

Members of the public may address the City Council on any item shown on the agenda or matter of the Council's authority after completion of "Request to Address the Council Form" available in the lobby of the Council Chambers or in the City Clerk's office. This form must be completed 15 minutes prior to the scheduled meeting time. Pursuant to Section 54957.5 of the California Government Code, Any writings (Except for those writings which are exempt from disclosure) which are distributed to all or a majority of the members of the City Council are available for public inspection in the lobby of the City Council Chambers and in the office of the City Clerk during regular business hours.

**COMPTON CITY COUNCIL
AGENDA**

**07/18/2023
5:30 PM**

OPENING

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. PRESENTATION: Recognizing The Theta Alpha Omega Chapter of Alpha Kappa Alpha Sorority, Inc. - Beautify The City of Compton by planting trees. - Mayor Emma Sharif

REGULAR AGENDA

CITY MANAGER'S REPORT

2. POWERPOINT PRESENTATION:WATER DEPARTMENT - Rubbish Contract Update - (Rubbish Fees / Tax Roll Assessment)

NEW BUSINESS

3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGR TO ISSUE PURCHASE ORDERS TO ONE OR MORE VENDORS (JANKOVICH, SC FUELS, AND WOOD OIL) FOR THE PURCHASE OF GASOLINE FOR THE CITY'S FLEET IN AN AMOUNT NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS (\$300,000)
4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION NO. 25,532 AMENDING THE FISCAL YEAR 2023-2024 BUDGET APPROPRIATING FUNDS FROM FUND BALANCE AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER TO ELK GROVE AUTO GROUP FOR THE PURCHASE OF SEVEN FLEET VEHICLES (\$206,725)
5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THAT CERTAIN PROPERTY LOCATED AT 1434 W. COMPTON BOULEVARD IN THE CITY OF COMPTON IS EXEMPT SURPLUS LAND PURSUANT TO GOVERNMENT CODE SECTIONS 54221(b) AND 54221(f)(1)(A), APPROVING AN EXCLUSIVE NEGOTIATING AGREEMENT BETWEEN THE CITY AND LANDSPIRE GROUP LLC WITH RESPECT TO THE PROPOSED SALE OF THE PROPERTY TO LANDSPIRE GROUP LLC AND THE DEVELOPMENT OF AN AFFORDABLE HOUSING PROJECT THEREON, FINDING THAT THIS ACTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA), AND TAKING RELATED ACTIONS.

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: 7/25/2023 5:30PM

Visit our website at <http://www.comptoncity.org>

July 18, 2023

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: STREET SUPERINTENDENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO ONE OR MORE VENDORS (JANKOVICH, SC FUELS AND WOOD OIL) FOR THE PURCHASE OF GASOLINE FOR THE CITY'S FLEET IN AN AMOUNT NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS (\$300,000)

SUMMARY

This resolution will authorize the City Manager to establish purchase orders to one or more vendors (Jankovich, SC Fuels and Wood Oil) for the purchase of regular and diesel fuel for the City of Compton's fleet in an amount not to exceed Three Hundred Thousand dollars (\$300,000.00).

BACKGROUND

The Fleet Operations Division is responsible for the management and leadership of the mechanics shop and other field personnel. The Fleet Maintenance Division works with departments to meet vehicle and equipment readiness requirements and performs maintenance/repairs of vehicles and equipment used by City of Compton departments.

The Fleet Operations - Fuel Division is responsible for the acquisition of unleaded and diesel fuel for citywide use. The Fuel Division manages delivery of fuel to city sites and conducts daily fuel site inspections to meet local, state and federal reporting requirements and repairs, monitors and maintains fuel sites.

The price and availability of fuel has been unpredictable during previous fiscal years and has caused the Public Works Department to request the ability to purchase from multiple fuel vendors during the fiscal year. The Public Works Department is requesting the authority to obtain the lowest fuel prices per gallon from three (3) fuel providers: Jankovich, SC Fuels and Wood Oil who all provide fuel service to local government and other business' fueling stations.

STATEMENT OF THE ISSUE

The Public Works Street Maintenance – Fleet Division is responsible for providing fuel to citywide vehicles and equipment. Staff is requesting the ability to purchase fuel for fiscal year 2023-2024 (i.e. July 1, 2023 – June 30, 2024) in the amount of Three Hundred Thousand dollars \$300,000.00.

The funding to be allocated to one or more of the following fuel vendors:

- Jankovich
- SC Fuels
- Wood Oil

Staff solicited the following fuel quotes:

Company Name	Red Diesel Fuel - Cents per 7600 gallons (Margin over OPIS Daily Average)	87 Regular Fuel - Cents per 7600 gallons (Margin over OPIS Daily Average)
Jankovich	0.0716	0.0700
SC Fuels	0.02	0.06
Wood Oil	0.18	0.18

***OPIS** (Oil Price Information Service) is a company providing pricing and news information for petroleum pricing, news and analysis for gasoline, diesel, ethanol, biodiesel, LP-gas, jet fuel, crude, natural gas, etc. (OPIS is the only provider of U.S. spot, rack and retail prices for petroleum supplier information).*

FINANCIAL IMPACT

Funding in the amount of \$300,000.00 (Three Hundred Thousand Dollars) is available in the Fiscal Year 2023-2024 Adopted Budget in Account No. 6000-720-000-4228 (Fleet).

