subdivision standards and criteria, including design review standards, and for all housing development projects if the Housing Accountability Act (Section 65589.5 of the California Government Code) or Section 56941.1 of the California Government Code are repealed or expire, the number of inclusionary units required for a housing development project will be determined based on the requirements that are or were in effect as of the latter of: the date the City's Community Development Department received a complete submittal of a proposed inclusionary housing plan; or the date the City received full payment of any applicable filing fee for review of the proposed inclusionary housing plan.

16.036.040 Alternatives

In lieu of providing the inclusionary units in the housing development project pursuant to Section 16.036.030, the requirements of this chapter may be satisfied through one or more of the alternatives set forth in this Section, in accordance with procedures and standards set forth in the Administrative Manual.

A. **In Lieu Fee.** For housing development projects proposing five (5) or six (6) units, the developer may, by right, pay a fee in lieu of providing an inclusionary unit on-site. For housing development projects proposing seven (7) units or more units, the developer may request the City Council's discretionary approval of a fee in lieu of providing all or some of the required inclusionary units on-site.

Whether by right or discretionary, all in lieu fees shall be paid as follows:

1. The amount of the fee shall be calculated using the fee schedule established by resolution of the City Council at the time the fee is paid.
2. One-half of the in-lieu fee required by this subsection shall be paid (or a letter of credit posted) prior to issuance of a building permit for all or any part of the housing development project. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the housing development project.
3. The fees collected shall be deposited in the inclusionary housing fund.
4. No certificate of occupancy shall be issued for any unit in a housing development project (market rate or inclusionary) unless any and all fees required under this section have been paid in full to the City.

B. **Land Dedication.** In lieu of providing inclusionary units, a developer may request City Council approval to dedicate land to the City that the Director determines is suitable for the construction or substantial rehabilitation of inclusionary units. To accept a land dedication in lieu of on-site inclusionary units, the City Council must determine the fair market value of the dedicated land is equivalent to or greater than the amount of in lieu fees that would have been needed to satisfy the housing development project's inclusionary housing obligation.

C. **City Council Approval.** To approve a discretionary in lieu fee, the City Council must make all of the findings set forth below. It is the developer's burden to provide any and all information needed to make these findings. Even if the City Council can make these findings, it still has discretion to deny a request for an in lieu fee and can, instead, require the housing development project meet the requirements of this chapter by providing on-site inclusionary units and/or dedicating land unless doing so would legally constitute a taking of property without just compensation under the California or Federal Constitutions.

1. The housing development project complies with all requirements in the Administrative Manual.

2. Providing the inclusionary units on-site and/or through land dedication would result in an unreasonable and unavoidable economic hardship. In evaluating this finding, the City Council should evaluate whether there are feasible financial, design, and/or development methodologies that would mitigate or avoid the unreasonable economic hardship of providing inclusionary units on-site and/or through land dedication.

3. The developer has explored and exhausted all options to reduce the cost of development and sources of funding to subsidize on-site inclusionary units, such as participating in such programs like: (a) low income housing tax credits; (b) below market rate financing from governmental affordable housing programs; (c) tax-exempt bond financing; and (d) any other available government programs.

16.036.050 Procedures and Regulations

A. In accordance with the standards and procedures set forth herein and in the Administrative Manual, developer shall:

1. Submit an inclusionary housing plan for approval by the Director, setting forth in detail the manner in which the provisions of this chapter will be implemented for the proposed housing development project. If land dedication or off-site units are proposed, the inclusionary housing plan shall include information necessary to evaluate the site, location, suitability for inclusionary housing, potential development constraints, and the number of inclusionary units assigned pursuant to the Administrative Manual.

2. Execute and cause to be recorded an inclusionary housing agreement, unless developer is complying with this chapter solely through in lieu fees pursuant to Section 16.036.040.A.

3. If the housing development project consists of for-sale units, as a condition of the sale of each inclusionary unit, require that the purchaser to enter into an equity sharing agreement with the City and execute a second deed of trust in favor of the City securing the equity sharing agreement against the inclusionary unit. The equity sharing agreement and second deed of trust shall be in a form and include terms that are in accordance with the requirements of the Administrative Manual, as they may be amended from time to time.

B. No discretionary or ministerial approval shall be issued for all or any portion of a housing development project subject to this chapter until the developer has submitted an inclusionary housing plan.

C. No building permit shall be issued for all or any portion of a housing development project subject to this chapter until the Director has approved the inclusionary housing plan, and the inclusionary housing agreement, if required, is recorded.

D. No certificate of occupancy shall be issued for all or any portion of a housing development project subject to this chapter unless the housing development project is in

full compliance with the approved inclusionary housing plan.

E. The Community Development Department of the City shall establish, and may amend from time to time, regulations for the implementation of this chapter, which shall be known as the Administrative Manual. The Administrative Manual provides more detailed descriptions of the requirements imposed by the Ordinance. Each developer of a housing development project that is subject to the Ordinance will be provided with a copy of the Administrative Manual when an Inclusionary Housing Agreement is executed. The Administrative Manual is modified from time-to-time. Pertinent modifications to the Administrative Manual will be applied prospectively to existing project,

16.036.060 Standards

A. Inclusionary units shall be reasonably dispersed throughout the housing development project; shall be proportional, in number of bedrooms, to the unrestricted units. If the housing development project offers a variety of unit plans with respect to design, materials, and optional interior amenities, the inclusionary units shall be identical to the housing development project's base-plan in terms of design, appearance, materials, finished quality, and interior amenities. If multiple floor plans with the same number of bedrooms are proposed, the inclusionary units may be the units with the smaller floor plans. The inclusionary units may have non-garage parking or garages smaller than the unrestricted units so long as the inclusionary unit otherwise conforms with the standards set forth herein and in the Administrative Manual.

B. All inclusionary units in a housing development project shall be constructed concurrently with or prior to the construction of the unrestricted units. In the event the City approves a phased project, the inclusionary units required by this chapter shall be constructed and occupied in proportion to the number of units in each phase of the housing development project.

C. Inclusionary units shall be rented or sold to low and moderate income households at the ratios established pursuant to the Administrative Manual, and shall be provided at the applicable affordable housing cost. An inclusionary unit that is for rent shall remain reserved for the target income level group at the applicable affordable housing cost in perpetuity, as secured by recorded covenants.

D. The number of bedrooms in inclusionary units must be the same as the number of bedrooms in the unrestricted units, except that if the unrestricted units provide more than four (4) bedrooms, the inclusionary units need not provide more than four (4) bedrooms.

E. The equity share agreement for any inclusionary units that are for-sale shall be in a form approved by the Director and City Attorney in conformance with this chapter and the Administrative Manual prepared in accordance herewith. The equity share agreement shall include the following terms:

1. Upon resale of an inclusionary unit between the date of the initial sale and the ten (10) year anniversary of the initial sale, the seller must repay to the City an amount equal to the sum of: (i) the City principal from the

inclusionary unit; plus (ii) one hundred percent (100%) of the City share of appreciation.

2. Upon resale of an inclusionary unit between the date of the ten (10) year anniversary of the initial sale and the fifteen (15) year anniversary of the initial sale, the seller must repay to the City an amount equal to the sum of: (i) the City principal from the inclusionary unit; plus (ii) eighty percent (80%) of the City share of appreciation.

3. Upon resale of an inclusionary unit between the date of the fifteen (15) year anniversary of the initial sale and the twenty (20) year anniversary of the initial sale, the seller must repay to the City an amount equal to the sum of: (i) the City principal from the inclusionary unit; plus (ii) sixty percent (60%) of the City share of appreciation.

4. Upon resale of an inclusionary unit between the date of the twenty (20) year anniversary of the initial sale and the twenty-five (25) year anniversary of the initial sale, the seller must repay to the City an amount equal to the sum of: (i) the City principal from the inclusionary unit; plus (ii) forty percent (40%) of the City share of appreciation.

5. Upon resale of an inclusionary unit between the date of the twenty-five (25) year anniversary of the initial sale and the thirty (30) year anniversary of the initial sale, the seller must repay to the City an amount equal to the sum of: (i) the City principal from the inclusionary unit; plus (ii) twenty percent (20%) of the City share of appreciation.

