



PUBLIC PARTICIPATION NOTICE

Public Participation Accessibility for the Paramount City Council meeting scheduled for **October 19, 2021**.

In-person Attendance:

The public may attend the City Council meeting in-person. All individuals will be required to wear a face covering.

View the City Council meeting live stream:

- YouTube Channel <https://www.youtube.com/user/cityofparamount>
- Spectrum Cable TV Channel 36

Public Comments:

Members of the public wanting to address the City Council, either during public comments or for a specific agenda item, or both, may do so by the following methods:

- **In-Person**

If you wish to make a statement, please complete a Speaker's Card prior to the commencement of the Public Comments period of the meeting. Speaker's Cards are located at the entrance. Give your completed card to a staff member and when your name is called, please go to the podium provided for the public.

- **E-mail: crequest@paramountcity.com**

E-mail public comments must be received by **4:45 p.m. on Tuesday, October 19, 2021**. The e-mail must specify the following information: 1) Full Name; 2) City of Residence; 3) Phone Number; 4) Public Comment or Agenda Item No; 5) Subject; 6) Written Comments.

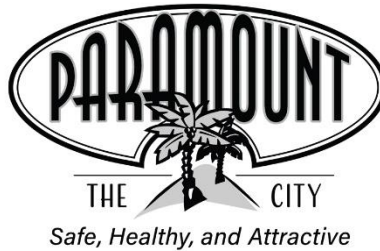
- **Teleconference: (562) 220-2225**

Participants wishing to address the City Council by teleconference should call City Hall at **(562) 220-2225** by **4:45 p.m. on Tuesday, October 19, 2021** and provide the following information: 1) Full Name; 2) City of Residence; 3) Phone Number; 4) Public Comment or Agenda Item No; 5) Subject. Teleconference participants will be logged in, placed in a queue and called back during the City Council meeting on speaker phone to provide their comments.

All public comments are limited to a maximum of three minutes unless an extension is granted. Please be mindful that the meeting will be recorded as any other person is recorded when appearing before the City Council, and all other rules of procedure and decorum will apply when addressing the City Council by teleconference.

AGENDA

Paramount City Council
October 19, 2021



Adjourned Meeting
City Hall Council Chambers
5:00 p.m.

City of Paramount

16400 Colorado Avenue ❖ Paramount, CA 90723 ❖ (562) 220-2000 ❖ www.paramountcity.com

Public Comments: If you wish to make a statement, please complete a Speaker's Card prior to the commencement of the Public Comments period of the meeting. Speaker's Cards are located at the entrance. Give your completed card to a staff member and when your name is called, please go to the podium provided for the public. Persons are limited to a maximum of three (3) minutes unless an extension of time is granted. No action may be taken on items not on the agenda except as provided by law. For additional ways to participate and provide public comments, see the preceding Public Participation Notice.

Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office at (562) 220-2225 at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Note: Agenda items are on file in the City Clerk's office and are available for public inspection during normal business hours. Materials related to an item on this Agenda submitted after distribution of the agenda packet are also available for public inspection during normal business hours in the City Clerk's office. The office of the City Clerk is located at City Hall, 16400 Colorado Avenue, Paramount.

Notes

CALL TO ORDER:

Mayor Brenda Olmos

ROLL CALL OF
COUNCILMEMBERS:

Councilmember Isabel Aguayo
Councilmember Laurie Guillen
Councilmember Peggy Lemons
Vice Mayor Vilma Cuellar Stallings
Mayor Brenda Olmos

CITY COUNCIL PUBLIC COMMENT UPDATES

PUBLIC COMMENTS

CONSENT CALENDAR

1. [ACCEPTANCE OF WORK](#) Interior Improvements at Progress Park Plaza (City Project No. 9053)

NEW BUSINESS

2. [RESOLUTION NO. 21:032](#) Approving the Form and Authorizing the Execution of a Preliminary Official Statement, a Bond Purchase Agreement and a Continuing Disclosure Certificate in Connection with the Offering and Sale of Pension Obligation Bonds, and Authorizing and Directing Certain Actions with respect thereto
3. [APPROVAL](#) Authorization to Purchase a Street Sweeper
4. [APPROVAL](#) Amendment No. 1 to the Agreement with PSOMAS to Perform Engineering Design of Parking Lot Reconfiguration at Paramount Park in conjunction with the Proposed West Santa Ana Branch Bikeway Trail - Phase II Project
5. [RESOLUTION NO. 21:033](#) Amending Resolution No. 19:045 Pertaining to the Frequency of the City-Wide Parking Committee Meetings
6. [RECEIVE AND FILE](#) North Paramount Gateway Specific Plan
7. [RECEIVE AND FILE](#) Development Activity Update
8. [RECEIVE AND FILE](#) Report on Senate Bill 9 and Senate Bill 10
9. [APPROVAL](#) Appointment of a Public Safety Commissioner

ENVIRONMENTAL SUSTAINABILITY NEW BUSINESS

None

COMMENTS/COMMITTEE REPORTS

- Councilmembers
- Staff

ADJOURNMENT

To an adjourned closed session meeting beginning at 5:00 p.m. on November 2, 2021 immediately followed by the regular City Council meeting on November 2, 2021 beginning at 6:00 p.m.

City Council Public Comment Updates

October 19, 2021

From the October 5, 2021 City Council Meeting:

Commenter	Request/Issue/Concern	Action/Comment
Abelardo Jacobo	Requested information on the status of the survey of the property lines for the commercial development project at Downey Ave. and Elberg St., and reported that the construction tarp covering has dislodged from the fence.	The property line survey has been completed and is currently being reviewed by the City's surveyor to designate the property lines. Mr. Carver contacted the construction project manager to have them fix the construction tarp.

OCTOBER 19, 2021

ACCEPTANCE OF WORK

INTERIOR IMPROVEMENTS AT PROGRESS PARK PLAZA
(CITY PROJECT NO 9053)

MOTION IN ORDER:

ACCEPT THE WORK PERFORMED BY JUNIOR'S CONSTRUCTION, INC., SANTA FE SPRINGS, CALIFORNIA, FOR INTERIOR IMPROVEMENTS AT PROGRESS PARK PLAZA (CITY PROJECT NO. 9053) AND AUTHORIZE PAYMENT OF THE RETENTION.

MOTION:

MOVED BY: _____

SECONDED BY: _____

[] APPROVED

[] DENIED

ROLL CALL VOTE:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



To: Honorable City Council

From: John Moreno, City Manager

By: Adriana Figueroa, Public Works Director
Sarah Ho, Public Works Assistant Director

Date: October 19, 2021

**Subject: ACCEPTANCE OF WORK FOR THE INTERIOR IMPROVEMENTS AT
PROGRESS PARK PLAZA (CITY PROJECT NO 9053)**

BACKGROUND

Progress Park Plaza is one of the City's most utilized venues for meetings and events by residents, local community, and regional groups. Considering the high volume of foot traffic it sees, the facility was in need of modernization and renovations. A portion of the funds for the improvements of the facility were from a grant from the California Natural Resources Agency, through the office of State Assembly Speaker Anthony Rendon.

Improvements included construction of a new unisex restroom, addition of a storage room and hookups for the new washer and dryer, renovation of the front lobby and office, modernization of the focal wall in the auditorium, new LED fixtures, doors, ceiling tiles and carpet.

DISCUSSION

Construction began in June and was completed on October 8, 2021. There were several additional change orders made through the course of construction due to unforeseen existing conditions that needed to be addressed. Change orders included replacement of the ceiling insulation, new flooring throughout the building, a new A/C system for the kitchen, modifications to the existing sliding doors on both sides of the auditorium, the renovation of the lobby ceiling, and the change in cost to the acrylic panels for the focal wall in the auditorium. Change orders totaled an additional \$119,914.46 and budget adjustments will be made during the midyear budget process using the CIP Reserve Fund.

The work performed under this contract has been inspected under the supervision of the Public Works Director, in conformance with Section 6-8 of the Standard Specifications for Public Works Construction. The contract retention of \$36,607.80 will be held for thirty-five (35) days after Council approval.

VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity and guidelines; and provide the framework for policy decision making. The Strategic Outcomes were implemented to provide a pathway to achieving the City's Vision. This item aligns with Strategic Outcome No. 5, Attractive and Well Maintained Infrastructure.

RECOMMENDED ACTION

It is recommended that the City Council accept the work performed by Junior's Construction, Inc., Santa Fe Springs, California, for the interior improvements at Progress Park Plaza (City Project No. 9053) and authorize payment of the retention.

OCTOBER 19, 2021

RESOLUTION NO. 21:032

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A PRELIMINARY OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE OFFERING AND SALE OF PENSION OBLIGATION BONDS, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO”

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 21:032.

MOTION:

MOVED BY: _____

SECONDED BY: _____

☐ APPROVED

☐ DENIED

ROLL CALL VOTE:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



To: Honorable City Council
From: John Moreno, City Manager
By: Clyde Alexander, Interim Finance Director
Date: October 19, 2021

**Subject: RESOLUTION NO. 21:032
APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A
PRELIMINARY OFFICIAL STATEMENT, A BOND PURCHASE
AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE IN
CONNECTION WITH THE OFFERING AND SALE OF PENSION
OBLIGATION BONDS, AND AUTHORIZING AND DIRECTING CERTAIN
ACTIONS WITH RESPECT THERETO**

BACKGROUND

In the course of a periodic review of its debt obligations for Fiscal Year 2020-21, the City began analyzing options to lower debt service costs for pension obligations paid to CalPERS.

Over the past decade, the City's pension debt service costs have continued to escalate due to market fluctuations and employee pension liability costs. While these increases result from CalPERS' changes in actuarial assumptions for future investment earnings and liabilities (including demographic changes) and from changes in the method of amortizing the liability, half of the increase is due to past under-performance of investments and mitigation measures taken by CalPERS. The accumulated unfunded portion of the pension liability is called the unfunded actuarial liability (UAL).

The City has prudently worked toward reducing current and future pension costs over the last several years. The City has partnered with employees to increase their share of contributions towards their pension costs, created a fund balance reserve dedicated to retirement costs and made additional lump sum payments toward the UAL for the last two fiscal years. Despite CalPERS reforms to benefit plans and the City's efforts, the annual UAL debt service costs as of June 2021 totaled \$1.5 million in FY 18-19, \$2.1 million in FY 21-22 and, until recently, was expected to reach \$3.2 million by FY 29-30.

To mitigate growing pension costs and provide budgetary savings to the General Fund, the City Council authorized the issuance of Pension Obligation Bonds (POB) in June 2021 to pay off the City's CalPERS UAL debt entirely. POBs are beginning to commonly be used by agencies in California as a positive financing tool to address growing unfunded pension obligations, while leveling out annual increases in required payments to CalPERS.

Recent Changes to the City's UAL Projections

CalPERS reports a city's UAL approximately 13 months after the end of each Fiscal Year. As such, the June 30, 2020 UAL was reported to us in August 2021. The FY 2021 UAL will not be reported to us until August 2022. CalPERS adjusts the UAL by adding new amortization bases each year based on changes in actuarial methodology or assumptions, investment earnings or losses, change in benefit levels, or experience study (i.e., longevity/mortality).