RECOMMENDATION

It is recommended that the Mayor and City Council adopt the attached Resolution.

**DAMION TIMMONS, STREET SUPERINTENDENT
PUBLIC WORKS STREET MAINTENANCE DEPARTMENT**

APPROVED FOR FORWARDING:

**THOMAS THOMAS
CITY MANAGER**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE PURCHASE ORDERS TO ONE OR MORE FUEL VENDORS (JANKOVICH, SC FUELS AND WOOD OIL) FOR THE PURCHASE OF GASOLINE FOR THE CITY’S FLEET IN AN AMOUNT NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS (\$300,000)

WHEREAS, this resolution will authorize the City Manager to establish purchase orders to one or more vendors (Jankovich, SC Fuels and Wood Oil) for the purchase of regular and diesel fuel for the City of Compton’s fleet in an amount not to exceed Three Hundred Thousand dollars (\$300,000.00); and

WHEREAS, the Fleet Operations Division is responsible for the management and leadership of the mechanics shop and other field personnel; and

WHEREAS, the City of Compton Public Works Street Maintenance Department - Fleet Operations Division is responsible for the acquisition of gasoline for citywide use; and

WHEREAS, the Fuel Division manages delivery of fuel to city sites and conducts daily fuel site inspections to meet local, state and federal reporting requirements and repairs, monitors and maintains fuel sites; and

WHEREAS, the price and availability of fuel having been unpredictable during previous fiscal years and has caused the Public Works Department to request the ability to purchase from multiple fuel vendors during the fiscal year; and

WHEREAS, the Public Works Street Maintenance Department requesting the authority to obtain the lowest fuel prices per gallon from three (3) fuel providers such as: Jankovich, SC Fuels and Wood Oil who provide satisfactory fuel service to local government and other business’ fueling stations; and

WHEREAS, staff solicited the following fuel quotes from providers:

Company Name	Red Diesel Fuel Cents per 7600 gallons (Margin over OPIS Daily Average)	87 Regular Fuel Cents per 7600 gallons (Margin over OPIS Daily Average)
Jankovich	0.0716	0.0700
SC Fuels	0.02	0.06
Wood Oil	0.18	0.18

WHEREAS, funding for this expenditure is available in the Adopted 2023-2024 Fiscal Year Budget in Account Number 6000-720-000-4228 - Public Works Street Maintenance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the City Manager is hereby authorized to issue purchase orders to one or more fuel vendors (Jankovich, SC Fuels and Wood Oil) for the purchase of gasoline and diesel fuel for the City of Compton’s Fleet in the amount of \$300,000 from account number 6000-720-000-4228.

SECTION 2. That funding for this expenditure (\$300,000) is allocated in the Adopted Fiscal Year 2023-2024 in Account Number 6000-720-000-4228 - Public Works Street Maintenance Department.

SECTION 3. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Controller, Public Works Street Maintenance Department.

RESOLUTION NO. _____
PAGE 2

SECTION 6. That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this _____ day of _____ 2023.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

**STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON**

I, Vernell McDaniel, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2023.

That said resolution was adopted by the following vote, to wit:

**AYES: COUNCIL MEMBERS-
NOES: COUNCIL MEMBERS-
ABSENT: COUNCIL MEMBERS-
ABSTAIN: COUNCIL MEMBERS-**

CITY CLERK OF THE CITY OF COMPTON

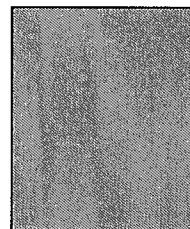


The Jankovich Company

Fuel Proposal

Date: May 5, 2023

Customer Name: City of Compton
 Contact Name: _____
 Address: 458 S. Alameda St., Compton CA 90220
 Ship To: See Below
 Phone: 310-645-6272
 Cell: (909) 731-7502
 Email: jmccombs@comptoncity.org



Product
 Gallons
 Margin over LA Opis Daily Av.

Fire Dept.
1133 W. Rosecrans Ave.
Compton CA 90222
Red DF
3000
\$0.0900

Public Works
458 S. Alameda St.
Compton CA 90220
Red DF
7600
\$0.0716

Public Works
458 S. Alameda St.
Compton CA 90220
87 REG
7600
\$0.0700

****The Jankovich Company does not charge a Regulatory Compliance Fee****

**The Jankovich Company / 14066 Garfield Ave. / Paramount, CA 90723 / (800) 650-0200
 / Fax (562) 531-2638**



P.O. Box 4159
1800 West Katella Ave. Suite 400
Orange, CA 92863-4159
(888) SCFUELS (723-8357)
www.scfuels.com

5/17/2023

SC Fuels formula price quote with CAR

UNL LA OPIS Same Day Average with CAR minus <\$0.06> delivered (8800 gallons)

RED LA OPIS Same Day Average with CAR plus \$0.02 delivered (7600 gallons)

Thank you.