6. Upon resale of an inclusionary unit after the thirty (30) year anniversary of the initial sale, the seller must repay to the City an amount equal to the City principal.

16.036.070 Enforcement

A. The provisions of this chapter shall apply to all developers and their agents, successors and assigns proposing, building, selling, renting, and/or occupying a housing development project. All inclusionary units shall be rented or sold in accordance with this chapter and the Administrative Manual. It shall be a misdemeanor to violate any provision of this chapter. Without limiting the generality of the foregoing, it shall also be a misdemeanor for any person to sell or rent to another person an inclusionary unit under this chapter at a price exceeding the maximum allowed under this chapter or to rent or sell an inclusionary unit to a household not qualified under this chapter, provided that such restriction shall not prohibit a household that purchased an inclusionary unit in accordance with this chapter and the Administrative Manual from selling its unit in accordance with the terms of the equity share agreement. It shall further be a misdemeanor for any person to provide false or materially incomplete information to the City or to a seller or lessor of an inclusionary unit to obtain occupancy of housing for which he or she is not eligible.

B. Any individual who sells or rents an inclusionary unit in violation of the provisions of this chapter shall be required to forfeit all monetary amounts so obtained. Recovered funds shall be deposited into the inclusionary housing fund.

C. The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this chapter, including but not limited to: (1) actions to revoke, deny or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; (2) civil actions for injunctive relief or damages; (3) actions to recover from any violator of this chapter civil fines, restitution to prevent unjust enrichment, and/or enforcement costs; and (4) any other action, civil or criminal, authorized by law or by any regulatory document, restriction, or agreement under this chapter.

D. In any action to enforce this chapter or an inclusionary housing agreement recorded hereunder, the City shall be entitled to recover its reasonable attorney's fees and costs.

E. Failure of any official or agency to fulfill the requirements of this chapter shall not excuse any person, owner, developer or household from the requirements of this chapter.

F. The remedies provided for herein shall be cumulative and not exclusive and shall not preclude the City from any other remedy or relief to which it would otherwise be entitled under law or equity.

16.036.080 General Provisions

A. Inclusionary Housing Fund: There is hereby established a separate fund of the City, to be known as the inclusionary housing fund. All monies collected pursuant to this chapter, including Sections 16.036.040.A, 16.036.060.E, and/or 16.036.070.B, shall be deposited in the inclusionary housing fund. Additional monies from other sources may be deposited in the inclusionary housing fund. The monies deposited in the inclusionary housing fund shall be subject to the following conditions:

1. Monies deposited into the inclusionary housing fund must be used to increase and improve the supply of housing affordable to moderate, low, and very low income households in the City. Monies may also be used to cover reasonable administrative or related expenses associated with the administration of this chapter.

2. The inclusionary housing fund shall be administered by the Director of Community Development, or his or her designee, who may develop procedures to implement the purposes of the inclusionary housing fund consistent with the requirements of this chapter and any adopted budget of the City.

3. Monies deposited in accordance with this Section shall be used in accordance with the City's Housing Element, or subsequent plan adopted by the City Council to construct, rehabilitate, or subsidize affordable housing or assist other government entities, private organizations, or individuals to do so.

Permissible uses include, but are not limited to, assistance to housing development corporations, equity participation loans, grants to renters and homeowners, pre-home ownership co-investment, pre-development loan funds, participation leases, or other public-private partnership arrangements. The inclusionary housing fund may be used for the benefit of both rental and owner-occupied housing.

B. **Administrative Fees:** The City Council may by resolution establish reasonable fees and deposits for the administration of this chapter.

C. **Appeal:** Within ten (10) calendar days after the date of any Director decision, an appeal may be filed pursuant to Chapter 16.321 of this title.

D. **Taking Determination:**

1. Commencing upon the approval or disapproval of the inclusionary housing plan by the Director pursuant to this chapter and the Administrative Manual, and within ten (10) days thereafter, a developer may request a determination that the requirements of this chapter, taken together with the inclusionary incentives, as applied to the housing development project, would legally constitute a taking of property of the housing development project without just compensation under the California or Federal Constitutions. The developer has the burden of providing economic information and other evidence necessary to establish that application of the provisions of this chapter to the housing development project would constitute a taking of the property of the proposed housing development project without just compensation. The Director shall make the determination, which may be appealed in the manner and within the time set forth in subdivision C of this Section, except that the City Council shall serve as the appeal body.

2. In making the taking recommendation or determination, the decision maker shall consider each of the following:

- a. Application of the inclusionary housing requirement to the housing development project;
- b. Application of the inclusionary incentives;
- c. Utilization of the most cost-efficient product type for the inclusionary units; and
- d. External funding where reasonably likely to occur.

3. If it is determined that the application of the provisions of this chapter would be a taking, the inclusionary housing plan and the inclusionary housing agreement shall be modified to reduce the obligations in the inclusionary housing component to the extent and only to the extent necessary to avoid a taking. If it is determined no taking would occur through application of this chapter to the housing development project, the requirements of this chapter remain applicable.

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

SECTION 6. The mayor shall sign this ordinance and the city clerk shall attest and certify to the passage and adoption of it, and within fifteen (15) days, publish a summary in the Claremont Courier, a weekly newspaper of general circulation, printed, published, and circulated in the City of Claremont and one hundred and eighty (180) days thereafter it shall take effect and be in force.

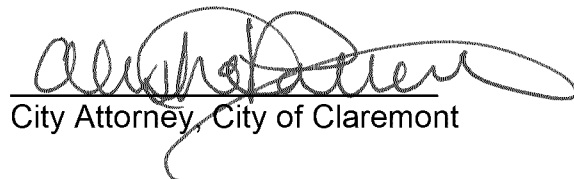
PASSED, APPROVED, AND ADOPTED this 28th day of September, 2021.


Mayor, City of Claremont

ATTEST:


City Clerk, City of Claremont

APPROVED AS TO FORM:


City Attorney, City of Claremont

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss.
CITY OF CLAREMONT)

I, Shelley Desautels, City Clerk of the City of Claremont, County of Los Angeles, State of California, hereby certify that the foregoing Ordinance No. 2021-04 was introduced at a regular meeting of said council held on the 14th day of September, 2021, that it was regularly passed and adopted by said City Council, signed by the Mayor and attested by the City Clerk of said City, all at a regular meeting of said council held on the 28th day of September, 2021, and that the same was passed and adopted by the following vote:

AYES: COUNCILMEMBERS: LEANO, MEDINA, REECE, STARK

NOES: COUNCILMEMBERS: CALAYCAY

ABSTENSIONS: COUNCILMEMBERS: NONE

ABSENT: COUNCILMEMBERS: NONE



City Clerk of the City of Claremont



KEYSER MARSTON ASSOCIATES

INCLUSIONARY HOUSING:

IN-LIEU FEE ANALYSIS

Prepared for:

City of Claremont

Prepared by:

Keyser Marston Associates, Inc.

January 18, 2023

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ATTACHMENTS

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Appendix C	In-Lieu Fee Calculations
Attachment 2	Apartment Development
Appendix A	Rent Survey
Appendix B	Affordable Rent Calculations
Appendix C	In-Lieu Fee Calculations

I. EXECUTIVE SUMMARY

A. Background

On September 14, 2021, the City Council of the City of Claremont (City) approved the adoption Ordinance No. 2021-04 (2021 Ordinance). The 2021 Ordinance updates the terms of the City’s existing Inclusionary Housing Ordinance, and amends Claremont Municipal Code Chapter 16.036.¹

The 2021 Ordinance allows developers to pay a fee in lieu of producing affordable housing units under defined circumstances. A financial evaluation was prepared as part of the 2006 Inclusionary Housing Ordinance adoption that was used, in part, to support the adoption of an in-lieu fee schedule. Since 2006, the in-lieu fee schedule has been updated periodically based on the percentage change in new home sales in Los Angeles County that occurred during the intervening period. The sales data is published annually by the Real Estate Research Council (RERC).