The projected 2020 UAL was based on a meager CalPERS 4.7% rate of return in FY 19-20, underperforming the goal of a 7% investment return. This was the amount staff reported to the City Council at its June 2021 meeting. As a result, the total 2020 CalPERS valuation for the City of Paramount was reported to be \$26,043,194. After our annual UAL debt service payment for FY21, this amount reduced slightly to \$25,277,899.

However, since the June 2021 UAL estimates were made, the City was informed of several potential actuarial changes that will impact the City's future UAL payment schedule and should be considered in structuring the POBs. These potential changes are independent of the issuance of POBs and are as follows:

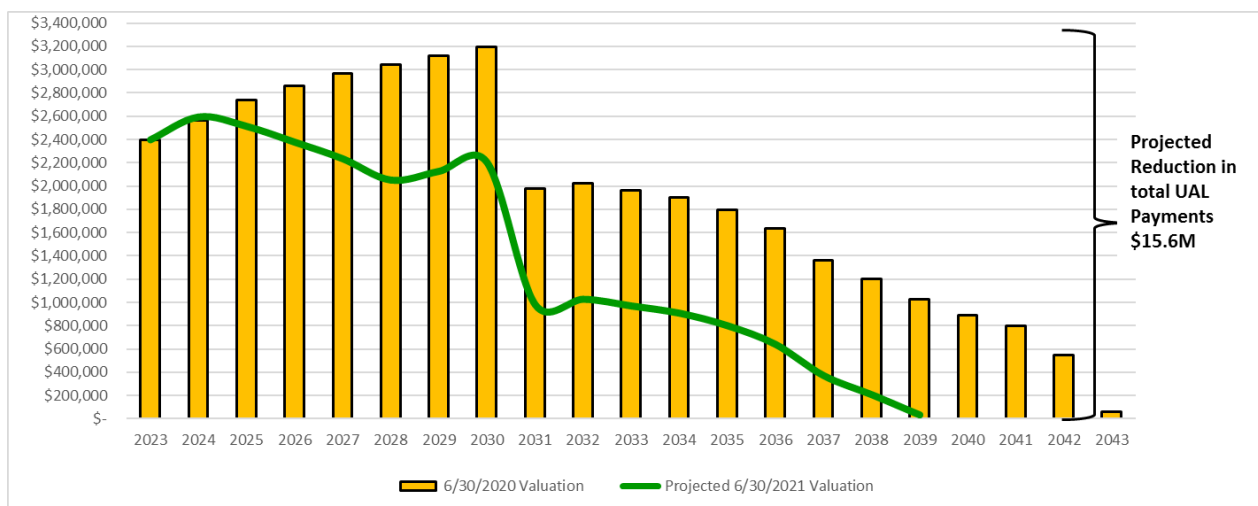
- Higher CalPERS FY 20-21 Investment Return: Last month, CalPERS reported a higher than expected 21.3% return on their investments in FY 20-21. This over-performance was above the required 7% required rate of return, creating an approximate \$10.2 million credit to the City's UAL and reducing annual UAL payments ramping up to an estimated \$1,200,000 through FY 2043. The exact amount of the FY 20-21 investment return impact will not be reflected in the City's CalPERS valuation until next year.
- CalPERS Reduction of Assumed Investment Return (Discount Rate): Given the significant over-performance in FY 20-21, CalPERS is required to lower the Discount Rate, which is the investment benchmark and rate used to calculate UAL payments. The Discount rate was reduced by 0.20% to 6.80% under its Funding Risk Mitigation Policy. The reduction will create an estimated \$2.7 million increase to the City's UAL, thereby increasing annual payments by approximately \$300,000 from FY 2024 through FY 2043.
- CalPERS Additional Adjustment for FY20-21: CalPERS will add a base for demographic performance due to actual performance of salaries, life expectancy, retirement dates, and disability. These changes are very difficult to model but are typically much smaller than the bases discussed above.

If all these changes were to occur, the estimated net impact would decrease the City of Paramount's total projected June 30, 2021 UAL by \$7.5 million to \$17.8 million when compared to the amount previously reported to the City Council at its June 2021

meeting. Since the City would be paying off this amount in November (several months into the current fiscal year), the actual required pay-off amount is approximately \$16.8 million, taking these changes into account.

The chart below illustrates the existing UAL payments provided by CalPERS in its June 30, 2020 report (yellow bars), and the new FY 20-21 amortization bases that are estimated to be included in the June 30, 2021 CalPERS report due to be released in August 2022 (green line). Because of the CalPERS methodology, some of the payments continue to increase each year until they reach a plateau, while others will drop off.

New UAL Payment Schedule Factoring in Higher CalPERS Return



When considering the expected impacts from the higher than expected CalPERS investment returns in FY 20-21, the annual projected UAL payments decrease and reflect existing pension liabilities as fully funded by 2039. The overall reduction in the UAL payments when compared to the previous valuation is approximately \$15.6 million.

Summary of Projected UAL Changes in FY 20-21

	UAL Balance	Total Payments	Paid in Full
June 30, 2020 UAL	26,043,194		
Payments applied in FY 20-21	(765,295)		
Expected June 30, 2021 UAL	25,277,899	40,041,639	2043
New UAL Bases in FY 20-21:			
Projected Investment Credit	(10,216,000)		
Projected Discount Reduction	2,726,000		
Projected June 30, 2021 UAL	17,787,899	24,408,000	2039
Projected Reduction	7,490,000	15,633,639	

Updated UAL Payoff Using POB Funds

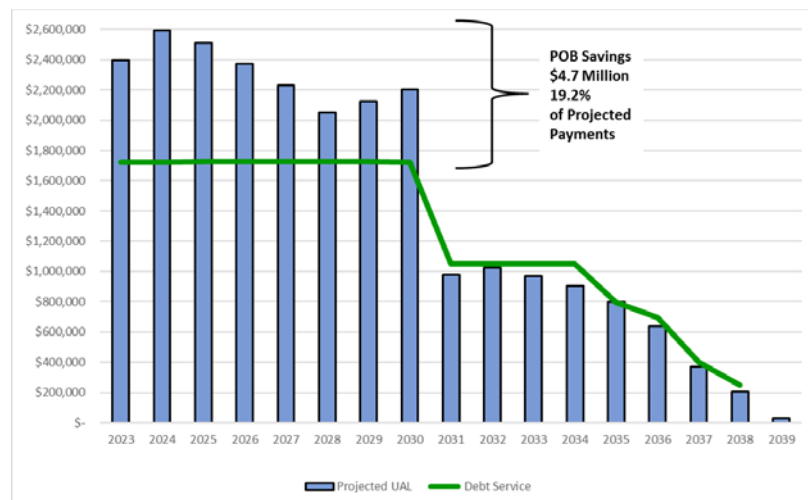
In order to prepay the updated UAL projections calculated for FY 20-21, the City would be required to pay CalPERS \$16.8 million by mid-November 2021. CalPERS has a prepayment formula that takes into account payments that the City has made since the last valuation of June 30, 2020 in FY 20-21 and FY 21-22 to date.

The total bond issue would be \$17,270,000, calculated as follows:

Prepay UAL	\$16,770,000
Capitalized Interest	183,000
Costs of Issuance	317,000
	<u>\$17,270,000</u>

The chart below illustrates the City's savings by comparing the estimated annual UAL payments to the annual debt service on the POBs. The blue bars represent the updated UAL payments to CalPERS and the green line represents the POB debt service payments after the issuance of the POB. As you can see from the chart, the City is expected to save approximately \$4.7 million (19.2%) over the life of the UAL amortization by prepaying the UAL using a POB.

Expected Savings Using POB Over UAL Payments



POBs are structured to provide level debt service, eliminating the peak payments. In the later years, the POB debt service goes down commensurate with the projected UAL payments so that the POB debt service is never greater than the projected UAL payments taking into account the FY 20-21 changes.

When factoring the projections of debt service in this analysis, the POB all-in effective taxable interest rate (with all costs of issuance factored in) is 2.6% based on interest rates in the first week of October 2021. This interest rate is likely to change before the bonds are issued. Staff will closely monitor rates up until the bond closing to ensure the targeted savings is reached.

After issuance of the POB, there will be approximately \$7.5 million net remaining UAL bases with repayments over the next 22 years according to the amortization method for these remaining bases. When the new FY 20-21 UAL bases are added, they will net a credit of \$7.5 million, but not necessarily exactly offsetting the existing payments. The City will request a “Fresh Start” from CalPERS once the new bases are added, effectively cumulating all remaining bases into one figure that gets amortized over a level period. We expect the balance of the Fresh Start to be \$0, but because of other changes in the UAL, there may actually be a slight positive or negative balance.

Next Steps

The City has completed the first vital step in the POB issuance process which is to achieve the judicial validation of the issuance of the POB by the court. The court has entered a judgment in favor of the City that the obligation of the City (the liability owed to CalPERS), legally represents an “obligation imposed by law.” Numerous prior court cases have determined that pension liabilities are obligations imposed by law, and therefore are exempt from the debt limitation requirements set forth in Article XVI, Section 18, of the California Constitution. Every other public agency followed this same process for the issuance of pension obligation bonds in California.

At its June 2021 meeting, the City Council adopted a Resolution affirming the POB issuance in an amount not-to-exceed \$26 million, approved a form for a Trust Agreement for the POBs (required for the validation process to begin), and hired the municipal advisor, the underwriter, bond counsel and disclosure counsel. To avoid restarting the POB process and achieve maximum savings, staff is recommending reaffirming the issuance amount not to exceed \$26 million, however the City will only request the POB issuance amount of approximately \$17.3 million, which is the updated UAL payoff amount. The Resolution also set the maximum true interest cost at 3.5% and the maximum Underwriter discount at 0.7% of the par amount of the POBs. Lastly, it authorized the Mayor, City Clerk and City Manager to execute all the above documents, and such other documents and certifications that may be necessary to consummate the transaction.

The final actions to be taken include approval of the Preliminary Official Statement and bond purchase agreement specifying a not-to-exceed interest rate for the POB and underwriting discount. As such, the Resolution presented for adoption this evening authorizes the distribution of the Preliminary Official Statement for the POBs (Attachment A), the execution of a Bond Purchase Agreement with the Underwriter (Attachment B), and the execution and delivery of a Continuing Disclosure Certificate (included as Appendix C to the Preliminary Official Statement), all in the form attached

to this report. The Preliminary Official Statement describes the security and repayment provisions of the POBs, the City's financial condition, and risk factors associated with investing in the POBs. The Bond Purchase Agreement sets forth the terms and conditions for the sale of the bonds to the Underwriter and the final interests and amount of the Bonds based on the market conditions when the POBs are sold. The Continuing Disclosure Certificate sets forth the City's obligation to provide ongoing financial information to the investors.

The financing has been submitted to Standard & Poor's for a credit rating, which should be received by the end of October. This will be the first rating of the City's General Fund. Once the rating is received, the underwriter will use the Preliminary Official Statement to market the POBs to investors. Interest rates are expected to be locked in on November 3, and the \$17.8 million of the existing UAL to be prepaid on November 17.