Wood Oil Company

Fueling California Forward Since 1942

PRICE QUOTE

1532 W. 132ND Street • Gardena, CA 90249 • (323) 321-3864 (24 hours)
10) 324-5138 • Fax: (310) 769-0629 • woodoil@woodoilcompany.com • woodoilcompany.com

May 19, 2023

Fuel Quote:

<u>Gallons</u>	<u>Product</u>	<u>Margin Over L.A OPIS Daily Average</u>
1. 7600	Red Dyed Diesel	<u>.18</u>
2. 7600	87 Regular Unleaded	<u>.18</u>

July 18, 2023

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: PUBLIC WORKS - STREET MAINTENANCE DEPARTMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON RESCINDING RESOLUTION NO. 25,532, AMENDING THE FISCAL YEAR 2023-2024 BUDGET APPROPRIATING FUNDS FROM FUND BALANCE AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER TO ELK GROVE AUTO GROUP FOR THE PURCHASE OF SEVEN FLEET VEHICLES (\$206,725)

SUMMARY

Adoption of the attached resolution will rescind Resolution No. 25,532, adopted by the City Council on July 27, 2021, amend the Fiscal Year 2023-2024 Budget of the Public Works – Street Maintenance Department to appropriate funds from fund balance to increase expenditures in the amount of Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars (\$206,725) and authorize the City Manager to issue a purchase order in the amount of Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars (\$206,725) to Elk Grove Auto Group for the purchase of seven (7) Dodge Ram 1500 Classic Tradesman Trucks.

BACKGROUND

The City of Compton's fleet has aged out of its useful lifecycle in accordance with industry practice of replacing vehicles every eight to ten years as the majority of the vehicles having been in service over fifteen (15) years. In addition to age, the vehicles have been determined to be inadequate to meet the current needs of City Departments.

Since 2019 acquiring vehicles has been a challenge for municipalities to acquire new vehicles due to the shortage of materials, namely computer chips, required to manufacture vehicles. Staff has been working to acquire new vehicles since 2021 when City Council approved the purchase of vehicles, primarily Dodge Ram Trucks, under Resolution No. 25,441 in April of 2021. That resolution had to be rescinded due to the Dodge manufacturer cancelling the City's order of trucks due to the shortage of available vehicles. Staff came back to City Council and requested authorization to purchase vehicles through Chevrolet under Resolution No. 25,532 in July of 2021. That order also was cancelled by the manufacturer, but the vendor notified the City that an order of Dodge Ram Trucks had become available for 72 trucks.

Recognizing the need for the trucks, the availability of vehicles being scarce, and Elk Grove serving as the vendor for both Dodge and Chevrolet trucks, the order was authorized.

STATEMENT OF THE ISSUE

Staff brought a resolution before City Council requesting that Resolution 25,532 be rescinded and authorization be given to purchase the initial Dodge Ram Trucks. Council requested that improvements to the security of the facilities be in place before the vehicles be authorized. In the interim of getting Council approval, a misunderstanding by the vendor resulted in seven (7) of the trucks being delivered prematurely. The vehicles were outfitted with modifications (tow hitches, tool boxes, etc.) and city logos for the Code Enforcement Division of the Community Improvement Department preventing them from being sent back. These trucks are needed to allow staff to impound violators in a timely manner. Therefore, staff is requesting authorization to pay for these seven (7) Dodge Ram Trucks.

It is necessary to rescind Resolution 25,532 and authorize a purchase order for Elk Grove Auto Group in the amount of Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars. (\$206,725) to pay for the seven (7) Dodge Ram 1500 Classic Tradesman trucks.

The remaining trucks will have to be purchased at a later date once the security improvements have been completed to the satisfaction of the City Council.

FISCAL IMPACT

Funds are available in the Equipment Rental Fund Balance for the Fiscal Year 2023-2024 Budget and will need to be amended as follows:

Increase Expenditure	Account Description	Amount
6000-720-000-4333	Equipment Rental – Automotive Equipment	\$206,725

The purchase order will be allocated to Elk Grove Auto Group in an “amount not to exceed” Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars. (\$206,725).

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution.

**DAMION TIMMONS, STREET SUPERINTENDENT
PUBLIC WORKS-STREET MAINTENANCE DEPARTMENT**

**Staff Report –Rescinding Resolution 25,532 and Amending 2022-23 FY Budget
Authorizing P.O. to Elk Grove Auto Group
for Fleet Vehicle Purchase
July 18, 2023, Page 3 of 3**

**APPROVED FOR FORWARDING:
THOMAS THOMAS
CITY MANAGER**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
RESCINDING RESOLUTION NO. 25,532, AMENDING THE FISCAL
YEAR 2023-2024 BUDGET APPROPRIATING FUNDS FROM FUND
BALANCE AND AUTHORIZING THE ISSUANCE OF A PURCHASE
ORDER TO ELK GROVE AUTO GROUP FOR THE PURCHASE OF
SEVEN FLEET VEHICLES (\$206,725)**

WHEREAS, the City of Compton's fleet has aged out of its useful lifecycle in accordance with industry practice of replacing vehicles every eight to ten years as the majority of the vehicles having been in service over fifteen (15) years. In addition to age, the vehicles have been determined to be inadequate to meet the current needs of City Departments; and