The 2021 Ordinance modifies the income and affordability requirements imposed by the Inclusionary Housing program. Keyser Marston Associates, Inc. (KMA) was engaged by the City to assist in creating in-lieu fee schedules for ownership housing and apartment development projects that are subject to the modified requirements. The following report describes the methodology and assumptions that KMA used in preparing this Inclusionary Housing Program: In-lieu Fee Analysis (In-Lieu Fee Analysis).

The 2021 Ordinance imposes the following basic requirements on residential development:

1. Residential projects with five or more units are subject to the 2021 Ordinance requirements.
2. The income and affordability requirements are set as follows:
 - a. Ownership Housing Development:
 - i. Ten percent (10%) of the units must be allocated to moderate income households as defined in California Health & Safety Code Section 50093; and
 - ii. Five percent (5%) of the units must be allocated to “Claremont low income households”. Claremont low income households are defined as households with

¹ The City originally adopted an Inclusionary Housing Ordinance in 2006. The Inclusionary Housing Ordinance has been amended multiple times. The last amendment was adopted in 2018 through Ordinance 2018-10.

gross income that does not exceed 80% of the Los Angeles County median income, adjusted for the actual number of persons included in the household.

b. Apartment Development:

- i. Ten percent (10%) of the units must be allocated to moderate income households as defined in California Health & Safety Code Section 50093; and
- ii. Five percent (5%) of the units must be allocated to low income households as defined in California Health & Safety Code Section 50079.5.

3. In-Lieu Fee Payment:

- a. Projects with five or six units are allowed, by right, to pay a fee in lieu of producing any affordable units.
- b. Projects with seven or more units must obtain City Council approval to pay an in-lieu fee.
- c. In the event the calculation for the number of “Inclusionary Units” results in a fraction of an Inclusionary Unit, the developer is permitted to pay a fee in lieu of producing an additional affordable unit.

B. Findings

The results of the KMA financial analysis are summarized in the following tables:

BASE IN-LIEU FEE AMOUNTS

Supportable Base In-Lieu Fee Payment Amounts Per Square Foot of Total Saleable or Leasable Area in the Residential Project	
Ownership Housing Development	\$48.00
Apartment Development	\$24.70

The in-lieu fee payment amount be re-evaluated at least every five years. To allow in-lieu fees to keep pace with changes in the marketplace during the intervening periods, the in-lieu fees should continue to be adjusted each year based on the percentage change in new home prices in Los Angeles County as published by the RERC.

IN-LIEU FEE SCHEDULES

Inclusionary housing requirements have a disproportionate impact on smaller projects, because there are fewer market rate units available to spread the impact created by the income and affordability standards. To reflect this, KMA recommends that City impose the in-lieu fee on a sliding scale basis.

The 2021 Ordinance limits the by-right use of the in-lieu fee option to projects with five or six units. However, the in-lieu option is available to larger projects that request and receive City Council approval. KMA recommends that the following in-lieu payment schedules be applied, in 2023 dollars:

Recommended In-Lieu Fee Payment Schedule Per Square Foot of Total Saleable or Leasable Area in the Residential Project		
Number of Units	Ownership Housing Development	Apartment Development
5	\$3.00	\$1.54
6	\$6.00	\$3.09
7	\$9.00	\$4.63
8	\$12.00	\$6.18
9	\$15.00	\$7.72
10	\$18.00	\$9.26
11	\$21.00	\$10.81
12	\$24.00	\$12.35
13	\$27.00	\$13.89
14	\$30.00	\$15.44
15	\$33.00	\$16.98
16	\$36.00	\$18.53
17	\$39.00	\$20.07
18	\$42.00	\$21.61
19	\$45.00	\$23.16
20	\$48.00	\$24.70

KMA recommends that the following in-lieu fee schedule be applied to a fractional Inclusionary Unit obligation incurred by a residential development:

Fractional In-Lieu Fee Payment Calculations Per Square Foot of the Saleable Area of One Unit in the Ownership Housing Development		
Net Affordability Gap Per Inclusionary Unit		\$601,700
Average Unit Size (Square Feet of Saleable Area)		1,880
In-Lieu Fee Per Square Foot of One Unit		\$320.10
	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In- Lieu Fee: Prototype Ownership Housing Development
.1	\$32.00	\$60,160
.2	\$64.00	\$120,320
.3	\$96.00	\$180,480
.4	\$128.00	\$240,640
.5	\$160.10	\$300,990
.6	\$192.10	\$361,150
.7	\$224.10	\$421,310
.8	\$256.10	\$481,470
.9	\$288.10	\$541,630

Fractional In-Lieu Fee Payment Calculations Per Square Foot of the Leasable Area of One Unit in the Apartment Development		
Net Affordability Gap Per Inclusionary Unit		\$157,900
Average Unit Size (Square Feet of Leasable Area)		958
In-Lieu Fee Per Square Foot of One Unit		\$164.90
	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In- Lieu Fee: Prototype Apartment Development
.1	\$16.50	\$15,800
.2	\$33.00	\$31,600
.3	\$49.50	\$47,400
.4	\$66.00	\$63,200
.5	\$82.50	\$78,990
.6	\$98.90	\$94,700
.7	\$115.40	\$110,500
.8	\$131.90	\$126,290
.9	\$148.40	\$142,090

II. APPROACH

The purpose of this In-Lieu Fee Analysis is to estimate the in-lieu fee amounts that can be supported by ownership housing and apartment development projects. The KMA analysis is based on the affordable housing requirements that have been enacted, and on current market and financial conditions.

A. Methodology

The foundational premise of this analysis is that an in-lieu fee should correlate to the “Affordability Gap” associated with producing the affordable units required by the 2021 Ordinance. The Affordability Gap can generally be defined as the difference between the achievable market rate sales prices or rents and the allowable sales prices or rents for the designated affordable housing units.

The KMA In-Lieu Fee Analysis is based on the evaluation of prototype developments that are tailored to reflect the specific characteristics of the Claremont residential real estate market. KMA created ownership housing and apartment development prototypes for use in this analysis.

B. Development Prototypes

The pro forma analyses that KMA has prepared are based on prototype residential developments. To assist in creating the development prototypes, KMA reviewed the following:

1. The Sixth Cycle Housing Element that was prepared in November 2022 (Housing Element); and
2. The ownership housing and apartment projects identified in KMA’s market surveys.

The following criteria were included in the analysis:

1. The prototypes used in this analysis do not represent actual projects. Instead, the prototypes represent composites of projects identified as part of the analysis process.
2. For projects with seven or fewer units, the Inclusionary Housing Program’s income restrictions results in fractional unit obligations in both income categories. Recognizing that this overstates the obligation, KMA created prototypes that result in whole number obligations. The prototypes used in this analysis are:
 - a. Ownership housing development prototype: 60 units; and
 - b. Apartment development prototype: 100 units.

C. Analysis Organization

The KMA analysis is supported by the following Attachments and Appendices:

ATTACHMENT 1: OWNERSHIP HOUSING DEVELOPMENT

Appendices: Ownership Housing Development

Appendix A:	Home Sales Survey
Appendix B:	Affordable Sales Price Calculations
Appendix C:	In-Lieu Fee Calculations

ATTACHMENT 2: APARTMENT DEVELOPMENT

Appendices: Apartment Development

Appendix A:	Rent Survey 4+ Star Properties
Appendix B:	Affordable Rent Calculations
Appendix C:	In-Lieu Fee Calculations

III. OWNERSHIP HOUSING DEVELOPMENT ANALYSIS

A. Ownership Housing Development Prototype

The prototype ownership housing development is largely based on projects that have recently been developed in Claremont. The prototype's characteristics can be described as follows:

1. The development site area is set at four acres.
2. The prototype is a townhome project at a density of 15 units per acre.
3. The prototype includes the following unit mix:
 - a. 10% three-bedroom units;
 - b. 60% three-bedroom units; and
 - c. 35% four-bedroom units.
4. The weighted average unit size is set at 1,880 square feet of saleable area.
5. The prototype is based on the assumption that the parking is provided in attached garages.