Fiscal Impact

The estimated budgetary savings to the General Fund are \$4.7 million over the next eight years based on an all-in effective interest rate of 2.6%, when compared to paying off the UAL using the CalPERS amortization schedule.

There are no savings in Fiscal Year 2021-22 due to the timing of the bond issue mid-year. Using bond proceeds, the City will capitalize the payment of interest on the POB that would otherwise be due on June 1, 2022 so that there will be no doubling up of pension costs (UAL payment + debt service) in Fiscal Year 2021-22.

Interest rates are subject to fluctuation and may increase or decrease between now and the expected issuance of the Bonds in early November.

The costs to issue the POBs are approximately \$317,000, 1.8% of the amount of the bond issue.

Bond Counsel	\$ 65,000
Disclosure Counsel	22,500
City Attorney/ Validation	5,000
Municipal Advisor	60,000
Official Statement Preparation	15,000
Printing	2,000
Trustee	3,000
Rating Fee	25,000
Contingency	<u>2,500</u>
Total Fixed Costs	200,000
Underwriter (0.675% of Bonds)	<u>117,000</u>
Total Costs	\$ 317,000

The costs of issuance are financed as part of the bond issue, and the savings noted herein are net of the costs to issue the POBs.

VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity and guidelines; and provide the framework for policy decision making. The Strategic Outcomes were implemented to provide a pathway to achieving the City's Vision. This item aligns with Strategic Outcome No. 6 Efficient, Effective, and Fiscally Responsible.

RECOMMENDED ACTION

It is recommended that the City Council read by title only and adopt Resolution No. 21:032.

CITY OF PARAMOUNT
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION NO. 21:032

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A PRELIMINARY OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE OFFERING AND SALE OF PENSION OBLIGATION BONDS, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the City Council (the "Council") of the City of Paramount (the "City"), Los Angeles County, State of California, as follows:

WHEREAS, the City has previously elected to become a contracting member of the California Public Employees' Retirement System ("CalPERS"); and

WHEREAS, the Public Employees' Retirement Law (commencing with section 20000 of the California Government Code) and the contract (the "CalPERS Contract") between the Board of Administration of CalPERS and the City Council of the City (the "City Council") obligate the City to (i) make contributions to CalPERS to fund pension benefits for certain City employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes; and

WHEREAS, on June 22, 2021, the City adopted its Resolution No. 21:021 authorizing issuance of its City of Paramount Pension Obligation Bonds, Series 2021 (Federally Taxable) (the "Bonds"), in a principal amount not to exceed \$26,000,000, pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with section 53570 of said Code, for the purpose of refunding all or a portion of the City's obligation to CalPERS, as evidenced by the CalPERS Contract, to pay the unfunded accrued actuarial liability of the City with respect to pension benefits for its Miscellaneous Plan under the Public Employees' Retirement Law, and paying the costs of issuance of the Bonds, and approving the form and authorizing execution of the various documents prepared in connection therewith; and

WHEREAS, a preliminary official statement to be used in connection with the offering and sale of the Bonds has been prepared and it is appropriate at this time for the Council to approve the form thereof and its distribution to prospective purchasers of the Bonds.

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

SECTION 1. The above recitations are true and correct.

SECTION 2. Approval of the Preliminary Official Statement. The Council hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, a preliminary official statement describing the Bonds in the form on file with the City Clerk (the "Preliminary Official Statement"). Distribution of the Preliminary Official Statement by Raymond James & Associates., Inc. (the "Underwriter") to prospective purchasers of the Bonds is hereby approved. The Mayor, the City Manager and the Interim Finance Director, or any designee thereof (each, an "Authorized Officer"), each acting alone, are hereby authorized to execute the final form of an official statement, including as it may be modified by such additions thereto and changes therein as an Authorized Officer shall deem necessary, desirable or appropriate (the "Final Official Statement"), and the execution of the Final Official Statement by an Authorized Officer shall be conclusive evidence of the approval of any such additions and changes. The Council hereby authorizes the distribution of the Final Official Statement by the Underwriter. The Final Official Statement shall be executed in the name and on behalf of the City by an Authorized Officer.

SECTION 3. Approval of Bond Purchase Agreement. The Council hereby authorizes the sale of the Bonds to the Underwriter so long as the true interest cost on the Bonds does not exceed 3.50% and Underwriter's discount, excluding original issue discount which does not constitute compensation to the Underwriter, does not exceed 0.7%. A bond purchase agreement, by and between the City and the Underwriter (the "Bond Purchase Agreement"), in the form on file with the City Clerk, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Bond Purchase Agreement in such form together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Council hereby authorizes the delivery and performance of the Bond Purchase Agreement.

SECTION 4. Approval of Continuing Disclosure Certificate. The continuing disclosure certificate, in the form appended to the Preliminary Official Statement (the "Continuing Disclosure Certificate"), is hereby approved and any Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Certificate in such form together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Continuing Disclosure Certificate. The Council hereby authorizes the delivery and performance of the Continuing Disclosure Certificate.

SECTION 5. Official Actions. The Mayor, the City Manager, the Interim Finance Director, the City Clerk, and all other officers of the City are each authorized and directed in the name and on behalf of the City to make any and all assignments, certificates, agreements, notices, consents, instruments of conveyance and other documents, which they or any of them might deem necessary or appropriate in order to consummate the issuance of the Bonds, and any of the other transactions approved or

contemplated by this Resolution and Resolution No. 21:021. Whenever in this Resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Paramount this 19th day of October 2021.

Brenda Olmos, Mayor

ATTEST:

Heidi Luce, City Clerk

ATTACHMENT A

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2021 – DRAFT OF OCTOBER 13, 2021

NEW ISSUE

RATING

BOOK-ENTRY ONLY

S&P: ____

(See “CONCLUDING INFORMATION - Rating on the Bonds” herein)

In the opinion of Quint & Thimmig LLP, Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See “TAX MATTERS” herein. Interest on the Bonds is not excludable from gross income of the owners thereof for federal income tax purposes.

\$17,270,000*

CITY OF PARAMOUNT TAXABLE PENSION OBLIGATION BONDS, SERIES 2021

Dated: Date of Delivery

Due: June 1 as shown on the inside front cover page

The City of Paramount (the “City”) is issuing its Taxable Pension Obligation Bonds, Series 2021 (the “Bonds”) pursuant to Articles 10 and 11 (commencing with Section 53750) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and a Trust Agreement, dated as of November 1, 2021 (the “Trust Agreement”), between The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”) and the City.

The Bonds are being issued to pay a portion of the City’s currently unamortized, unfunded accrued actuarial liability (“Unfunded Liability”) to the California Public Employees’ Retirement System (“CalPERS”) for the benefit of City employees and retirees and pay the costs of issuing the Bonds. Pursuant to the Retirement Law (as defined herein), the City Council is required to make the appropriations to pay the amounts required to be paid by the City pursuant to the Retirement Law, including the portion of the Unfunded Liability evidenced by the Bonds. The Bonds are payable from any legally available funds of the City. See “SOURCE OF PAYMENT FOR THE BONDS” and “RISK FACTORS” herein.

Interest on the Bonds is payable semiannually on June 1 and December 1 of each year, commencing June 1, 2022, until maturity or earlier redemption. See “THE BONDS - General Provisions” and “THE BONDS - Redemption” herein.

The cover page contains certain information for quick reference only. It is not a summary of the issue. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. See “RISK FACTORS” herein for a discussion of special risk factors that should be considered in evaluating the investment quality of the Bonds.

The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. The Bonds do not constitute an indebtedness of the City, the State or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds are being offered when, as and if issued, subject to the approval as to their legality by Quint & Thimmig LLP, Larkspur, California, Bond Counsel. Certain legal matters will also be passed upon for the City by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel, and by The Cavanaugh Law Group, as City Attorney. Certain matters will be passed upon for the Underwriter by Nixon Peabody LLP, Los Angeles, California. It is anticipated that the Bonds will be available for delivery through the facilities of The Depository Trust Company on or about November 17, 2021 (see “APPENDIX E - THE BOOK-ENTRY SYSTEM” herein).

The date of the Official Statement is _____, 2021.

* Preliminary, subject to change.

\$17,270,000*
CITY OF PARAMOUNT
TAXABLE PENSION OBLIGATION BONDS, SERIES 2021

MATURITY SCHEDULE

Base CUSIP®† _____

Maturity Date	Principal	Interest	Reoffering	Reoffering	
<u>June 1</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP®†</u>
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
\$ _____ % Term Bonds maturing June 1, _____, Yield _____%, Price ____ CUSIP®† _____					
\$ _____ % Term Bonds maturing June 1, _____, Yield _____%, Price ____ CUSIP®† _____					

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the City, the Municipal Advisor or the Underwriter and are included solely for the convenience of the owners of the Bonds. None of the City, the Municipal Advisor or the Underwriter is responsible for the selection or use of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the City with respect to the Bonds that has been deemed "final" by the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

Use of Official Statement. This Official Statement is submitted in connection with the offer and sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the Bonds.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the City or any other parties described in this Official Statement.

No Offering May be Made Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained herein and if given or made, such other information or representation must not be relied upon as having been authorized by the City or the Municipal Advisor. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Preparation of This Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of the Bonds, the Trust Agreement or other documents, are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the City Clerk for further information. See "INTRODUCTION - Summaries Not Definitive."

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Bonds are Exempt From Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained in such act. The Bonds have not been registered or qualified under the securities laws of any state.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the City, any press release and any oral statement made with the approval of an authorized officer of the City or any other entity described or referenced herein, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. Historical information set forth in the Official Statement is not intended to be predictive of future results.

Stabilization of and Changes to Offering Prices. In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the public offering prices set forth on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

City Website. The City maintains a website. The information on such website is not part of this Official Statement and is not intended to be relied on by investors with respect to the Bonds unless specifically set forth or incorporated herein.