WHEREAS, since 2019 acquiring vehicles has been a challenge for municipalities to acquire new vehicles due to the shortage of materials, namely computer chips, required to manufacture vehicles. Staff has been working to acquire new vehicles since 2021 when City Council approved the purchase of vehicles, primarily Dodge Ram Trucks, under Resolution No. 25,441 in April of 2021; and

WHEREAS, that resolution had to be rescinded due to the Dodge manufacturer cancelling the City's order of trucks due to the shortage of available vehicles. Staff came back to City Council and requested authorization to purchase vehicles through Chevrolet under Resolution No. 25,532 in July of 2021. That order also was cancelled by the manufacturer, but the vendor notified the City that an order of Dodge Ram Trucks had become available for 72 trucks; and

WHEREAS, recognizing the need for the trucks, the availability of vehicles being scarce, and Elk Grove serving as the vendor for both Dodge and Chevrolet trucks, the order was authorized

WHEREAS, staff brought a resolution before City Council requesting that Resolution 25,532 be rescinded and authorization be given to purchase the initial Dodge Ram Trucks. Council requested that improvements to the security of the facilities be in place before the vehicles be authorized. In the interim of getting Council approval, a misunderstanding by the vendor resulted in seven (7) of the trucks being delivered prematurely; and

WHEREAS, the vehicles were outfitted with modifications (tow hitches, tool boxes, etc.) and city logos for the Code Enforcement Division of the Community Improvement Department preventing them from being sent back. These trucks are needed to allow staff to impound violators in a timely manner. Therefore, staff is requesting authorization to pay for these seven (7) Dodge Ram Trucks; and

WHEREAS, it is necessary to rescind Resolution 25,532 and authorize a purchase order for Elk Grove Auto Group in the amount of Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars. (\$206,725) to pay for the seven (7) Dodge Ram 1500 Classic Tradesman trucks; and

WHEREAS, the remaining trucks will have to be purchased at a later date once the security improvements have been completed to the satisfaction of the City Council

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That Resolution No. 25,532, adopted by the City Council on July 27th, 2021, is hereby rescinded.

Resolution No. _____

Page 2

Section 2. That the City Manager is hereby authorized to issue a purchase order to Elk Grove Auto Group in “an amount not to exceed” Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars (\$206,725).

Section 3. Funds for this expenditure are available in the Fiscal Year 2023-2024 Budget in Account Number 6000-720-000-4333:

Increase Expenditure	Account Description	Amount
6000-720-000-4333	Equipment Rental – Automotive Equipment	\$206,725

Section 4. The purchase order will be allocated to Elk Grove Auto Group in an “amount not to exceed” Two Hundred Six Thousand Seven Hundred and Twenty-Five Dollars. (\$206,725).

Section 5. That a copy of this Resolution shall be filed in the offices of the City Manager, City Attorney, City Clerk and Public Works-Street Maintenance Departments.

Section 6. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2023.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

I, Vernell McDaniel, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2023.

That said Resolution was adopted by the following vote, to wit:

AYES: **COUNCIL MEMBERS-**
NOES: **COUNCIL MEMBERS-**
ABSTAIN: **COUNCIL MEMBERS-**
ABSENT: **COUNCIL MEMBERS-**

CITY CLERK OF THE CITY OF COMPTON

RESOLUTION NO. 25,532

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2021-2022 FISCAL YEAR BUDGET TO TRANSFER FUNDS, RESCINDING RESOLUTION NO. 25,441, CANCELING THE PURCHASE ORDER ESTABLISHED FOR ELK GROVE AUTO GROUP AND AUTHORIZING THE RE-ISSUANCE OF PURCHASE ORDERS TO WINNER CHEVROLET, INC. AND FREEWAY TOYOTA OF HANFORD FOR THE PURCHASE OF FLEET VEHICLES (\$437,211)

WHEREAS, the City of Compton employees utilize various service vehicles (sedans, pickup trucks and sport utility vehicles) in the performance of their duties; and

WHEREAS, vehicles in service have reached the end of their useful life as they were purchased in 2008 and the cost of maintenance is cost prohibitive to maintain; and

WHEREAS, based on existing demands, the Community Improvement Services, Community Development and Fire Departments ("Departments") current vehicles allocations are inadequate to efficiently allow employees to fulfill their duties to the City and the vehicles are reaching the end of their useful life; thus, staff checked into purchasing vehicles that better meet the needs of the Departments; and

WHEREAS, pursuant to Resolution No. 25,441, adopted by the Council on April 6, 2021, the City Manager was authorized to establish/issue purchase orders totaling \$619,1333.00 as follows: to Elk Grove Auto Group for the purchase of seven (7) pickup trucks (\$182,122.00), Winner Chevrolet, Inc. for the purchase of seven (7) Sports Utility Vehicles (\$192,927.00) and Freeway Toyota of Hanford for the purchase of seven (7) Prius Hybrids (\$244,284.00); and

WHEREAS, the vehicle purchases are being made through the State of California's ("State") "Statewide Contract" agreements for Fleet Vehicles issued by the Department of General Services Procurement Division; and