To information KMA used in the ownership housing development analysis can be described as follows:

1. KMA undertook a survey to identify the sales prices being achieved by market rate home ownership units (Attachment 1 – Appendix A). The survey data is comprised of sales of townhomes and condominiums in Claremont and the surrounding cities.
2. KMA prepared "Affordable Sales Price" calculations for the prototype townhome project.

Based on the preceding information, KMA prepared Affordability Gap analyses to estimate the in-lieu fee amounts that are equivalent to the financial impact associated with fulfilling the Inclusionary Housing Program requirements on site within a market rate ownership housing development project.

B. Sales Price Estimates

MARKET RATE SALES PRICES

KMA used the home sales survey presented in Attachment 1 – Appendix A to assist in projecting the achievable market rate sales prices for the prototype projects being analyzed. The survey includes units that were sold within the past 12 months and that were constructed after 2000. Based in part on the survey results, the KMA market rate sales price projections are presented in the following table.

Projected Market Rate Sales Prices Townhome Prototype Ownership Housing Development	
Number of Bedrooms	Sales Prices
2	\$729,000
3	\$802,000
4	\$877,000
Weighted Average Price Per Square Foot of Saleable Area	\$435

AFFORDABLE SALES PRICE CALCULATIONS

The “Affordable Sales Price” estimates are based on the calculation methodology defined in the 2021 Ordinance. In this analysis, the household incomes are based on 2022 information produced by the California Department of Housing and Community Development (HCD) for Los Angeles County as a whole. HCD publishes this information annually.

The Affordable Sales Price calculations are presented in Attachment 1 - Appendix B. The elements included in the calculations are described in the following sections of this report.

Household Size

The 2021 Ordinance applies the California Health & Safety Code (H&SC) Section 50052.5 definition of “family size appropriate for the unit” in setting the benchmark household sizes that are used in the Affordable Sales Price calculations. The H&SC Section 50052.5 benchmark is based on the number of

bedrooms in the home plus one.² This benchmark is used solely for the purposes of calculating the Affordable Sales Price. It is neither an occupancy cap nor a floor.

Household Income

Moderate Income Households

For moderate income households, the 2021 Ordinance calls for the Affordable Sales Prices to be calculated based on 110% of area median income (AMI) for a household size equal to the number of bedrooms in the home plus one. This measurement is only used for setting the Affordable Sales Prices. Households with incomes of up to 120% of AMI would qualify to reside in moderate income units.

Claremont Low Income Households

For Claremont low income households, the 2021 Ordinance calls for the Affordable Sales Prices to be calculated based on 80% of AMI for a household size equal to the number of bedrooms in the home plus one. This measurement is only used for setting the Affordable Sales Prices.

Income Allocated to Housing-Related Expenses

The 2021 Ordinance allocates 35% of the benchmark household income to the payment of housing-related expenses. This is the case for both moderate income and Claremont low income units.

Housing-Related Expenses

Based on research undertaken by KMA, the variable housing related expense assumptions used in this analysis are presented in the following table.

² For example, the imputed household size for a three-bedroom unit is four persons.

Variable Housing Related Expenses Townhome Prototype Ownership Housing Development		
Number of Bedrooms	Monthly Utility Allowance ³	Monthly HOA, Insurance & Maintenance
Two	\$242	\$290
Three	\$298	\$325
Four	\$369	\$350

The property tax expense estimate is based on 1.15% of the home’s estimated market value. This is based on the fact that the 2021 Ordinance allows the owner of an Inclusionary Unit to resell the unit at an unrestricted market rate price. Under this structure, the City would be entitled to receive a payment from the seller equal to the amount of the original Affordability Gap plus a share of the equity appreciation achieved upon the resale of the home.

Supportable Mortgage Amount

The mortgage amounts used in the Affordable Sales Price calculations are estimated using the income available after the other housing-related expenses are paid. The mortgage terms used in this analysis were based on a 30-year fully amortizing loan at a 6.14% interest rate. ⁴

Benchmark Down Payment

The 2021 Ordinance sets the benchmark home buyer down payments as follows:

Benchmark Home Buyer Down Payment as a Percentage of the Affordable Sales Price Ownership Housing Development	
Moderate Income	5%
Claremont Low Income	10%

³ Utilities allowances are based on costs comprised of electric heating, cooking and water heating; basic electric; air conditioning; and water, sewer, and trash services. The allowances are based on the Los Angeles County Development Authority (LACDA) schedule effective July 1, 2022.

⁴ Based on a 100 basis points premium applied to the Freddie Mac monthly average, between February 2022 and January 2023, for a fixed interest rate loan with a 30-year amortization period.

Affordable Sales Prices

The Affordable Sales Price estimates used in this analysis are presented in the following table.

Estimated Affordable Sales Prices Townhome Prototype Ownership Housing Development		
Number of Bedrooms	Moderate Income	Claremont Low Income
2	\$235,500	\$121,200
3	\$257,400	\$130,300
4	\$268,400	\$130,600

C. Estimated Affordability Gaps – Ownership Housing Development

The Affordability Gaps that were derived from the KMA analysis of a prototype ownership housing developments are presented in the following table.

Estimated Affordability Gaps Per Inclusionary Unit Townhome Prototype Ownership Housing Development			
Number of Bedrooms	Market Rate Price	Affordable Price	Affordability Gap
Moderate Income Units			
2	\$729,000	\$235,500	\$493,500
3	\$802,000	\$257,400	\$544,600
4	\$877,000	\$268,400	\$608,600
Claremont Low Income Units			
2	\$729,000	\$121,200	\$607,800
3	\$802,000	\$130,300	\$671,700
4	\$877,000	\$130,600	\$746,400

D. In-Lieu Fee Calculations – Ownership Housing Development

The weighted average Affordability Gaps are translated into the in-lieu fee payment that would be required to fulfill the affordable housing requirements on site within a proposed market rate ownership housing development. These calculations are presented in Attachment 1 -Appendix C, and the results are summarized in the following table:

Supportable In-Lieu Fee Payments Ownership Housing Development	
Weighted Average Affordability Gap Per Inclusionary Unit	\$601,700
In-Lieu Fee Per Square Foot of Saleable Area in the Residential Project	\$48.00

The 2021 Ordinance limits the by-right use of the in-lieu fee option to projects with five or six units. However, the in-lieu option is available to larger projects that request and receive City Council approval. KMA recommends that the following in-lieu payment schedules be applied to ownership housing development, in 2023 dollars:

Recommended In-Lieu Fee Payment Schedule Per Square Foot of Saleable Area in the Ownership Housing Development			
Number of Units	In-Lieu Fee Per Square Foot	Number of Units	In-Lieu Fee Per Square Foot
5	\$3.00	13	\$27.00
6	\$6.00	14	\$30.00
7	\$9.00	15	\$33.00
8	\$12.00	16	\$36.00
9	\$15.00	17	\$39.00
10	\$18.00	18	\$42.00
11	\$21.00	19	\$45.00
12	\$24.00	20	\$48.00

KMA recommends that the following in-lieu fee schedule be applied to a fractional Inclusionary Unit obligation incurred by an ownership housing development:

Fractional In-Lieu Fee Payment Calculations Per Square Foot of the Saleable Area of One Unit in the Ownership Housing Development		
Net Affordability Gap Per Inclusionary Unit		\$601,700
Average Unit Size (Square Feet of Saleable Area)		1,880
In-Lieu Fee Per Square Foot of One Unit		\$320.10
	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In- Lieu Fee: Prototype Ownership Housing Development
.1	\$32.00	\$60,160
.2	\$64.00	\$120,320
.3	\$96.00	\$180,480
.4	\$128.00	\$240,640
.5	\$160.10	\$300,990
.6	\$192.10	\$361,150
.7	\$224.10	\$421,310
.8	\$256.10	\$481,470
.9	\$288.10	\$541,630

IV. APARTMENT DEVELOPMENT ANALYSIS

A. Apartment Development Prototype

The apartment development prototype represents a product type being developed in communities located in the Claremont market area. The prototype embodies the following characteristics:

1. The development site area is set at 3.3 acres.
2. The density is set at 30 units per acre.
3. The prototype includes the following unit mix:
 - a. 45% two-bedroom units;
 - b. 50% three-bedroom units; and
 - c. 5% three-bedroom units.
4. The weighted average unit size is set at 958 square feet of leasable area.
5. The prototype is based on the assumption that the parking is provided in covered and enclosed spaces.