CITY OF PARAMOUNT, CALIFORNIA

CITY COUNCIL MEMBERS

Brenda Olmos, *Mayor*
Vilma Cuellar Stallings, *Mayor Pro Tem*
Isabel Aguayo, *Councilmember*
Laurie Guillen, *Councilmember*
Peggy Lemons, *Councilmember*

CITY STAFF

John Moreno, *City Manager*
Andrew Vialpando, *Assistant City Manager*
Clyde Alexander, *Interim Finance Director*
John Carver, *Planning Director*
Adriana Figueroa, *Public Works Director*
David Johnson, *Community Services Director*
Adriana Lopez, *Public Safety Director*
Heidi Luce, *City Clerk*

PROFESSIONAL SERVICES

Bond Counsel

Quint & Thimmig LLP
Larkspur, California

Disclosure Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

City Attorney

The Cavanaugh Law Group
Chino Hills, California

Municipal Advisor

Harrell & Company Advisors, LLC
Tustin, California

Trustee

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

TABLE OF CONTENTS

INTRODUCTION	1	Financial Statements	32
The City	1	RISK FACTORS.....	36
Purpose	1	Future Financial Condition	36
Security and Sources of Repayment	1	Limited Obligation of the City.....	36
Limited Obligation.....	2	Natural Hazards	36
No Debt Service Reserve Fund.....	2	Air Quality Issues	37
Legal Matters.....	2	Potential Impact of Climate Change	38
Offering of the Bonds	2	Cybersecurity	38
Summaries Not Definitive	2	Dependence on State for Certain Revenues	39
THE REFINANCING PLAN	3	Bankruptcy.....	39
Estimated Uses of Funds.....	4	Public Health Emergencies	40
THE BONDS.....	5	Constitutional Limitation on Taxes and	
General Provisions.....	5	Expenditures	41
Redemption.....	6	Secondary Market Risk.....	46
Scheduled Debt Service on the Bonds	9	TAX MATTERS.....	46
SOURCE OF PAYMENT FOR THE BONDS	10	Information Reporting and Backup Withholding.....	46
General.....	10	LEGAL MATTERS	46
Bond Fund	10	Enforceability of Remedies.....	46
No Debt Service Reserve Fund.....	11	Approval of Legal Proceedings.....	47
CITY OF PARAMOUNT.....	12	Litigation.....	47
General Information.....	12	VALIDATION	47
General Organization.....	12	CONCLUDING INFORMATION	47
Governmental Services	12	Rating on the Bonds.....	47
Transportation.....	13	Underwriting.....	48
Population.....	13	The Municipal Advisor	48
Per Capita Personal Income.....	14	Continuing Disclosure	48
Employment and Industry.....	15	Additional Information	48
Commercial Activity.....	17	References.....	49
FINANCIAL INFORMATION	18	Execution	49
Budgetary Process and Administration	18	APPENDIX A - SUMMARY OF CERTAIN	
Fiscal Year 2020-21 Results.....	18	PROVISIONS OF THE TRUST AGREEMENT	
Fiscal Year 2021-22 Budget.....	19	APPENDIX B - CITY AUDITED FINANCIAL	
Comparative General Fund Revenues and		STATEMENTS	
Expenditures	19	APPENDIX C - FORM OF CONTINUING	
Ad Valorem Property Taxes	22	DISCLOSURE CERTIFICATE	
Local Taxes	24	APPENDIX D - FORM OF OPINION OF BOND	
Retirement Plans.....	25	COUNSEL	
Other Post-Employment Benefits	29	APPENDIX E - THE BOOK-ENTRY SYSTEM	
Risk Management.....	31		
City Investment Policy and Portfolio.....	32		
Long-Term General Fund Obligations.....	32		

OFFICIAL STATEMENT
\$17,270,000*
CITY OF PARAMOUNT
TAXABLE PENSION OBLIGATION BONDS, SERIES 2021

This Official Statement which includes the cover page, the inside front cover page and appendices (the “Official Statement”), is provided to furnish certain information concerning the sale of the City of Paramount Taxable Pension Obligation Bonds, Series 2021 (the “Bonds”), in the aggregate principal amount of \$17,270,000*.

INTRODUCTION

This Introduction contains only a brief description of this issue and does not purport to be complete. This Introduction is subject in all respects to more complete information in the entire Official Statement and the offering of the Bonds to potential investors is made only by means of the entire Official Statement and the documents summarized herein. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision (see “RISK FACTORS” herein). Certain capitalized terms used in this Official Statement and not otherwise defined have the meanings given them in “APPENDIX A.”

The City

The City of Paramount (the “City”) was incorporated as a general law city in 1957 and operates under the Council-Manager form of government. The City encompasses 4.8 square miles and is located fifteen miles southeast of metropolitan Los Angeles (see “CITY OF PARAMOUNT” herein).

Purpose

The Bonds are being issued to pay the City’s currently unamortized, unfunded accrued liability to the California Public Employees’ Retirement System (“CalPERS”) for the benefit of City employees and retirees and pay the costs of issuing the Bonds.

Security and Sources of Repayment

The Bonds are secured under a Trust Agreement, dated as of November 1, 2021 (the “Trust Agreement”) by and between the City and The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, as trustee (the “Trustee”).

For the purpose of paying the principal of and interest on the Bonds, the City Council is obligated, under the Trust Agreement, to take such actions annually as are necessary or appropriate to cause the debt service on the Bonds due in any fiscal year to be included in the budget for such fiscal year and to make the necessary appropriations therefor from any legally available funds, including the General Fund, to ensure that sufficient sums are available to pay the annual principal of and interest on the Bonds as the same become due. See “SOURCE OF PAYMENT FOR THE BONDS” herein.

For a summary of the Trust Agreement, see “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT” herein.

* Preliminary, subject to change.

Limited Obligation

The obligation of the City to pay the Bonds does not constitute an obligation for which the City is obligated to levy or pledge any form of taxation or for which the City has pledged any form of taxation. The obligation of the City to pay the Bonds does not constitute a debt of the State of California (the “State”) or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

No Debt Service Reserve Fund

The City will not fund a debt service reserve fund for the Bonds.

Legal Matters

All legal proceedings in connection with the issuance of the Bonds are subject to the approving opinion of Quint & Thimmig LLP, Larkspur, California, as Bond Counsel. Such opinion, and certain tax consequences incident to the ownership of the Bonds are described more fully under the heading “TAX MATTERS” herein. Certain legal matters will be passed upon for the City by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel, and by The Cavanaugh Law Group Chino Hills, California, as City Attorney. Certain matters will be passed upon for the Underwriter by Nixon Peabody LLP, Los Angeles, California.

Offering of the Bonds

Authority for Issuance and Delivery. The Bonds are to be issued pursuant to Articles 10 and 11 (commencing with Sections 53750 and 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Refunding Bond Law”), the Trust Agreement, Resolution No. 21:021 of the City adopted on June 22, 2021 and default judgment entered on September 16, 2021 by the Superior Court for the County of Los Angeles. See “THE REFINANCING PLAN” herein.

Offering and Delivery of the Bonds. The Bonds are offered, when, as and if issued, subject to the approval as to their legality by Quint & Thimmig LLP, Larkspur, California, Bond Counsel. It is anticipated that the Bonds, in book-entry form, will be available for delivery on or about November 17, 2021 through the facilities of The Depository Trust Company (“DTC”). See “APPENDIX E - THE BOOK-ENTRY SYSTEM.”

Summaries Not Definitive

The summaries and references contained herein with respect to the Trust Agreement, the Bonds, the Retirement Law and other statutes or documents do not purport to be comprehensive or definitive and are qualified by reference to each such document or statute, and references to the Bonds are qualified in their entirety by reference to the form thereof included in the Trust Agreement. Copies of these documents may be obtained after delivery of the Bonds at the trust office of the Trustee, The Bank of New York Mellon Trust Company, N.A., Los Angeles, California or from the City at 16400 Colorado Avenue, Paramount, California 90723.

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THE REFINANCING PLAN

The City is a member of CalPERS and, as such, is obligated by the Public Employees' Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the "Retirement Law"), and the contract between the Board of Administration of CalPERS and the City Council of the City, dated April 16, 1967, as amended (the "CalPERS Contract"), to make contributions to CalPERS to (a) fund pension benefits for City employees who are members of CalPERS, (b) amortize the unfunded accrued actuarial liability (the "Unfunded Liability") with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b).

Pursuant to the Retirement Law, the City Council is required to make the appropriations to pay the amounts required to be paid by the City pursuant to the Retirement Law, including the Unfunded Liability that is evidenced by the Bonds. See "SOURCE OF PAYMENT FOR THE BONDS."

On July 15, 2021, the City, acting pursuant to the provisions of Sections 860 et seq. of the California Code of Civil Procedure and Government Code Sections 53511 and 53589.5, filed a complaint in the Superior Court of the State of California for the County of Los Angeles seeking judicial validation of the proceedings and transactions relating to the issuance of the Bonds and certain other matters. On September 16, 2021, the court entered a default judgment (the "Validation Judgment") to the effect, among other things, that the Bonds are valid legal and binding obligations of the City in conformity with all applicable provisions of law and that the Bonds are exempt from and not subject to the debt limitations set forth in Article XVI, Section 18, of the California Constitution. The time period for the filing of appeals with respect to the Validation Judgment has expired. No appeals were filed and therefore, the Validation Judgment is final. See the section entitled "VALIDATION" for additional information regarding the legal effects of the Validation Judgment.

In August 2021, CalPERS notified the City as to the amount of the June 30, 2020 Unfunded Liability for each of the City's Miscellaneous Plan (the "Miscellaneous Plan"), the PEPRA Plan (the "PEPRA Plan") and Safety Plan (the "Safety Plan") based on most recent actuarial valuation routinely performed by CalPERS (the "2020 CalPERS Reports").

In July 2021, CalPERS disclosed that the rate of return for its investment portfolio for the Fiscal Year 2020-21 was 21.3%, and the discount rate would be reduced to at least 6.8%. Investment returns above 7% in Fiscal Year 2020-21 create a gain that is used to offset existing or future liabilities. However, the reduction in the discount rate to be implemented for the Fiscal Year 2020-21 actuarial valuation will create an additional liability which will offset a portion of the investment gain. This change in the unfunded actuarial liability created by the Fiscal Year 2020-21 rate of return and the change in the discount rate will begin affecting the City's Unfunded Liability costs starting in Fiscal Year 2023-24. Pursuant to CalPERS methodology, the net investment gain credits will increase annually during the first five years and then level out for the remaining 15 years over which to amortize any net investment gains. The new unfunded liability created by the reduction in the discount rate will be amortized in level payments over 20 years.

The Bonds are being issued to fund a portion of the rolled forward Unfunded Liability for the Miscellaneous Plans as of June 30, 2020 to November 10, 2021, net of the estimated impact of the Fiscal Year 2020-21 CalPERS investment return of 21.3% and an assumed lowering of the discount rate to 6.8%, taking into account payments made or scheduled to be made during Fiscal Years 2020-21 and 2021-22. Upon the issuance of the Bonds, the City will pay \$_____ to CalPERS for deposit to the CalPERS Payment Fund. The City is also funding the 2 monthly unfunded actuarial liability payments due for the Miscellaneous Plan during Fiscal Year 2021-22 from proceeds of the Bonds. A summary of the Liability, Market Value of Assets, Unfunded Liability and amounts to be prepaid for Miscellaneous Plan are shown in the table on the following page.

Funded Ratio as of June 30, 2020	73.3%
Total Liability as of June 30, 2020	\$ 97,488,787
Market Value of Assets as of June 30, 2020	<u>71,445,593</u>
Unfunded Liability as of June 30, 2020 ⁽¹⁾	\$ 26,043,194

Source: California Public Employees' Retirement System June 30, 2020 valuation reports and Municipal Advisor.

The Safety Plan is a closed plan covering 1 remaining retiree. The assets in the Safety Plan exceed the total liability as of June 30, 2020 and the City expects to terminate the Safety Plan. The PEPRA Plan currently covers 38 employees. The Unfunded Liability of the PEPRA Plan is \$80,609 as of June 30, 2020 and is not being funded at this time.