WHEREAS, the State conducted a formal Request for Proposals ("RFP") process that identified a number of vendors to provide vehicles of various types (Trucks, SUVs, Vans and Cars) to meet the needs of their departments and Subsection B "Local Government Agencies" of Section 2. "Contract Usage/Rules" of each agreement contains language that allows local government agencies to also utilize their agreements for vehicle acquisitions; and

WHEREAS, review of the State's procurement process satisfies the City's procurement requirements; thus, utilizing the State's agreements allow the City to capitalize on pricing that would not be available if staff conducted a separate Request for Quotes process for the vehicle purchases; therefore, staff recommended acquiring the needed vehicles from the State authorized vendors at the total cost of \$619,333.00; and

WHEREAS, citing a shortage in the production of semiconductor chips ("chips"), automaker Dodge has decided to stop accepting orders on production of its vehicles to ensure it can meet the demands of its current orders; thus, the City's order of the seven (7) Dodge Ram Trucks was one of the last orders placed and was part of the cancelled orders; and

WHEREAS, staff has worked with the dealers under the State's programs to find alternatives and has determined that the most secure alternative is to place the order with Chevrolet as they have just started accepting orders for their 2022 models and this would place the City's order at the top of the list; and

WHEREAS, in light of the fact that the authorized purchase of the Dodge Ram Trucks from Elk Grove Auto Group has been cancelled, it is necessary to rescind Resolution No. 25,441, cancel the purchase order established for Elk Grove Auto Group and re-issue the authorized purchase orders for Winner Chevrolet Inc. in the amount of \$192,927.00 and Freeway Toyota of Hanford in the amount of \$244,284.00; and

WHEREAS, the 2021-2022 Fiscal Year budget must be amended to fund this expenditure.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That Resolution No. 25,441, adopted by the City Council on April 6, 2021, is hereby rescinded.

Section 2. That the purchase order in the amount of \$182,122.00, authorized pursuant to Resolution No 25,441, for issuance to Elk Grove Auto Group for the purchase of seven (7) Dodge Ram 1500 Classic Tradesman Trucks is hereby cancelled.

Section 3. That the quotes from Winner Chevrolet, Inc. in the amount of \$192,927.00 and Freeway Toyota of Hanford in the amount of \$244,284.00 are hereby re-accepted.

Section 4. That funds for this expenditure are available in the Equipment Rental Fund Balance and the Fiscal Year 2021-2022 budget shall be amended as follows:

Increase Expenditure	Account Description	Amount
6000-720-000-4333	Equipment Rental – Automotive Equipment	\$437,211.00

Section 5. That the City Manager is hereby authorized to issue purchase orders and all necessary documentation to Winner Chevrolet, Inc. for the purchase of seven (7) 2021 Chevrolet Equinox Sports Utility Vehicles in the amount of \$192,927.00 and to Freeway Toyota of Hanford for the purchase of seven (7) Prius Hybrids in the amount of \$244,284.00.

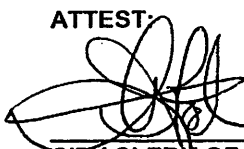
Section 6. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Clerk, Community Improvement Services, Community Development and Fire Departments.

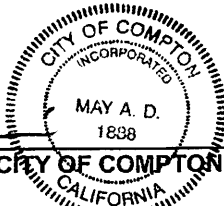
Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this 27th day of July, 2021.


MAYOR OF THE CITY OF COMPTON

ATTEST:


CITY CLERK OF THE CITY OF COMPTON



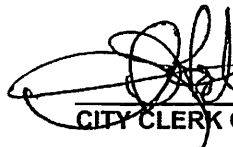
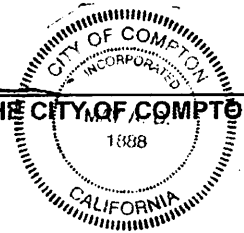
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

Resolution No. 25,532
Page 3

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the 27th day of July, 2021.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCIL MEMBERS- Chambers, Galvan, Bowers, Sharif
NOES: COUNCIL MEMBERS- None
ABSTAIN: COUNCIL MEMBERS- None
ABSENT: COUNCIL MEMBERS- None


CITY CLERK OF THE CITY OF COMPTON


July 18, 2023

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THAT CERTAIN PROPERTY LOCATED AT 1434 W. COMPTON BOULEVARD IN THE CITY OF COMPTON IS EXEMPT SURPLUS LAND PURSUANT TO GOVERNMENT CODE SECTIONS 54221(b) AND 54221(f)(1)(A), APPROVING AN EXCLUSIVE NEGOTIATING AGREEMENT BETWEEN THE CITY AND LANDSPIRE GROUP LLC WITH RESPECT TO THE PROPOSED SALE OF THE PROPERTY TO LANDSPIRE GROUP LLC AND THE DEVELOPMENT OF AN AFFORDABLE HOUSING PROJECT THEREON, FINDING THAT THIS ACTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA), AND TAKING RELATED ACTIONS.