To information KMA used in the apartment development analysis can be described as follows:

1. KMA surveyed the Claremont market area and found that the vast majority of the recently developed apartment projects are located in cities surrounding Claremont. The survey results are presented in Attachment 2 – Appendix A.
2. KMA prepared “Affordable Rent” calculations for the prototype apartment project.

Based on the preceding information, KMA prepared Affordability Gap analyses to estimate the in-lieu fee amounts that are equivalent to the financial impact associated with fulfilling the Inclusionary Housing Program requirements on site within a market rate ownership housing development project.

B. Rent Estimates

MARKET RATE RENTS

In the December 2022, KMA surveyed apartment projects that 4+ stars in the CoStar quality ranking system. The purpose of this survey was to assist in estimating the currently achievable market rents for the apartment prototypes being analyzed. Based in part on this survey, the projected market rate apartment rents are presented in the following table.

Projected Market Rate Rents Apartment Development	
Number of Bedrooms	Monthly Rent
1	\$2,410
2	\$2,900
3	\$3,730
Weighted Average Rent Per Square Foot of Leasable Area	\$2.84

AFFORDABLE RENT CALCULATIONS

The 2021 Ordinance calls for the H&SC Section 50053 calculation methodology to be used in estimating Affordable Rents. In this analysis, the household incomes are based on the 2022 Los Angeles County information that was published by HCD. The Affordable Rent calculations are presented in Attachment 2 - Appendix B. The assumptions applied in the calculations are summarized in the following sections of this report.

Household Size

The family size appropriate for the unit is based on the H&SC Section 50052.5 standard, which is based on the number of bedrooms in the home plus one. As discussed previously, this is a benchmark for Affordable Rent calculation purposes only. It is neither an occupancy minimum nor a maximum.

Household Income

1. For moderate income households, the 2021 Ordinance calls for the Affordable Rents to be calculated based on 110% of AMI for a household size equal to the number of bedrooms in the

home plus one. This measurement is only used for setting the Affordable Rents. Households with incomes of up to 120% of AMI would qualify to reside in moderate income units.

- For low income households, the 2021 Ordinance calls for the Affordable Rents to be calculated based on 60% of AMI for a household size equal to the number of bedrooms in the home plus one. This measurement is only used for setting the Affordable Rents. Households with incomes up to the maximum amount defined by H&SC Section 50079.5 would qualify to reside in low income units.

Income Allocated to Housing-Related Expenses

For both moderate and low income units, the 2021 Ordinance allocates 30% of the benchmark household income to the payment of housing-related expenses.

Housing-Related Expenses

KMA’s calculations are based on the assumption that the tenants will be required to pay for electric heating, cooking and water heating; basic electric services; and air conditioning. The LACDA utilities allowances that went into effect on July 1, 2022 were applied to this analysis.

The resulting Affordable Rents are summarized in the following table.

Estimated Affordable Rents Apartment Development			
	Number of Bedrooms		
	One	Two	Three
Moderate Income Units			
Maximum Monthly Housing Cost	\$2,005	\$2,255	\$2,505
(Less) Monthly Utility Allowance	(114)	(145)	(178)
Maximum Moderate Income Rent	\$1,891	\$2,110	\$2,327
Low Income Units			
Maximum Monthly Housing Cost	\$1,094	\$1,230	\$1,367
(Less) Monthly Utility Allowance	(114)	(145)	(178)
Maximum Low Income Rent	\$980	\$1,085	\$1,189

C. Estimated Affordability Gaps – Apartment Development

KMA estimated the Affordability Gaps associated with the prototype apartment projects using the following calculation methodology:

1. The differences between the estimated achievable market rate rents and the defined Affordable Rents were calculated for one-, two, and three-bedroom apartment units.
2. KMA assumed that the property taxes for projects that include designated affordable housing units would be based on a lower assessed value due to the reduction in net operating income that would be generated by the project. KMA deducted this lower property tax expense from the estimated rent difference.
3. The estimated “Net Annual Rent Difference Per Inclusionary Unit” represents the annual rent difference minus the estimated property tax savings.
4. The “Affordability Gap Per Inclusionary Unit” is estimated by capitalizing the Net Annual Difference Per Inclusionary Unit at the threshold return derived from a pro forma analysis of the prototype apartment development at unrestricted market rate rents.

The Affordability Gap calculations are provided in Attachment 2 – Appendix C, and the results are as follows:

Estimated Affordability Gaps Per Inclusionary Unit Apartment Development	
Moderate Income Units	\$107,600
Low Income Units	\$258,500

D. In-Lieu Fee Calculations – Apartment Development

The Affordability Gaps Per Inclusionary Unit were converted into the in-lieu fee payment that would be required to fulfill the affordable housing requirements on site within a proposed market rate apartment development. The conversion calculations are presented in Attachment 2 – Appendix C, and the resulting supportable in-lieu fee payment amounts are summarized in the following table.

Supportable In-Lieu Fee Payment Apartment Development	
Weighted Average Affordability Gap	\$157,900
In-Lieu Fee Payment Per Square Foot of Leasable Area	\$24.70

The 2021 Ordinance limits the by-right use of the in-lieu fee option to projects with five or six units. However, the in-lieu option is available to larger projects that receive City Council approval. KMA recommends that the following in-lieu payment schedules be applied to ownership housing development, in 2023 dollars:

Recommended In-Lieu Fee Payment Schedule Per Square Foot of Leasable Area In the Apartment Development	
Number of Units	In-Lieu Fee Per Square Foot
5	\$1.54
6	\$3.09
7	\$4.63
8	\$6.18
9	\$7.72
10	\$9.26
11	\$10.81
12	\$12.35
13	\$13.89
14	\$15.44
15	\$16.98
16	\$18.53
17	\$20.07
18	\$21.61
19	\$23.16
20	\$24.70

KMA recommends that the following in-lieu fee schedule be applied to a fractional Inclusionary Unit obligation incurred by an apartment development:

Fractional In-Lieu Fee Payment Calculations Per Square Foot of the Leasable Area of One Unit in the Apartment Development		
Net Affordability Gap Per Inclusionary Unit		\$157,900
Average Unit Size (Square Feet of Leasable Area)		958
In-Lieu Fee Per Square Foot of One Unit		\$164.90
	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In- Lieu Fee: Prototype Apartment Development
.1	\$16.50	\$15,800
.2	\$33.00	\$31,600
.3	\$49.50	\$47,400
.4	\$66.00	\$63,200
.5	\$82.50	\$78,990
.6	\$98.90	\$94,700
.7	\$115.40	\$110,500
.8	\$131.90	\$126,290
.9	\$148.40	\$142,090

V. SUMMARY

The following sections of this report summarize the assumptions and findings of the In-Lieu Fee Analysis.

A. Development Prototypes

The development scopes for the residential development prototypes that were analyzed in this analysis are summarized in the following tables.

Residential Development Prototypes		
	Townhome Development	Apartment Development
Site Area (Acres)	4.0	3.3
Total Number of Units	60	100
Density (Units Per Acre)	15	100
Average Unit Size (Sf)	1,880	958
Parking	Attached Garages	Covered & Enclosed

B. Projected Market Rate Sales Prices and Rents

The market rate ownership housing sales price and apartment rent estimates applied in this analysis are provided in the following tables.