The amount of the net change in Unfunded Liabilities for Fiscal Year 2020-21 will not be known until an updated actuarial valuation prepared by CalPERS is received by the City, which is expected in August of 2022. Other factors could generate additional future Unfunded Liabilities for the City, including failure by CalPERS to achieve its target investment returns, further reduction in the discount rate, future amendments to the CalPERS Contract, or changes in assumptions such as inflation, mortality, salary trend, retirement timing or any other assumptions made to calculate actuarial liabilities. The City could potentially issue additional pension obligation bonds to pay for part or all of any such additional Unfunded Liabilities for the Miscellaneous Plan in the future. See "FINANCIAL INFORMATION – Retirement Program" for additional information regarding the Miscellaneous Plan.

Estimated Uses of Funds

The proceeds from the sale of the Bonds will be applied as follows:

Transfers to CalPERS Payment Fund
Underwriter's Discount
Costs of Issuance Fund ⁽¹⁾
Total

⁽¹⁾ Expenses include fees and expenses of Bond Counsel, Municipal Advisor, Disclosure Counsel and Trustee, rating fee, costs of printing the Official Statement, and other costs of issuance of the Bonds.

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THE BONDS

General Provisions

Payment of the Bonds. The Bonds shall be dated the date of original delivery (the “Closing Date”), shall be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof, and shall mature on the dates and in the principal amounts and bear interest at the rates as set forth on the inside front cover page hereof (based on a 360-day year of twelve 30-day months). Interest on the Bonds is payable on each June 1 and December 1, commencing June 1, 2022, (each, an “Interest Payment Date”) until maturity.

The Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless:

- such date of authentication is an Interest Payment Date or during the period from the Record Date preceding an Interest Payment Date to such Interest Payment Date, in which event they shall bear interest from such Interest Payment Date, or
- such date of authentication is prior to the first Record Date, in which event they shall bear interest from the Closing Date;

provided, however, that if at the time of authentication of any Bond interest is then in default on the Outstanding Bonds, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Bonds.

“Record Date” means the fifteenth day of each calendar month preceding any Interest Payment Date, regardless of whether such day is a Business Day.

Payment of interest on the Bonds due on or before the maturity or prior redemption thereof shall be made to the person whose name appears in the Bonds registration books kept by the Trustee as of the close of business on the Record Date for an Interest Payment Date, whether or not such day is a Business Day, such interest to be paid by check mailed on the Interest Payment Date by first-class mail to such registered owner at the address as it appears in such books; provided, that upon the written request of an Owner of \$1,000,000 or more in aggregate principal amount of Bonds received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds. Any such written request shall remain in effect until rescinded in writing by the Owner.

The principal of the Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee. Payment of the principal of the Bonds shall be made upon the surrender thereof at maturity or on redemption prior to maturity at the Corporate Trust Office of the Trustee.

Book-Entry System. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. Interest on and principal of the Bonds will be payable when due by wire of the Trustee to DTC which will in turn remit such interest and principal to DTC Participants (as defined herein), which will in turn remit such interest and principal to Beneficial Owners (as defined herein) of the Bonds (see “APPENDIX E - THE BOOK-ENTRY SYSTEM” herein). As long as DTC is the registered owner of the Bonds and DTC’s book-entry method is used for the Bonds, the Trustee will send any notices to Bond Owners only to DTC.

Redemption

Optional Redemption on or Before May 31, 2031. The Bonds shall be subject to optional redemption, in whole or in part, on any date on or before May 31, 2031 and prior to their maturity, at the option of the City, from any source of available funds, at a redemption price equal to the greater of the following:

(1) 100% of the principal amount of the Bonds to be redeemed; or

(2)(a) for Bonds maturing on or before June 1, ____, the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed, discounted to the date on which such Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points; and (b) for Bonds maturing on or after June 1, ____, the sum of the present value of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed, discounted to the date on which such Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points;

plus, in each case, accrued interest on the Bonds to be redeemed to the date fixed for redemption.

“Treasury Rate” means, with respect to any redemption date for a particular Bond pursuant to this subsection, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the City that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

At least two Business Days prior to the date fixed for redemption pursuant to the foregoing section, the City shall provide to the Trustee written confirmation of the redemption price.

Optional Redemption on or after June 1, 2031. The Bonds maturing on or after June 1, 2032 shall be subject to redemption prior to their maturity date, at the option of the City, pro rata within a maturity on any date on or after June 1, 2031 at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Sinking Account Redemption. The Bonds maturing June 1, ____ (the “____ Term Bonds”) are subject to mandatory sinking fund redemption on the dates and in the amounts specified below, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption, without premium. The ____ Term Bonds shall be so redeemed on the following dates and in the following amounts:

**Redemption Date
(June 1)**

**Principal
Amount**

(maturity)

The Bonds maturing June 1, ____ (the “____ Term Bonds”) are subject to mandatory sinking fund redemption on the dates and in the amounts specified below, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption, without premium. The ____ Term Bonds shall be so redeemed on the following dates and in the following amounts:

Redemption Date <u>(June 1)</u>	Principal <u>Amount</u>
--	--

(maturity)

Selection of Bonds for Redemption. If less than all of the outstanding Bonds are to be redeemed prior to maturity, redemption payments will be made on a pro rata basis within a maturity to each Owner in whose name such Bonds are registered at the close of business on the 15th day of the calendar month immediately preceding the redemption date.

So long as the Bonds are held in book-entry form, Bonds equal to \$5,000 or any integral multiple thereof will be redeemed within a maturity on a pro rata pass-through distribution of principal basis in accordance with DTC procedures; and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the portions of the Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

It is the City’s intent that the redemption allocations with respect to the Bonds within a maturity be made on a pro rata pass-through distribution of principal basis. However, the City can provide no assurance that DTC, the Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis.

“Pro rata” means, in connection with any optional redemption in part, with respect to the allocation of amounts to be redeemed, the application to such amounts of a fraction, the numerator of which is equal to the amount of the specific maturity of the Bonds held by an Owner of such Bonds, and the denominator of which is equal to the total amount of such maturity of Bonds, then Outstanding.

Notice of Redemption. Notice of redemption shall be mailed by first class mail or electronically transmitted by the Trustee, on behalf and at the expense of the City, not less than 20 nor more than 60 days prior to the redemption date to the respective Owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. The Trustee shall also provide such additional notice of redemption of Bonds at the time and as may be required by the MSRB. Each notice of redemption shall state the date of such notice, the Bonds to be redeemed, the Series and date of issue of such Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each notice of optional redemption shall also state that such optional redemption may be rescinded by the City and that, unless such redemption is so rescinded, and provided

that on said date funds are available for payment in full of the Bonds then called for redemption, on said date there will become due and payable on each of such Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice pursuant to this provision of the Trust Agreement to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Owner to receive any redemption notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

So long as DTC is the registered Owner of the Bonds, all such notices will be provided to DTC as the Owner, without respect to the beneficial ownership of the Bonds. See "APPENDIX E - THE BOOK-ENTRY SYSTEM."

Right to Rescind Notice of Redemption. The City shall have the right to rescind any optional redemption by providing the Trustee with written notice of such rescission at least two Business Day prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent. Pursuant to this provision, the Trustee may give a conditional redemption notice for any optional redemption of Bonds.

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Scheduled Debt Service on the Bonds

The following is a schedule of annualized debt service on the Bonds, assuming no optional redemptions are made.

Period Ending			
<u>June 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
Total			

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SOURCE OF PAYMENT FOR THE BONDS

General

The obligations of the City under the Bonds, including the obligation to make all payments of principal of and interest on the Bonds when due and the obligation of the City to make the deposits required under the Trust Agreement for the security of the Bonds, are obligations of the City imposed by law and are absolute and unconditional, without any right of set-off or counterclaim.

The City agrees to pay from any legally available source of revenues of the City, including amounts on deposit in the General Fund of the City, all amounts due and owing with respect to Bonds issued under the Trust Agreement, including principal and interest thereon and the redemption price thereof.

The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligation of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The Trust Agreement requires the City to pay debt service payments to the Trustee at least 3 Business Days preceding each Interest Payment Date. The Trust Agreement secures the payment of the Bonds and obligates the Trustee to hold all the amounts on deposit in the Bond Fund (described below) and its accounts in trust for the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of the Trust Agreement.

The City covenants to take such action as may be necessary to include in each of its annual budgets the payments required to be made by the City under the Trust Agreement, and to make the necessary annual appropriations for all such payments. If any payment of debt service requires the adoption by the City of a supplemental budget or appropriation, the City will promptly adopt the same. These covenants on the part of the City constitute duties imposed by law and it is the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in the Trust Agreement agreed to be carried out and performed by the City.

From time to time, the City may issue additional bonds (“Additional Bonds”) under the Refunding Bond Law to refund the Bonds or to refund any additional Unfunded Liability under the CalPERS Contract. The Validation Judgment is limited to the Bonds and any such Additional Bonds issued to refund the Unfunded Liability with respect to the Miscellaneous Plan or the PEPRA Plan and refunding bonds thereof. See “VALIDATION.”

Bond Fund

All amounts received by the Trustee from the City will be deposited in a special trust fund designated as the “Bond Fund” that shall be held and administered by the Trustee.

Interest Account. On each Interest Payment Date, the Trustee shall set aside from the Bond Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date. All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

Principal Account. On or before each June 1, commencing June 1, 2023, the Trustee shall set aside from the Bond Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such Principal Payment Date into the respective sinking fund

accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such Principal Payment Date.

The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds of each series and maturity, designated as the “Sinking Account” (the “Sinking Account”). With respect to each Sinking Account, on each mandatory sinking account payment date established for such Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the series and maturity for which such Sinking Account was established, provided that, at any time prior to giving such notice of such redemption, the Trustee may upon the Written Request of the City, apply moneys in such Sinking Account to the purchase for cancellation of Term Bonds of such series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account), as may be directed by the City, except that the purchase price (excluding accrued interest) shall not exceed the redemption price that would be payable for such Bonds upon redemption by application of such Mandatory Sinking Account Payment. If, during the twelve-month period immediately preceding such mandatory sinking account payment date, the Trustee has purchased Term Bonds of such series and maturity with moneys in such Sinking Account, such Bonds so purchased shall be applied, to the extent of the full principal amount thereof, as applicable, to reduce such mandatory sinking account payment.

All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds, as applicable, as they shall become due and payable, whether at maturity or redemption, except that any money in any sinking fund account shall be used and withdrawn by the Trustee only to purchase or to redeem or to pay Term Bonds for which such Sinking Account was created.

Surplus Account. On the Business Day following each June 1 Interest Payment Date, or on such other date as provided in a Supplemental Trust Agreement, any moneys remaining in the Bond Fund shall be deposited by the Trustee in the Surplus Account. So long as no event of default has occurred and is continuing, moneys deposited in the Surplus Account shall be transferred by the Trustee to or upon the order of the City, as specified in a Written Request of the City.

Pledge of Funds Held Under Trust Agreement. The City has irrevocably assigned and pledged to the Trustee, in trust for the security of the Owners on the terms hereof, all the City’s rights, title and interest in and to all money and securities for deposit in, or deposited in, the Bond Fund and any investment earnings thereon, and any collateral security for, and all proceeds of, any of the foregoing.