SUMMARY

Staff respectfully requests the City Council to adopt the attached Resolution declaring that the property owned by the City and located at 1434 W. Compton Boulevard (the “Property”) is exempt surplus land under the Surplus Land Act (Government Code Section 54220-54234) (the “SLA”), and approving the execution and delivery of a new Exclusive Negotiating Agreement (the “ENA”) between the City, as the Housing Successor to the former Community Redevelopment Agency of the City of Compton (the “City”), and Landspire Group LLC (the “Developer”),

BACKGROUND

The Developer previously entered into an ENA with the City on September 15, 2020 for the development of this property, but it expired and was not renewed.

Pursuant to Section 54221(b)(1) of the SLA, the City Council must take formal action in a regular public meeting to declare the Property “surplus land” or “exempt surplus land” before the City Council takes action to dispose of the Property. The SLA will not apply to the disposition of the Property if the Property is exempt surplus land as defined in Section 54221(f)(1) of the SLA. Section 54221(f)(1)(A) of the SLA defines “exempt surplus land” to include surplus land that is transferred pursuant to Government Code Section 37364.

Government Code Section 37364 authorizes a city to sell, lease, exchange, quitclaim, convey, or otherwise dispose of real property to provide housing affordable to persons and families of low or moderate income provided that the following conditions are met:

(a) Not less than 80 percent of the area of the parcel will be used for the development of housing; and

(b) Not less than 40 percent of the total number of those housing units developed on the parcel shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households, and at least half of which shall be affordable to very low-income households; and

(c) Dwelling units produced for persons and families of low or moderate income under Government Code Section 37364 shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years, with such regulatory agreement recorded in the office of the county recorder in which the housing development is located.

The Developer has proposed to purchase the Property from the City for the purpose of developing an affordable housing project on the Property consisting of 75 apartments and has requested the City to enter into an ENA for the purpose of negotiating on an exclusive basis to establish the terms and conditions of an agreement for the sale of the Property to the Developer. The Developer has proposed an affordable housing project that will comply with Government Code Section 37364. The project includes 75 affordable housing units to be built at 1434 W. Compton Boulevard, a 62,262 square foot site. The City Council must provide a copy of the Resolution to the California Department of Housing and Community Development (“HCD”) at least 30 days prior to the disposition of the Property. The State Legislature has authorized HCD to determine whether actions of local agencies comply with the SLA.

STATEMENT OF THE ISSUE

Because the proposed housing development will meet the requirements of Government Code Section 37364, staff recommends that the City Council declare the Property to be exempt surplus land pursuant to Government Code Sections 54221(b) and 54221(f)(1)(A). The attached Resolution contains a declaration of exemption. Upon adoption of the attached Resolution, staff will provide a copy of the Resolution to HCD.

The attached Resolution also contains a finding that this action is exempt from CEQA.

FISCAL IMPACT

There is no fiscal impact associated with the adoption of the attached Resolution.

RECOMMENDATION

Staff requests the City Council adopt the attached Resolution.

CECIL FLOURNOY
COMMUNITY DEVELOPMENT DIRECTOR

APPROVED FOR FORWARDING:

JEROME G. GROOMES
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING THAT CERTAIN PROPERTY LOCATED AT 1434 W. COMPTON BOULEVARD IN THE CITY OF COMPTON IS EXEMPT SURPLUS LAND PURSUANT TO GOVERNMENT CODE SECTIONS 54221(b) AND 54221(f)(1)(A), APPROVING AN EXCLUSIVE NEGOTIATING AGREEMENT BETWEEN THE CITY AND LANDSPIRE GROUP LLC WITH RESPECT TO THE PROPOSED SALE OF THE PROPERTY TO LANDSPIRE GROUP LLC AND THE DEVELOPMENT OF AN AFFORDABLE HOUSING PROJECT THEREON, FINDING THAT THE PROJECT IS EXEMPT FROM CEQA, AND TAKING RELATED ACTIONS

WHEREAS, the City of Compton (“City”) is the owner in fee simple of that certain real property located at 1434 W. Compton Boulevard in the City of Compton which is further described in **Exhibit “A”**, attached hereto and incorporated herein by reference (the “Property”); and

WHEREAS, the City desires to sell the Property for the development of an affordable housing project thereon; and

WHEREAS, pursuant to Section 54221(b)(1) of the Surplus Land Act (Government Code Sections 54220-54234) (the “Act”), the City Council must take formal action in a regular public meeting to declare the Property “surplus land” or “exempt surplus land” before the City Council takes action to dispose of the Property; and

WHEREAS, the Act shall not apply to the disposition of the Property if the Property is exempt surplus land as defined in Government Code Section 54221(f)(1); and

WHEREAS, Government Code Section 54221(f)(1)(A) defines “exempt surplus land” to include surplus land that is transferred pursuant to Government Code Section 37364; and

WHEREAS, Government Code Section 37364 authorizes a city to sell, lease, exchange, quitclaim, convey, or otherwise dispose of real property to provide housing affordable to persons and families of low or moderate income provided that the following conditions are met:

(a) Not less than 80 percent of the area of the parcel will be used for the development of housing; and

(b) Not less than 40 percent of the total number of those housing units developed on the parcel shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households, and at least half of which shall be affordable to very low-income households; and

(c) Dwelling units produced for persons and families of low or moderate income under Government Code Section 37364 shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years, with such regulatory agreement recorded in the office of the county recorder in which the housing development is located; and