Number of Bedrooms	Market Rate Sales Prices	Number of Bedrooms	Market Rate Rents
2	\$729,000	1	\$2,410
3	\$802,000	2	\$2,900
4	\$877,000	3	\$3,730
Weighted Average Price Per Square Foot of Saleable Area	\$435	Weighted Average Rent Per Square Foot of Leasable Area	\$2.84

C. Affordable Sales Prices and Rents

The affordable sales prices and rents applied in the prototypes analyses are presented in the following tables:

Estimated Affordable Sales Prices Townhome Prototype Ownership Housing Development		
Number of Bedrooms	Moderate Income	Claremont Low Income
2	\$235,500	\$121,200
3	\$257,400	\$130,300
4	\$268,400	\$130,600

Estimated Affordable Rents Apartment Development		
Number of Bedrooms	Moderate Income	Low Income
2	\$1,891	\$980
3	\$2,110	\$1,085
4	\$2,327	\$1,189

D. Affordability Gaps

The weighted average affordability gaps associated with the prototype ownership housing and apartment developments can be summarized as follows:

Estimated Weighted Average Affordability Gaps Per Inclusionary Unit	
Ownership Housing	\$601,700
Apartments	\$157,900

E. Supportable In-Lieu Fees

Based on the results of the preceding analysis it is KMA’s conclusion that the following in-lieu fee amounts can be supported by ownership housing and apartment development projects.

Supportable Base In-Lieu Fee Payment Amounts Per Square Foot of Total Saleable or Leasable Area in the Residential Project	
Ownership Housing Development	\$48.00
Apartment Development	\$24.70

KMA recommends that the in-lieu fee payment amount be re-evaluated at least every five years. To allow in-lieu fees to keep pace with changes in the marketplace during the intervening periods, the in-lieu fees should continue to be adjusted each year based on the percentage change in new home prices in Los Angeles County as published annually by the RERC.

KMA recommends that the following in-lieu payment schedules be applied, in 2023 dollars:

Recommended In-Lieu Fee Payment Schedule Per Square Foot of Total Saleable or Leasable Area in the Residential Project		
Number of Units	Ownership Housing Development	Apartment Development
5	\$3.00	\$1.54
6	\$6.00	\$3.09
7	\$9.00	\$4.63
8	\$12.00	\$6.18
9	\$15.00	\$7.72
10	\$18.00	\$9.26
11	\$21.00	\$10.81
12	\$24.00	\$12.35
13	\$27.00	\$13.89
14	\$30.00	\$15.44
15	\$33.00	\$16.98

Recommended In-Lieu Fee Payment Schedule Per Square Foot of Total Saleable or Leasable Area in the Residential Project		
16	\$36.00	\$18.53
17	\$39.00	\$20.07
18	\$42.00	\$21.61
19	\$45.00	\$23.16
20	\$48.00	\$24.70

KMA recommends that the following in-lieu fee schedule be applied to a fractional Inclusionary Unit obligation incurred by a residential development:

Fractional In-Lieu Fee Payment Calculations Per Square Foot of the Saleable Area of One Unit in the Ownership Housing Development		
Net Affordability Gap Per Inclusionary Unit		\$601,700
Average Unit Size (Square Feet of Saleable Area)		1,880
In-Lieu Fee Per Square Foot of One Unit		\$320.10
	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In- Lieu Fee: Prototype Ownership Housing Development
.1	\$32.00	\$60,160
.2	\$64.00	\$120,320
.3	\$96.00	\$180,480
.4	\$128.00	\$240,640
.5	\$160.10	\$300,990
.6	\$192.10	\$361,150
.7	\$224.10	\$421,310
.8	\$256.10	\$481,470
.9	\$288.10	\$541,630

Fractional In-Lieu Fee Payment Calculations Per Square Foot of the Leasable Area of One Unit in the Apartment Development		
Net Affordability Gap Per Inclusionary Unit		\$157,900
Average Unit Size (Square Feet of Leasable Area)		958
In-Lieu Fee Per Square Foot of One Unit		\$164.90
	Fractional In-Lieu Fee: Per Square Foot of One Unit	Total Fractional In- Lieu Fee: Prototype Apartment Development
.1	\$16.50	\$15,800
.2	\$33.00	\$31,600
.3	\$49.50	\$47,400
.4	\$66.00	\$63,200
.5	\$82.50	\$78,990
.6	\$98.90	\$94,700
.7	\$115.40	\$110,500
.8	\$131.90	\$126,290
.9	\$148.40	\$142,090

ATTACHMENT 1

**OWNERSHIP HOUSING DEVELOPMENT
INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
CLAREMONT, CALIFORNIA**

APPENDIX A

**HOME SALES SURVEY
OWNERSHIP HOUSING DEVELOPMENT
INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
CLAREMONT, CALIFORNIA**

APPENDIX A

RESALE HOME SALES SURVEY ¹
 TOWNHOMES & CONDOMINIUMS
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

Address	Unit Size (SF)	Sales Price		Year Built		
		Total	Per SF			
Two-Bedroom Units						
1062 Newberry Ln	Claremont	91711	1,190	\$590,000	\$496	2018
1038 Newberry Ln	Claremont	91711	1,212	\$540,000	\$446	2018
624 W 1st St	Claremont	91711	1,605	\$730,000	\$455	2004
105 Cornell Ave #106	Claremont	91711	1,620	\$715,000	\$441	2006
746 W 1st St	Claremont	91711	1,658	\$350,000	\$211	2004
Minimum			1,190	\$350,000	\$211	2004
Maximum			1,658	\$730,000	\$496	2018
Average			1,457	\$585,000	\$402	2010
Three-Bedroom Units						
757 W 1st St	Claremont	91711	1,450	\$850,000	\$586	2004
115 Cornell Ave	Claremont	91711	1,522	\$800,000	\$526	2006
118 Hope St	Claremont	91711	1,527	\$760,000	\$498	2007
624 Asbury St	Claremont	91711	1,527	\$760,000	\$498	2007
101 Cornell Ave	Claremont	91711	1,580	\$775,000	\$491	2006
1417 Ledgestone Ln	Pomona	91767	1,618	\$600,000	\$371	2007
1901 Annandale Way	Pomona	91767	1,618	\$530,000	\$328	2009
550 W Baseline Rd	Claremont	91711	1,624	\$745,000	\$459	2020
1725 Blanket Flower Pl	Upland	91784	1,666	\$590,000	\$354	2021
126 Principia Ct	Claremont	91711	1,674	\$805,000	\$481	2004
741 W 1st St	Claremont	91711	1,674	\$763,000	\$456	2004
772 W 1st St #66	Claremont	91711	1,674	\$770,000	\$460	2004
1748 Franklin Tree Pl	Upland	91784	1,705	\$598,790	\$351	2021
1757 Apricot Tree Pl	Upland	91784	1,705	\$635,125	\$373	2022
1756 Apricot Tree Pl	Upland	91784	1,705	\$670,000	\$393	2022
1693 Walnut Pl	Upland	91784	1,719	\$697,476	\$406	2021
1688 Walnut Pl	Upland	91784	1,741	\$676,688	\$389	2021
1689 Walnut Pl	Upland	91784	1,741	\$733,705	\$421	2021
789 Huron Dr	Claremont	91711	1,781	\$650,000	\$365	2014
1072 W Baseline Rd	Claremont	91711	1,800	\$680,000	\$378	2019
1746 Franklin Tree Pl	Upland	91784	1,832	\$605,000	\$330	2021
1755 Apricot Tree Pl	Upland	91784	1,832	\$635,125	\$347	2021
1754 Apricot Tree Pl	Upland	91784	1,832	\$603,990	\$330	2021
1758 Acadia Pl	Upland	91784	1,922	\$701,961	\$365	2022
1750 Apricot Tree Pl	Upland	91784	1,922	\$627,990	\$327	2022
Minimum			1,450	\$530,000	\$327	2004
Maximum			1,922	\$850,000	\$586	2022
Average			1,696	\$690,600	\$407	2015
Four-Bedroom Units						
1737 Hemlock Tree Pl	Upland	91784	1,837	\$674,009	\$367	2021
1752 Apricot Tree Pl	Upland	91784	1,837	\$718,000	\$391	2022
590 Boulder Cir	Claremont	91711	1,960	\$650,000	\$332	2020
Minimum			1,837	\$650,000	\$332	2020
Maximum			1,960	\$718,000	\$391	2022
Average			1,878	\$680,700	\$362	2021

¹ Source: Redfin. Based on townhomes/condominiums built after 2000. The sales occurred between January and December 2022.