As noted above, the City may issue Additional Bonds under the Trust Agreement. In the event the City issues Additional Bonds under the Trust Agreement, amounts on deposit in the Bond Fund and the accounts therein will secure the Bonds and such Additional Bonds on a parity basis.

No Debt Service Reserve Fund

The City will not fund a debt service reserve fund for the Bonds.

CITY OF PARAMOUNT

General Information

The City is located in southwestern Los Angeles County (the “County”) generally bounded by State Highway 91 and Interstates 710 and 105. The City is located 15 miles southeast of downtown Los Angeles, adjacent to the cities of Downey, Bellflower and Lakewood.

General Organization

The City was incorporated as a general law city in 1957, and, operates under the City Council-City Manager form of government. The City is governed by a five-member council elected at large for four-year alternating terms. Each year, the elected Councilmembers elect one member to serve as Mayor and another member to serve as Vice Mayor. The positions of City Manager and City Attorney are filled by appointments of the City Council.

The current members of the City Council, the expiration dates of their terms and key administrative personnel are set forth below.

CITY COUNCIL

<u>Council Member</u>	<u>Term Expires</u>
Brenda Olmos, <i>Mayor</i>	March 2024
Vilma Cuellar Stallings, <i>Mayor Pro Tem</i>	March 2024
Isabel Aguayo, <i>Councilmember</i>	March 2024
Laurie Guillen, <i>Councilmember</i>	March 2022
Peggy Lemons, <i>Councilmember</i>	March 2022

CHIEF ADMINISTRATIVE PERSONNEL

John Moreno, *City Manager*
Andrew Vialpando, *Assistant City Manager*
Clyde Alexander, *Interim Finance Director*
John Carver, *Planning Director*
Adriana Figueroa, *Public Works Director*
David Johnson, *Community Services Director*
Adriana Lopez, *Public Safety Director*
Heidi Luce, *City Clerk*

Governmental Services

Public Safety and Welfare

Police protection services are provided by contract through the Los Angeles County Sheriff’s Department. There are currently 24 sworn officers serving the City, who are responsible for providing patrol, traffic and investigations, as well as 6 detectives and a sergeant from the Detective Bureau and 1 school resource deputy that are assigned to the City. Fire protection services are provided by contract through the Los Angeles County Fire Department. There is one fire station located in the City staffed by County fire personnel.

Community Services

Services provided by the City include landscape and public infrastructure maintenance, planning and zoning, building/safety and engineering services and municipal code compliance.

Parks and Recreation

The City provides numerous recreation programs and activities. The City has 10 parks, a public pool, 3 ballfields, and 5 specialized facilities that include meeting and community rooms. A branch of the County Library is located in the City.

Utility Service

Water is supplied to residents by the City and by Golden State Water Company. Electric power and natural gas are provided by Southern California Edison and Southern California Gas, respectively.

Transportation

The City is bounded by three major freeways. The Century Freeway (Interstate 105) passes east-west through the northern portion of the City, the Long Beach Freeway (Interstate 710) follows north-south along the City's western border, and the Artesia Freeway (State Route 91) runs east-west less than a one-half-mile from the southern City limits. These freeways provide access to the Santa Ana Freeway (Interstate 5), a major north-south transportation corridor connecting Southern and Northern California, and the Harbor Freeway (Interstate 110), which connects to downtown Los Angeles.

The City is served by bus service from Los Angeles County Metropolitan Transportation Agency (MTA) and Long Beach Transit.

Population

The following table provides population for the City and the County between 2017 and 2021.

**TABLE NO. 1
CHANGE IN POPULATION
CITY OF PARAMOUNT AND LOS ANGELES COUNTY
2017 – 2021**

January 1	City	County
<u>Year</u>	<u>Population</u>	<u>Population</u>
2017	55,730	10,181,162
2018	55,802	10,192,593
2019	55,715	10,163,139
2020	55,566	10,135,614
2021	55,200	10,044,458

Source: *State of California, Department of Finance, "E-4 Population Estimates for Cities, Counties and the State, 2011-2021, with 2010 Census Benchmark"* Sacramento, California, May 2021.

Per Capita Personal Income

The most recent available per capita personal income information from the U.S. Department of Commerce, Bureau of Economic Analysis for the County, the State of California and the United States compared to the City of Paramount are summarized in the following table.

TABLE NO. 2
PER CAPITA PERSONAL INCOME
PARAMOUNT, LOS ANGELES COUNTY, STATE OF CALIFORNIA AND UNITED STATES
2016-2020

<u>Year</u>	<u>Paramount⁽¹⁾</u>	<u>Los Angeles County⁽²⁾</u>	<u>State of California⁽²⁾</u>	<u>United States⁽²⁾</u>
2016	\$14,844	\$57,538	\$58,074	\$49,995
2017	15,171	59,625	60,581	52,096
2018	16,458	62,300	63,759	54,581
2019	17,165	65,094	66,745	56,474
2020	17,848	_____	71,480	59,729

(1) Source: City of Paramount.

(2) Source: Bureau of Economic Analysis. Per capita personal income was computed using Census Bureau midyear population estimates. Estimates reflect county population estimates available as of March 2020.

Note: All dollar estimates are in current dollars (not adjusted for inflation).

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Employment and Industry

Civilian labor force, employment and unemployment statistics for the City, the County, the State and the nation, for the years 2016 through 2020 are shown in the following table. As a result of the COVID-19 Pandemic (“COVID-19” or “Pandemic”), unemployment rates increased throughout the nation.

The unemployment rate in the City and the County decreased to 10.9% and 9.7%, respectively, as of August 2021. The unemployment rate in California decreased to 7.5% as of August 2021. The City anticipates that the unemployment rates may remain above the pre-Pandemic levels shown in Table No. 3 for some time.

**TABLE NO. 3
CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
ANNUAL AVERAGES**

<u>Year</u>	<u>Civilian Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate</u>
<u>2016</u>				
City of Paramount	24,400	23,000	1,400	5.9%
Los Angeles County	5,018,900	4,751,200	267,700	5.3
California	19,012,000	17,965,400	1,046,600	5.5
United States	159,187,000	151,436,000	7,751,000	4.9
<u>2017</u>				
City of Paramount	24,700	23,400	1,300	5.2%
Los Angeles County	5,088,900	4,843,700	245,200	4.8
California	19,173,800	18,246,800	927,000	4.8
United States	160,320,000	153,337,000	6,982,000	4.4
<u>2018</u>				
City of Paramount	24,600	23,400	1,300	5.1%
Los Angeles County	5,094,300	4,857,300	237,000	4.7
California	19,263,900	18,442,400	821,500	4.3
United States	162,075,000	155,761,000	6,314,000	3.9
<u>2019</u>				
City of Paramount	24,700	23,500	1,200	5.0%
Los Angeles County	5,122,800	4,888,600	234,300	4.6
California	19,353,700	18,550,500	803,200	4.2
United States	163,539,000	157,538,000	6,001,000	3.7
<u>2020</u>				
City of Paramount	24,000	20,600	3,400	14.2%
Los Angeles County	4,921,500	4,291,700	629,800	12.8
California	18,821,200	16,913,100	1,908,100	10.1
United States	160,742,000	147,795,000	12,947,000	8.1

Note: The unemployment rate is calculated using unrounded data. Data may not add due to rounding.

Source: California State Employment Development Department and United States Bureau of Labor Statistics.

The City is located in the Los Angeles-Long Beach-Glendale Metropolitan District (“MD”). The industry sectors with the largest declines as a result of the Pandemic are Leisure and Hospitality, Retail and Wholesale Trade, Information Services and Other Services.

The historical employment in the Los Angeles-Long Beach-Glendale Metropolitan District MD is presented in the following table. The data below is shown annually for the month of August.

TABLE NO. 4
LOS ANGELES-LONG BEACH-GLENDALE MD
WAGE AND SALARY WORKERS BY INDUSTRY ⁽¹⁾

<u>Industry</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Natural Resources, Mining and Construction	144,100	150,800	154,900	148,300	149,600
Manufacturing:					
Durable Goods	201,800	200,400	202,900	187,000	185,300
Nondurable Goods	148,000	142,100	138,800	122,000	122,600
Wholesale Trade	221,500	223,500	220,100	195,700	202,300
Retail Trade	422,400	421,300	414,500	371,200	386,300
Transportation, Warehousing and Utilities	198,800	204,600	214,000	207,900	221,300
Information	209,300	213,900	214,900	167,800	186,700
Financial Activities	222,200	224,100	224,200	208,000	209,000
Professional and Business Services	616,800	633,000	647,100	577,800	609,800
Educational and Health Services	788,500	809,300	830,400	800,900	835,300
Leisure and Hospitality	534,600	543,000	551,100	347,300	456,100
Other Services	156,200	158,300	158,900	113,900	131,300
Government	<u>558,000</u>	<u>565,400</u>	<u>555,500</u>	<u>524,900</u>	<u>552,400</u>
Total Nonfarm	4,422,200	4,489,700	4,527,300	3,972,700	4,248,000
Farm	<u>5,900</u>	<u>5,200</u>	<u>4,600</u>	<u>4,500</u>	<u>4,700</u>
Total (all industries)	4,428,100	4,494,900	4,531,900	3,977,200	4,252,700

⁽¹⁾ Annually, as of August.

Source: State of California Employment Development Department, Labor Market Information Division, “*Industry Employment in California Metropolitan Areas.*”

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TABLE NO. 5
MAJOR EMPLOYERS

The major employers within the City and their respective number of employees as of June 30, 2021 were as follows:

<u>Name of Company</u>	<u>Employment</u>	<u>Type of Business/Service</u>
Paramount Unified School District	1,967	Public Education
Weber Metals	667	Industrial
Kindred Hospital / Promise Hospital	458	Health Care
Ralphs Grocery #403	420	Grocery Store Distribution Center
Carlton Forge Works	372	Manufacturing
Wal-Mart Store # 2110	359	WalMart Superstore
City of Paramount	304	Government
Affinity Healthcare Center	240	Health Care
M V Public Transportation	209	Transportation
The Home Depot #1037	204	Warehouse Building Materials
Golden State Engineering, Inc.	200	Professional Services
Northgate Supermarket #17	170	Grocery Store
Geropsychiatric Contract Services	159	Professional Services

Source: City of Paramount.

Commercial Activity

The following table compares taxable transactions by type of business for the City for the years 2016 through 2020.

TABLE NO. 6
TAXABLE TRANSACTIONS BY TYPE OF BUSINESS
(in thousands)
2016 – 2020

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Apparel Stores	\$ 23,040	\$ 20,115	\$ 21,071	\$ 21,011	\$ 18,176
Food Stores	20,500	20,641	21,758	22,637	25,257
Eating and Drinking Places	63,079	70,801	78,883	81,230	72,511
Building Materials	100,196	109,168	108,906	116,851	123,355
Auto Dealers and Supplies	16,992	17,091	16,079	12,782	17,916
Service Stations	67,246	72,252	82,905	88,079	63,259
Other Retail Stores	108,578	99,905	102,972	101,299	105,717
All Other Outlets	<u>331,624</u>	<u>356,968</u>	<u>381,816</u>	<u>414,869</u>	<u>434,861</u>
Total	\$731,255	\$766,942	\$814,388	\$858,759	\$861,052

Source: City of Paramount.