WHEREAS, Landspire Group LLC has proposed to purchase the Property for the purpose of developing an affordable housing project on the Property consisting of 75 affordable apartments (“Proposal”); and

WHEREAS, staff has recommended that the City enter into an Exclusive Negotiating Agreement (“ENA”) with Landspire Group LLC for the purpose of negotiating on an exclusive basis to establish the terms and conditions of an agreement for the sale of the Property to Landspire Group LLC and the construction of a housing development on the Property by Landspire Group LLC which complies with the Proposal and Government Code Section 37364; and

WHEREAS, because the proposed housing development will meet the requirements of Government Code Section 37364, staff has also recommended that the City Council declare the Property to be exempt surplus land pursuant to Government Code Sections 54221(b) and 542321(f)(1)(A); and

WHEREAS, the City Council desires to approve an ENA with Landspire Group LLC and declare the Property exempt surplus land pursuant to Government Code Section 54221(f)(1)(A); and

WHEREAS, pursuant to the Surplus Land Act Guidelines issued by the California Department of Housing and Community Development (“HCD”) to interpret and implement the Act, the City Council’s determination that the Property is exempt surplus land must be provided to HCD for its review at least 30 days prior to disposition;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON HEREBY RESOLVES AS FOLLOWS:

SECTION 1. That the above recitals are true and correct and are a substantive part of this Resolution.

SECTION 2. That the City Council hereby finds that the Property is not being used, and is not planned to be used, for City work or operations and is not necessary for the City’s use within the meaning of the Act and declares pursuant to Government Code Sections 54221(b) and 54221(f)(1)(A), that the Property is exempt surplus land because the City intends to sell the Property for the development of an affordable housing project on the Property which complies with the requirements of Government Code Section 37364.

SECTION 3. That Upon the advice and approval of the City Attorney, the City Manager is hereby authorized to execute and deliver, for and in the name of the City, the ENA substantially in the form attached hereto as **Exhibit “B”** and incorporated hereby by reference, with such non-substantive changes therein as the City Manager may approve (such approval to be conclusively evidenced by the execution and delivery thereof).

SECTION 4. That staff of the City are hereby authorized and directed to submit a copy of this Resolution to HCD in the manner required by HCD.

SECTION 5. That the staff and officers of the City are hereby authorized, jointly and severally, to take any other such actions as they deem necessary or proper to effectuate the purposes of this Resolution, and all actions previously taken are hereby ratified.

SECTION 6. That this Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) (“CEQA”). The City Council hereby finds this action is statutorily and categorically exempt from CEQA.

SECTION 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2023.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

I, Vernell McDaniel, City Clerk of the City of Compton, do hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _____ day of _____, 2023.

That said Resolution was adopted by the following vote, to wit:

AYES: Council Members -
NOES: Council Members -
ABSENT: Council Members -
ABSTAIN: Council Members -

CITY CLERK OF THE CITY OF COMPTON

EXHIBIT A

LEGAL DESCRIPTION OF SUBJECT PROPERTY

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

TR=6627 LOTS 10 THRU 24 AND EX OF STS LOT 25 BLK F

APN NUMBER:

6142-006-901

EXHIBIT B

EXCLUSIVE NEGOTIATING AGREEMENT

EXCLUSIVE NEGOTIATING AGREEMENT

This EXCLUSIVE NEGOTIATING AGREEMENT (this “Agreement”) is dated as of July __, 2023 (the “**Effective Date**”), and is entered into, by and between the **CITY OF COMPTON**, a municipal corporation (the “**City**”) and **LANDSPIRE GROUP LLC**, a Nevada limited liability company, or its successors and assigns (the “**Purchaser**”).

R E C I T A L S

A. The City of Compton, State of California, owns the land that is located at 1434 W. Compton Blvd., Compton, CA 90220, and further described in Attachment No. 1 (the “**Site**”).

B. The City has instructed the staff to proceed with this Agreement between City and Purchaser to negotiate on an exclusive basis to establish the terms and conditions of a purchase and sale agreement (“**PSA**”) between the City and the Purchaser (each, a “**Party**” and jointly, the “**Parties**”) that would result in the sale of the Site by the City to Purchaser and the development by the Purchaser on the Site of a residential project consisting of 75 apartments which complies with Government Code Section 37364.

C. The primary purpose of this Agreement is to establish a period during which the Parties shall negotiate the terms of a PSA.

NOW, THEREFORE, the parties hereto agree as follows:

1. The term of this Agreement shall commence on the date hereof and shall end on the date that is three months thereafter (the “**ENA Period**”), during which period the Parties agree to negotiate diligently and in good faith with one another. The City Manager shall have the authority (in the exercise of his sole discretion) to enter into non- substantial amendments to this Agreement including the extension of the ENA Period, provided they are in writing and signed by both the City Manager and the Purchaser.

2. Either Party may terminate this Agreement if the other Party fails to comply with or perform any provisions of this Agreement and fails to cure the default within ten (10) days after written notice from the other party. In addition, the City Manager may terminate this Agreement after providing ten (10) days written notice to the Purchaser if the City Manager, in his or her sole discretion, determines that such termination is necessary or appropriate in connection with the City’s compliance with the Surplus Land Act (Government Code Sections 54220-54234) and the Surplus Land Act Guidelines issued by the California Department of Housing and Community Development with respect to the disposition of the Site.