APPENDIX B

**AFFORDABLE SALES PRICE CALCULATIONS
OWNERSHIP HOUSING DEVELOPMENT
INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
CLAREMONT, CALIFORNIA**

APPENDIX B

AFFORDABLE SALES PRICE CALCULATIONS ¹
 TOWNHOME PROTOTYPE - 2022 INCOME STANDARDS
 OWNERSHIP HOUSING DEVELOPMENT
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

		Two-Bedroom Units	Three-Bedroom Units	Four-Bedroom Units
General Assumptions				
Benchmark Household Size	2	3	4	5
Area Median Income	3	\$82,000	\$91,100	\$98,400
Annual Utilities Allowance	4	\$2,904	\$3,576	\$4,428
HOA, Maintenance & Insurance	5	\$3,480	\$3,900	\$4,200
Estimated Market Rate Sales Price	6	\$729,000	\$802,000	\$877,000

I. **Moderate Income Units**

A. Income Allotted to Housing Based on 110% AMI

Benchmark Annual Household Income	\$90,200	\$100,210	\$108,240
Income Allotted to Housing @ 35% of Income	\$31,570	\$35,070	\$37,880

B. Property Taxes @ 1.15% of Market Rate Price

	\$8,380	\$9,220	\$10,090
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C. Income Available for Mortgage Debt Service

	7	\$16,806	\$18,374	\$19,162
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D. Affordable Sales Price

Supportable Mtg @ 6.41% Interest	8	\$223,700	\$244,500	\$255,000
Home Buyer Down Payment @ 5% of ASP	9	11,800	12,900	13,400
Affordable Sales Price		\$235,500	\$257,400	\$268,400

II. **Claremont Low Income Units**

A. Income Allotted to Housing Based on 80% AMI

Benchmark Annual Household Income	\$65,600	\$72,880	\$78,720
Income Allotted to Housing @ 35% of Income	\$22,960	\$25,510	\$27,550

B. Property Taxes @ 1.15% of Market Rate Price

	\$8,380	\$9,220	\$10,090
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C. Income Available for Mortgage Debt Service

	7	\$8,196	\$8,814	\$8,832
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D. Affordable Sales Price

Supportable Mtg @ 6.41% Interest	8	\$109,100	\$117,300	\$117,500
Home Buyer Down Payment @ 10% of ASP	9	12,100	13,000	13,100
Affordable Sales Price		\$121,200	\$130,300	\$130,600

¹ The Affordable Sales Prices for Moderate Income Units are calculated using the methodology applied by California Health & Safety Code Section 50052.5. The Affordable Sales Price calculations for Claremont Low Income Units are based on the Ordinance No. 2021-04 requirements.

² Ordinance No. 2021-04 sets the benchmark household size at the number of bedrooms in the unit plus one. This is neither an occupancy cap nor a floor. It is used solely for the purposes of calculating the Affordable Sales Prices.

³ Based on the 2022 median household incomes for Los Angeles County that are published by HCD.

⁴ Utilities allowances are based on the LACDA Single Family utility allowance schedule effective as of 7/1/22. Assumes: Electric Heating, Electric Cooking, Electric Water Heater, Basic Electric, Air Conditioning, Water, and Trash.

⁵ Based in part on information derived from the home sales survey presented in APPENDIX A.

⁶ Based in part on the market rate sales prices identified in the home sales survey presented in APPENDIX A.

⁷ Based on the Income Allotted to Housing minus the following: Annual Utilities Allowance; HOA, Maintenance & Insurance; and Property Taxes @ 1.15% of Market Rate Price.

⁸ Based on a 100 basis points premium applied to the Freddie Mac monthly average, between February 2022 and January 2023, for a fixed-interest rate loan with a 30-year amortization period.

⁹ The benchmark down payment percentages are based on standards imposed by Ordinance No. 2021-04.

APPENDIX C

IN-LIEU FEE CALCULATIONS OWNERSHIP HOUSING DEVELOPMENT INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS CLAREMONT, CALIFORNIA

APPENDIX C

TOWNHOME PROTOTYPE
 OWNERSHIP HOUSING DEVELOPMENT
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

		<u>Moderate Income Units</u>	<u>Claremont Low Income Units</u>
I. Sales Price Difference			
A. Two-Bedroom Units			
Market Rate Sales Price	1	\$729,000	\$729,000
Affordable Sales Price	2	<u>235,500</u>	<u>121,200</u>
Difference		\$493,500	\$607,800
B. Three-Bedroom Units			
Market Rate Sales Price	1	\$802,000	\$802,000
Affordable Sales Price	2	<u>257,400</u>	<u>130,300</u>
Difference		\$544,600	\$671,700
C. Four-Bedroom Units			
Market Rate Sales Price	1	\$877,000	\$877,000
Affordable Sales Price	2	<u>268,400</u>	<u>130,600</u>
Difference		\$608,600	\$746,400
II. Distribution of Total Units	3		
Two-Bedroom Units		10%	10%
Three-Bedroom Units		60%	60%
Four-Bedroom Units		30%	30%
III. Assumptions			
Total Units		60	60
Total Saleable Area		112,800	112,800
Weighted Avg Unit Size (Sf)		1,880	1,880
Inclusionary Housing Percentage		10.0%	5.0%
Inclusionary Units		6	3
Affordability Gap Per Inclusionary Unit	4	\$558,700	\$687,700

IV. In-Lieu Fee	Totals		
Total In-Lieu Fee	\$3,352,200	\$2,063,100	\$5,415,300
Per Total Unit in the Project	\$55,870	\$34,390	\$90,260
Per Sf of Total Saleable Area	\$29.70	\$18.30	\$48.00

¹ The market rate sales prices are estimated in part based on the survey presented in APPENDIX A.
² See APPENDIX B.
³ The unit mix distribution is based in part on the survey presented in APPENDIX A.
⁴ Based on unit mix distribution and the weighted average difference between the Market Rate Sales Prices and the Affordable Sales Prices.

ATTACHMENT 2

**APARTMENT DEVELOPMENT
INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
CLAREMONT, CALIFORNIA**

APPENDIX A

RENT ANALYSES

APARTMENT DEVELOPMENT

INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS

CLAREMONT, CALIFORNIA

APPENDIX A

RENT SURVEY 4+ STAR PROPERTIES 1
 APARTMENT DEVELOPMENT
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

Name	Address			# of Units	Unit Size (SF)	Average Effective Rent		Year Built
						Total	Per SF	
I. One-Bedroom Units								
Monterey Station	180 E Monterey Ave	Pomona	91767	168	641	\$1,972	\$3.08	2014
Trails at San Dimas	444-445 N Amelia Ave	San Dimas	91773	80	649	\$2,375	\$3.66	2014
The Orchard	626 N Azusa Ave	Azusa	91702	80	707	\$2,408	\$3.41	2022
Avalon Glendora	121 E Route 66	Glendora	91740	180	744	\$2,535	\$3.41	2016
Areum Apartments	1110 S 5th Ave	Monrovia	91016	91	747	\$2,907	\$3.89	2017
La Verne Village Luxury Apts	2777-2855 Foothill Blvd	La Verne	91750	68	749	\$2,367	\$3.16	2014
The Gabriel	2771 N Garey Ave	Pomona	91767	200	750	\$2,271	\$3.03	2022
Park Central	524 N Central Ave	Upland	91786	12	759	\$2,196	\$2.89	2005
Paragon at Old Town	700 S Myrtle Ave	Monrovia	91016	82	768	\$2,686	\$3.50	2010
Avalon Monrovia	825 S Myrtle Ave	Monrovia	91016	45	773	\$3,028	\$3.92	2021
Avalon San Dimas	205 N Canyon Rd	San Dimas	91773	83	792	\$2,474	\$3.12	2014
Rancho Monte Vista Luxury Apts	2100 W Arrow Rt	Upland	91786	107	816	\$2,175	\$2.67	2007
College Park Apartment Homes	250 N College Park Dr	Upland	91786	116	827	\$2,198	\$2.66	2009
Arrow Vista Village Luxury Apts	2398 W Arrow Rt	Upland	91786	7	875	\$2,130	\$2.43	2019
	Minimum				641	\$1,972	\$2.43	2005
	Maximum				875	\$3,028	\$3.92	2022
	Weighted Average				744	\$2,381	\$3.21	2015