See “FINANCIAL INFORMATION - Local Taxes” herein for a further discussion of City sales tax.

FINANCIAL INFORMATION

Budgetary Process and Administration

The City Council reviews and adopts an annual budget in July of each fiscal year to provide guidance for the general operation of the City. The City Manager is authorized to transfer appropriations within an activity and fund. Revisions that change the total appropriation at the activity and fund level are usually made by the City Council at midyear and year-end budget reviews. In addition, the City Manager is authorized to make necessary changes and adjustments to the approved appropriations of \$10,000 in order to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- An annual budget for all governmental and proprietary funds is adopted by the City Council to provide guidance for the general operation of the City. Such budgets include estimated revenues and authorized appropriations for all governmental and proprietary funds, except for the Paramount Parking Authority fund. The annual budget is generally adopted in summary form by City Council resolution in July of each year. The resolution sets a combined appropriation of all funds for the operation of the component units.
- The level of budgetary control over appropriations is at the activity level (i.e. General Government, Public Safety and Public Works). The City Manager may transfer appropriations within an activity, and he may transfer appropriations within a fund without City Council approval, provided the total appropriation at the activity level and the fund level does not change. Budgetary changes, including supplemental appropriations or appropriation reductions, are made by the City Council at a midyear budget review and at a year-end budget review. Expenditures may not exceed budgeted appropriations at the activity level.
- The budget is formally integrated into the accounting system and employed as a management control device during the year for all funds.
- Budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles (GAAP). The modified accrual basis of accounting is employed in the preparation of the budget. Unencumbered budget appropriations lapse at the end of the fiscal year.
- Under the California Constitution Article XIII B (commonly referred to as the Gann Appropriations Limitation), the City is restricted as to the amount of its annual appropriations. If proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or refunded to the taxpayers through revised tax rates or revised fee schedules.

Fiscal Year 2020-21 Results

The City's budget for Fiscal Year 2020-21 was prepared at a time of great uncertainty, when COVID-19 became widely spread in the United States by mid-March 2020 and the statewide mandatory safer-at-home order took effect. As a result of the Pandemic's impact on the economy, the City expected to use \$2.1 million in reserves by the end of Fiscal Year 2019-20, and conservative projections of revenues were made for Fiscal Year 2020-21.

Voters in the City passed a 0.75% additional sales tax measure effective July 2021 that was expected to add \$4 million in new revenue in Fiscal Year 2020-21. This additional revenue stream was expected to offset the loss of revenues due to the Pandemic in all other areas, such as regular sales tax, utility users tax, licensing, permits, fees and citations. As a result of conservative spending assumptions, the City's Fiscal Year 2020-21 budget was balanced.

When the final results for Fiscal Year 2019-20 were known, the City ended with an increase in General Fund balance of \$568,800 instead of a deficit of \$2.1 million. Further, the City anticipates ending Fiscal Year 2020-21 with a surplus of \$4.86 million as a result of better-than-expected property tax and sales tax revenue and one-time CARES Act funding from the State. \$703,000 of this surplus is set aside for capital projects in Fiscal Year 2021-22. Designation or assignment of the additional fund balance resulting from the Fiscal Year 2020-21 surplus will be considered by the City Council in December 2021.

Fiscal Year 2021-22 Budget

The City's Fiscal Year 2021-22 Budget is balanced. However, the budget includes a one-time expenditure of \$703,000 for capital projects from surplus accumulated for that purpose at the end of Fiscal Year 2020-21, as described above. Therefore, there is a deficit projected in Fiscal Year 2021-22 to account for the one-time expenditure of fund balance on capital outlay. The City's tax revenue projections for Fiscal Year 2021-22 are relatively stable compared to the early estimates of actual tax revenues for Fiscal Year 2020-21, but have not yet been adjusted to take into account any increase as a result of higher sales tax revenues in Fiscal Year 2020-21. Conservative expenditure assumptions include a modest salary increase for City employees, and a contract increase in the cost of the public safety contract with the Los Angeles County Sheriff's Department.

Comparative General Fund Revenues and Expenditures

The City's General Fund Budget includes programs which are provided on a largely city-wide basis. The programs and services are financed primarily by the City's share of property taxes, sales tax, and charges for services provided.

Budget and Actual Comparisons

A comparison of the General Fund actual results for Fiscal Year 2018-19 and Fiscal Year 2019-20, the unaudited estimated results for Fiscal Year 2020-21 and adopted budget for Fiscal Year 2021-22 is shown in Table No. 7.

General Fund Revenues

The General Fund revenues in Table No. 7 that follows are categorized as:

- Taxes, detailed in "Table No. 10 – General Fund Tax Revenues by Source," which includes general property tax, general sales tax and voter-approved transaction tax, utility users tax, franchise tax (cable, utility, trash), property tax in lieu of vehicle license fees and other taxes;
- Licenses and permits, which includes construction building permits, zoning and planning fees and animal licenses;
- Fines and penalties, which include municipal and vehicle code violations;
- Intergovernmental revenue, which includes payments from the State;
- Charges for services, comprised of development fees, recreation program fees and fees for industrial waste inspection;
- Revenue from use of money and property, which includes interest income and rental income;
- Other revenue, which includes revenue not categorized above, and particularly administrative charges to the Water Department and Successor Agency for the Paramount Redevelopment Agency ("Successor Agency"); and

- Capital lease financing, resulting from entering into equipment leases.

General Fund Expenditures

The General Fund expenditures in Table No. 7 that follows are categorized by governmental function. Each function generally includes salaries and benefits, materials and operations, and capital outlay, if any. Salaries and benefits include direct personnel costs, retirement benefits, health insurance costs and workers' compensation and unemployment insurance costs. Materials and operations include non-personnel operating costs and contract professional services. Material and operations also include the cost of the City's contract with the Los Angeles County Sheriff to provide dedicated law enforcement personnel to the City.

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TABLE NO. 7
CITY OF PARAMOUNT
GENERAL FUND REVENUES AND EXPENDITURES
FOR FISCAL YEAR ENDING JUNE 30

	Actual 2019	Actual 2020	Unaudited Actual 2021⁽¹⁾	Adopted Budget 2022
Revenues:				
Taxes	\$17,333,192	\$17,092,493	\$23,869,175	\$22,505,000
Licenses and permits	802,010	620,630	765,869	691,500
Fines and penalties	835,477	820,853	825,192	698,000
Charges for services	362,162	323,931	646,780	128,750
Intergovernmental	6,355,849	6,915,240	7,362,208	7,351,500
Use of money and property	469,109	344,028	142,619	339,000
Other	1,633,306	1,581,295	2,317,909	1,439,000
Capital lease	<u>150,090</u>	<u>97,547</u>	<u>57,240</u>	<u>300,000</u>
Total revenues	27,941,195	27,796,017	35,986,992	33,452,750
Expenditures:				
General government	5,475,140	6,264,392	6,714,535	7,403,800
Community development	1,491,537	1,609,230	2,444,561	2,033,300
Public safety	10,912,559	11,011,654	11,825,610	12,789,300
Community services and	2,322,312	2,371,707	2,333,453	2,717,350
Public works	5,163,115	5,357,462	6,232,017	6,179,800
Capital projects	997,934	612,772	574,975	3,031,100
Transfers out	<u>230,500</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Total expenditures	26,592,597	27,227,217	31,125,151	34,154,650
Net change in fund balance	1,348,598	568,800	4,861,841	(701,900)
Fund balance:				
Beginning of year	<u>16,599,522</u>	<u>17,948,120</u>	<u>18,516,920</u>	<u>19,848,870</u> ⁽²⁾
End of year	<u>\$17,948,120</u>	<u>\$18,516,920</u>	<u>\$23,378,761</u>	<u>\$19,146,970</u> ⁽²⁾
Fund balances:				
Nonspendable	\$ 501,076	\$ 299,648	\$ 299,648	\$ 299,648
Assigned - CalPERS	2,014,500	2,014,500	2,014,500	2,014,500
Assigned - Other	2,599,079	3,404,680	4,087,680	3,384,680
Unassigned	<u>12,833,465</u>	<u>12,798,092</u>	<u>16,976,933</u>	<u>13,448,142</u>
Total	<u>\$17,948,120</u>	<u>\$18,516,920</u>	<u>\$23,378,761</u>	<u>\$19,146,970</u> ⁽²⁾

⁽¹⁾ The estimated results for Fiscal Year 2020-21 were calculated as of October 12, 2021. The City does not anticipate any material changes since that date.

⁽²⁾ Based on earlier estimate, does not reflect the updated estimated results for Fiscal Year 2020-21.

Source: City of Paramount.

Ad Valorem Property Taxes

Taxes are levied for each fiscal year on taxable real and personal property which is situated in the City as of the preceding January 1. For assessment and collection purposes, property is classified either as “secured” or “unsecured,” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of the fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment in addition to a \$20 cost on the second installment. On July 1 of each fiscal year any property which is delinquent will become defaulted. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty of 1½% per month to the time of redemption, together with any other charges permitted by law. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County Tax Collector. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes for the amount of taxes which are delinquent.

Property taxes on the unsecured roll become delinquent, if unpaid on August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1½% per month begins to accrue on November 1 of the fiscal year. The County has four ways of collecting delinquent unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Recorder’s Office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

Taxable Property and Assessed Valuation. Set forth in Table No. 8 are historical assessed valuations for taxable property within the City. Article XIII A of the California Constitution prescribes the method for determining the full cash value of real property and the maximum ad valorem tax on real property. The full cash value, once established, is subject to annual adjustment to reflect inflation at a rate not to exceed 2% or a reduction in the California Consumer Price Index. There may also be declines in valuations if the California Consumer Price Index is negative.

Proposition 8 provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions based on Proposition 8 do not establish new base year values, and the property may be reassessed as of the following lien date up to the lower of the then-current fair market value or the factored base year value. The City experienced Proposition 8 reductions in property values at the start of the recession in 2008. Pre-recession assessed value was achieved by 2013-14. Assessed values have continued to increase each year thereafter. See “RISK FACTORS - Constitutional Limitation on Taxes and Expenditures - Article XIII A” and “- Proposition 8 Adjustments” herein.

TABLE NO. 8
CITY OF PARAMOUNT
GROSS ASSESSED VALUE OF ALL TAXABLE PROPERTY
(in thousands)

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>% Change</u>
2008-09	\$3,208,540,393	
2009-10	3,001,505,275	(6.5)%
2010-11	2,954,689,203	(1.6)
2011-12	3,040,467,902	2.9
2012-13	3,145,453,787	3.5
2013-14	3,257,456,687	3.6
2014-15	3,363,331,783	3.3
2015-16	3,441,673,952	2.3
2016-17	3,635,948,857	5.6
2017-18	3,815,902,453	4.9
2018-19	3,999,245,043	4.8
2019-20	4,341,952,634	8.6
2020-21	4,626,441,163	6.6
2021-22	4,745,115,375	2.6

Note: The assessed values above include value associated with the homeowners' exemption.

Source: County of Los Angeles.