3. During the ENA Period, the City shall not negotiate with any person or entity other than the Purchaser for the sale, lease or development of the Site.

4. The Purchaser shall deliver the materials and information identified on Attachment No. 2 attached hereto to the City within the times set forth on Attachment No. 2. The City shall perform the tasks set forth in Attachment No. 3. within a reasonable timeframe following the Effective Date. Unless otherwise required by applicable law, the information exchanged between the City and the Purchaser shall be kept confidential (the “**Confidential Information**”) and neither

Party shall disclose any Confidential Information to any third party or use the Confidential Information for any purpose other than in connection with the proposed transaction hereunder. Notwithstanding the foregoing, the Parties may, but only to the limited extent necessary, disclose the Confidential Information to those agents, employees, managers, members, shareholders, officers and directors of the receiving Party having a need to know the Confidential Information to further the proposed transaction.

5. Throughout the ENA Period, City staff shall be reasonably available to meet with the Purchaser to discuss the proposed PSA.

6. The Purchaser and the City understand and agree that neither is under any obligation whatsoever to enter into a PSA. In the event of the expiration or earlier termination of this Agreement, the City shall be free at the City's option to negotiate with any persons or entities with respect to the sale, lease and/or development of the Site.

7. This Agreement may not be assigned by the Purchaser without the prior written consent of the City, in its sole and absolute discretion. The City acknowledges, however, that the Purchaser is in the process of forming a new affiliate entity, Landspire Garvey, LLC ("Landspire Garvey") to hold title to the Site, and the City will allow assignment to Landspire Garvey upon its approval of Landspire Garvey's governing documents, in its good faith and reasonable discretion.

8. The City may utilize the Site during the ENA Period for storage, parking, logistics or for any other City purposes. The City will provide the Purchaser with seven (7) days' written notice prior to any temporary use of the Site.

9. Any notice, request, approval or other communication to be provided by one party to the other shall be in writing and provided by certified mail, a reputable overnight delivery service (such as Federal Express) or by email (as indicated below) and addressed as follows:

If to the City: City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Jerome Groomes, City Manager
Email: jgroomes@comptoncity.org
Attn: Cecil Flournoy
Community Development Director
Email: cflournoy@comptoncity.org

If to the Purchaser: LandSpire Group, LLC
2082 Michelson Dr
Suite 219
Irvine, CA 92612
Attn: Justin Davis, Chief Operating Officer
Email: justin@landspiregroup.com

10. This Agreement constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof. There are no other agreements or understandings between the Parties

with respect to the subject matter hereof or any related subject and no representations by either Party to the other have been made as an inducement to enter into this Agreement. All prior negotiations between the parties are superseded by this Agreement.

11. This Agreement may not be altered, amended or modified except by a writing executed by all Parties.

12. If any Party should bring any legal action or proceeding relating to this agreement or to enforce any provision hereof, or if the Parties agree to arbitration or mediation relating to this Agreement, each party shall bear its own attorneys' fees and costs incurred in compelling the enforcement of this Agreement. The Parties agree that any legal action or proceeding or agreed-upon arbitration or mediation shall be filed in and shall occur in the County of Los Angeles.

13. The interpretation and enforcement of this Agreement shall be governed by the laws of the State of California.

14. Time is of the essence of each and every provision hereof.

15. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

[Remainder of this page intentionally left blank]

[Signatures follow on next page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

PURCHASER:

LANDSPIRE GROUP, LLC,
a Nevada limited liability company

By: _____
Name: _____,
Title: _____

By: _____
Name: _____
Title: _____

CITY:

CITY OF COMPTON,
a municipal corporation

By: _____
Name: Jerome G. Groomes
Title: City Manager

ATTEST:

Vernell McDaniel, City Clerk

APPROVED AS TO FORM:

By: _____
Eric J. Perrodin, City Attorney

ATTACHMENT 1

EXHIBIT "A"

Legal Description of the Land

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

TR=6627 LOTS 10 THRU 24 AND EX OF STS LOT 25 BLK F

APN NUMBERS:

6142-006-901

ATTACHMENT 2

MATERIALS TO BE DELIVERED BY PURCHASER

Item	Date Delivered
1. Development Budget.	<u>60</u> days following the Effective Date
2. Sources and uses of funds for the development.	<u>75</u> days following the Effective Date
3. Development Schedule, including key milestones.	<u>75</u> days following the Effective Date
4. Reserved.	_____ days following the Effective Date
5. Status Report on the Project.	Commencing 14 days following the Effective Date

ATTACHMENT 3

CITY TASKS

1. Provide to Purchaser all written information regarding the Site (including any Phase I and Phase II environmental reports) that is in the possession of the City (to the extent not previously delivered to Purchaser) to the extent it is both material and not privileged (under the attorney-client or attorney work product privileged).
2. Obtain an appraisal of the Site (if necessary).
3. Obtain a title report for the Site and deliver a copy thereof to the Purchaser.
4. Prepare first draft of PSA and revise drafts of the PSA as may be required during negotiations with the Purchaser.