APPENDIX A

RENT SURVEY 4+ STAR PROPERTIES ¹
 APARTMENT DEVELOPMENT
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

Name	Address			# of Units	Unit Size (SF)	Average Effective Rent		Year Built
						Total	Per SF	
II. Two-Bedroom Units								
Trails at San Dimas	444-445 N Amelia Ave	San Dimas	91773	160	852	\$2,558	\$3.00	
Monterey Station	180 E Monterey Ave	Pomona	91767	70	956	\$2,531	\$2.65	
La Verne Village Luxury Apts	2777-2855 Foothill Blvd	La Verne	91750	84	998	\$2,703	\$2.71	
Rancho Monte Vista Luxury Apts	2100 W Arrow Rt	Upland	91786	156	1,037	\$2,504	\$2.41	
The Orchard	626 N Azusa Ave	Azusa	91702	73	1,042	\$2,790	\$2.68	
Avalon Monrovia	825 S Myrtle Ave	Monrovia	91016	70	1,044	\$3,556	\$3.41	
Paragon at Old Town	700 S Myrtle Ave	Monrovia	91016	81	1,056	\$3,082	\$2.92	
College Park Apartment Homes	250 N College Park Dr	Upland	91786	312	1,075	\$2,455	\$2.28	
Areum Apartments	1110 S 5th Ave	Monrovia	91016	56	1,081	\$3,960	\$3.66	
Park Central	524 N Central Ave	Upland	91786	104	1,109	\$2,453	\$2.21	
Avalon Glendora	121 E Route 66	Glendora	91740	80	1,117	\$3,110	\$2.78	
The Gabriel	2771 N Garey Ave	Pomona	91767	108	1,162	\$2,894	\$2.49	
Avalon San Dimas	205 N Canyon Rd	San Dimas	91773	73	1,166	\$2,955	\$2.53	
	Minimum				852	\$2,453	\$2.21	
	Maximum				1,166	\$3,960	\$3.66	
	Weighted Average				1,047	\$2,751	\$2.64	
III. Three-Bedroom Units								
Park Central	524 N Central Ave	Upland	91786	12	1,196	\$2,811	\$2.35	
The Orchard	626 N Azusa Ave	Azusa	91702	10	1,242	\$3,856	\$3.10	
La Verne Village Luxury Apts	2777-2855 Foothill Blvd	La Verne	91750	20	1,296	\$3,730	\$2.88	
College Park Apartment Homes	250 N College Park Dr	Upland	91786	20	1,336	\$3,300	\$2.47	
The Gabriel	2771 N Garey Ave	Pomona	91767	4	1,397	\$3,575	\$2.56	
Avalon Glendora	121 E Route 66	Glendora	91740	20	1,440	\$3,749	\$2.60	
Arrow Vista Village Luxury Apts	2398 W Arrow Rt	Upland	91786	26	1,582	\$3,454	\$2.18	
Avalon Monrovia	825 S Myrtle Ave	Monrovia	91016	36	1,588	\$4,792	\$3.02	
	Minimum				1,196	\$2,811	\$2.18	
	Maximum				1,588	\$4,792	\$3.10	
	Weighted Average				1,433	\$3,814	\$2.66	

¹ Source: CoStar, December 2022.

APPENDIX B

**AFFORDABLE RENT CALCULATIONS
APARTMENT DEVELOPMENT
INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
CLAREMONT, CALIFORNIA**

APPENDIX B

AFFORDABLE RENT CALCULATIONS
 2022 INCOME STANDARDS
 APARTMENT DEVELOPMENT
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

1

		One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units
General Assumptions				
Benchmark Household Size	2	2	3	4
Area Median Income	3	\$72,900	\$82,000	\$91,100
Monthly Utilities Allowance	4	\$114	\$145	\$178
Moderate Income Units				
I. Household Income Assumptions				
% of AMI Used for Rent Setting Purposes		110%	110%	110%
Benchmark Annual Household Income		\$80,190	\$90,200	\$100,210
II. % of Income Allotted to Housing Expenses				
		30%	30%	30%
III. Gross Affordable Rent				
Annual		\$24,057	\$27,060	\$30,063
Monthly		\$2,005	\$2,255	\$2,505
(Less) Monthly Utilities Allowance		(\$114)	(\$145)	(\$178)
IV. Net Affordable Rent				
		\$1,891	\$2,110	\$2,327
Low Income Units				
I. Household Income Assumptions				
% of AMI Used for Rent Setting Purposes		60%	60%	60%
Benchmark Annual Household Income		\$43,740	\$49,200	\$54,660
II. % of Income Allotted to Housing Expenses				
		30%	30%	30%
III. Gross Affordable Rent				
Annual		\$13,122	\$14,760	\$16,398
Monthly		\$1,094	\$1,230	\$1,367
(Less) Monthly Utilities Allowance		(\$114)	(\$145)	(\$178)
IV. Net Affordable Rent				
		\$980	\$1,085	\$1,189

¹ Ordinance No. 2021-04 calls for the Affordable Rents to be calculated using the California Health & Safety Code Section 50053 methodology.

² Ordinance No. 2021-04 sets the benchmark household size at the number of bedrooms in the unit plus one. This is neither an occupancy cap nor a floor. It is used solely for the purposes of calculating the Affordable Rents.

³ Based on the 2022 median household incomes for Los Angeles County that are published by HCD.

⁴ Utilities allowances are based on the LACDA Multifamily Schedule effective as of 7/1/22. Assumes: Electric Heating, Electric Cooking, and Electric Water Heater; Basic Electric; and Air Conditioning.

APPENDIX C

IN-LIEU FEE CALCULATIONS APARTMENT DEVELOPMENT INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS CLAREMONT, CALIFORNIA

APPENDIX C

IN-LIEU FEE CALCULATIONS
 APARTMENT DEVELOPMENT
 INCLUSIONARY HOUSING: IN-LIEU FEE ANALYSIS
 CLAREMONT, CALIFORNIA

		Moderate Income Units	Low Income Units
I. Rent Difference			
A. One-Bedroom Units			
Market Rents	1	\$2,410	\$2,410
Affordable Rent	2	1,891	980
Difference		\$519	\$1,431
B. Two-Bedroom Units			
Market Rents	1	\$2,900	\$2,900
Affordable Rent	2	2,110	1,085
Difference		\$790	\$1,815
C. Three-Bedroom Units			
Market Rents	1	\$3,730	\$3,730
Affordable Rent	2	2,327	1,189
Difference		\$1,403	\$2,542
II. Distribution of Total Units	3		
One-Bedroom Units		45%	45%
Two-Bedroom Units		50%	50%
Three-Bedroom Units		5%	5%
III. Annual Rent Difference Per Inclusionary Unit		\$8,386	\$20,140
Less: Property Tax Difference	4	(2,270)	(5,450)
Net Annual Rent Difference Per Inclusionary Unit		\$6,116	\$14,690
IV. Assumptions			
Total Units		100	100
Total Leasable Area		95,750	95,750
Weighted Avg Unit Size (Sf)		958	958
Inclusionary Housing Percentage		10.0%	5.0%
Inclusionary Units		10	5
Affordability Gap Per Inclusionary Unit	5	\$107,600	\$258,500
V. In-Lieu Fee			Totals
Total In-Lieu Fee		\$1,076,000	\$1,292,500
Per Total Unit in the Project		\$10,760	\$12,930
Per Square Foot of Total Leasable Area		\$11.20	\$13.50
			\$24.70

¹ The market rate rents are estimated in part based on the survey presented in APPENDIX A.
² See APPENDIX B.
³ The unit mix distribution is based in part on the survey presented in APPENDIX A.
⁴ Based on the rent differential capitalized at a 4.3% rate to establish the value, and a 1.15% property tax rate.
⁵ Based on the Net Annual Rent Difference Per Inclusionary Unit capitalized at the Threshold Return on Total Investment generated by the prototype apartment development.