Largest Taxpayers. The principal property taxpayers for Fiscal Year 2020-21 are as shown in Table No. 9.

TABLE NO. 9
CITY OF PARAMOUNT
LARGEST PROPERTY TAXPAYERS

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of Total</u>
Weber Metals Inc.	\$256,332,071	5.54%
Enclave Pacific LLC	97,857,000	2.12
Paramount Logistics LLC	93,911,421	2.03
Altair Paramount LLC	93,230,518	2.02
Carlton Forge Works	82,101,086	1.77
Ralphs Grocery Company	42,866,204	0.93
Lyons Building	38,760,000	0.84
Walmart Real Estate Business Trust	34,559,690	0.75
Modern Development Company	29,972,659	0.65
Press Forge Company Corporation	<u>29,830,033</u>	<u>0.64</u>
	\$799,420,682	17.28%

Source: City of Paramount.

Property Taxes in Lieu of Motor Vehicle License Fees. The motor vehicle license fee (“VLF”) is an annual fee on the ownership of a registered vehicle in California. The City received a portion of VLF collected state-wide, until State budget changes altered the payment from a distribution of VLF to a payment of property taxes in lieu of VLF. The total amount budgeted for Fiscal Year 2021-22 is approximately \$7.32 million and is shown in Table No. 10 as “Property tax in lieu of VLF.” The City records these amounts as “Intergovernmental revenues” in its financial statements.

Local Taxes

In addition to ad valorem taxes on real property, the City receives the following non-real estate local taxes (see “RISK FACTORS - Constitutional Limitation on Taxes and Expenditures - Proposition 218” herein):

Sales and Use Taxes. Sales tax is collected and distributed by the California Department of Tax and Fee Administration (“CDTFA” - formerly the State Board of Equalization). Each local jurisdiction receives an amount equal to 1% of taxable sales within their jurisdiction.

On March 3, 2020, voters in the City approved “Measure Y,” the levy of an additional 0.75% transactions and use tax commencing July 1, 2020 (“Measure Y sales tax”). The authorization to collect the Measure Y sales tax does not expire.

Franchise Taxes. The City levies a franchise tax on its cable television, utility franchises and certain petroleum transmission pipelines. The tax was not approved by majority vote of the electorate, although the current tax was approved prior to the passage of Proposition 62 and has not been increased.

Utility Users Tax. Paramount levies a utility users tax on telephone, electricity and gas service. On March 3, 2015, voters ratified the prior Utility User Tax collection, approved an increase in the tax and approved amendments which modernized the definitions of the telephone portion of the tax to include, among other things, VoIP, IP-TV, text messaging, paging, and private communication services. The amendment increased the rate for services subject to the tax from 3% to 5.5%.

Business License Tax. The City collects a business license tax based on number of employees of the business subject to the tax.

Other Taxes. Includes the documentary stamp tax which is assessed for recordation of real property transfers.

A three-year history of actual tax revenue by source, together with the unaudited actual revenue for Fiscal Year 2020-21 and the budget for Fiscal Year 2021-22, is shown in Table No. 10.

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TABLE NO. 10
GENERAL FUND TAX REVENUES BY SOURCE

				Unaudited	Adopted	% of FY 2021-22 General
	Actual	Actual	Actual	Estimated	Budget	Fund
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u> ⁽¹⁾	<u>Revenues</u>
Sales and Use Tax	\$ 7,712,771	\$ 8,449,883	\$ 8,265,394	\$ 9,459,140	\$ 8,900,000	26.6%
Sales Tax-Measure Y	-	-	-	5,585,397	4,900,000	14.6
Total Sales Tax	\$ 7,712,771	\$ 8,449,883	\$ 8,265,394	\$15,044,537	\$13,800,000	41.2
Utility User Tax	3,757,406	3,735,577	3,484,876	3,261,854	3,285,000	9.8
Property Tax	2,205,513	2,254,465	2,387,292	2,662,187	2,575,000	7.7
Property Tax In Lieu of VLF ⁽¹⁾	6,038,822	6,328,969	6,871,317	7,321,531	7,321,500	21.9
Franchise Tax	1,784,998	1,818,389	1,885,967	1,904,943	1,800,000	5.4
Business License Tax	947,110	987,857	893,150	893,927	960,000	2.9
Other Taxes	100,698	87,021	175,814	141,727	85,000	0.3
General Fund Tax Revenues	\$22,547,318	\$23,662,161	\$23,963,810	\$31,190,706	\$29,826,500	89.2%

⁽¹⁾ The City records Property Tax In Lieu of VLF in “Intergovernmental revenues” in its financial statements, not in the “Taxes” category.

Source: City of Paramount.

Retirement Plans

Defined Benefit Plan

This caption contains certain information relating to the California Public Employees Retirement System (“CalPERS”). The information is primarily derived from information produced by CalPERS, its independent accountants and its actuaries. The City has not independently verified the information provided by CalPERS and makes no representations nor expresses any opinion as to the accuracy of the information provided by CalPERS.

The annual comprehensive financial reports of CalPERS are available on its Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS’ most recent actuarial valuation reports and other information concerning benefits and other matters. The textual reference to such Internet website is provided for convenience only. None of the information on such Internet website is incorporated by reference herein. The City cannot guarantee the accuracy of such information. Actuarial assessments are “forward-looking” statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future.

Plan Description. The City provides retirement benefits, disability benefits, and death benefits to all qualified employees (and their beneficiaries as applicable) that are eligible to participate in the City’s Miscellaneous retirement plan (the “Plan”), through agent multiple-employer defined benefit pension plans administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions are established by State statute and by City contracts with employee bargaining groups. The City has a closed safety personnel retirement plan for 1 remaining retiree. The safety plan is fully funded and not discussed herein.

The City has less than 100 employees, and therefore it is mandatory for the City to participate in the miscellaneous plan risk pool created by CalPERS. Risk pooling is the process of combining assets and

liabilities across employers to produce large, risk sharing pools. Risk sharing pools are created to dramatically reduce or eliminate large fluctuations in an employer's retirement contribution rate caused by unexpected demographic events.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), which made changes to CalPERS Plans, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For non-safety CalPERS participants hired after the Implementation Date, PEPRA changed the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increased the eligibility requirement for the maximum age factor of 2.5% to age 67.

PEPRA also: (i) requires all new participants enrolled in CalPERS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary to a maximum of 8% of salary, (ii) requires CalPERS to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date, and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for members not participating in Social Security, while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

Benefit Tiers. Due to PEPRA, the City added a benefit tier for employees hired after January 1, 2013 and subject to PEPRA ("Tier 2"). Ultimately, PEPRA is expected to reduce the City's long-term pension obligation as existing employees retire and new employees are hired to replace them. Employees hired prior to the effective date of PEPRA are in what is referred to as the Tier 1.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Plan	
	Tier 1	Tier 2
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 62
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	2.0% to 2.0%
Required employee contribution rates for 2021-22	8.00%	7.75%
Required employer contribution rates for 2021-22	13.30%	7.54%

Funding Policy. Active members in the Plan are required to contribute a percent of their annual covered salary as shown in the charts above. As of Fiscal Year 2020-21, all employees pay 100% of the employee contributions towards retirement.

Contributions. Section 20814 (c) of the Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Employer Contributions to the Plan for the last five fiscal years are as follows:

2016-17	\$1,552,298
2017-18	2,644,751 ⁽¹⁾
2018-19	2,094,381
2019-20	2,886,867 ⁽²⁾
2020-21	3,241,174 ⁽³⁾

⁽¹⁾ Includes additional discretionary payment of \$880,000.

⁽²⁾ Includes additional discretionary payment of \$500,000.

⁽³⁾ Includes additional discretionary payment of \$596,500.

Changes in Actuarial Assumptions. Changes in actuarial assumptions generally take two years to affect the City's contribution rate due to the time required by CalPERS to calculate and implement the change. For example, a change made effective July 1, 2021 are reflected in the City's contribution rates (normal cost or unfunded liability) for Fiscal Year 2023-24.

The CalPERS Board of Administration has made numerous changes that are reflected in the calculation of the pension liability and the annual contribution toward the unfunded pension liability. The most significant change was a reduction over a period of years to reduce the discount rate from 7.5% to 7.0%. The reduced rate was fully reflected by the CalPERS June 30, 2018 actuarial valuation and contribution rates for Fiscal Year 2020-21. Other assumption changes include a reduction in the payroll growth and inflation and, beginning with the June 30, 2019 calculation, changing the amortization of investment gains or losses to 20 years from 30 years. CalPERS' Chief Actuary stated that the revised approach provides a single measure of funded status and unfunded liabilities, less rate volatility in extreme years, a faster path to full funding and more transparency to employers about future contribution rates. These changes accelerate the repayment of unfunded liabilities of the City's Plans in the near term.

In 2015, the CalPERS Board of Administration also adopted a funding risk mitigation policy (the "Policy") intended to incrementally lower its discount rate. The Policy was revised in 2017 and the CalPERS Board of Administration suspended implementation of the Policy until Fiscal Year 2020-21.

In July 2021, the CalPERS Board of Administration announced that the investment returns for Fiscal Year 2020-21 exceeded 21%, and that the Policy would be implemented affecting contribution rates in Fiscal Year 2023-24. The discount rate will be reduced to at least 6.8% from 7.0%, and the resulting increase in the unfunded liability is expected to offset all or a part of the investment gain from Fiscal Year 2020-21, potentially resulting in no net impact on contributions. The final determination on the discount rate will be made by the CalPERS Board of Administration at its November 2021 meeting.

The City anticipates the Policy will continue to result in a lowering of the discount rate but cannot guarantee when the discount rate will be lowered and at what rate. More information about the Policy can be accessed through CalPERS' web site at the following website address: <https://www.calpers.ca.gov/docs/funding-risk-mitigation-policy.pdf>. The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the City and is not incorporated in this Official Statement by reference.

Table No. 11 shows the CalPERS impact of the actuarial assumption changes on the City's pension costs.

Contribution Rates. The contribution requirements of Plan members and the City are established by CalPERS. CalPERS modified the calculation of the contribution rates beginning in Fiscal Year 2017-18. CalPERS now represents only the employer's normal cost as a percentage of payroll, and includes a dollar amount for the amortization of the unfunded actuarial liability ("UAL"). Shown in Table No. 11 are the actual or CalPERS projections of the normal cost and amortization of the UAL for the City.

TABLE NO. 11
PROJECTED EMPLOYER RETIREMENT CONTRIBUTIONS

<u>Actuarial Valuation Dated</u>	<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amortize UAL</u>
June 30, 2016	2018-19	10.391%	\$1,489,567
June 30, 2017	2019-20	11.745%	1,748,167
June 30, 2018	2020-21	13.457%	1,914,499
June 30, 2019	2021-22	13.300%	2,191,071
June 30, 2020	2022-23	13.330%	2,395,813
June 30, 2020	2023-24	13.300%	2,562,440
June 30, 2020	2024-25 ⁽¹⁾	13.300%	2,737,874

⁽¹⁾ Projected by CalPERS based on various assumptions used in the June 30, 2020 actuarial valuation; does not take issuance of Bonds to fund UAL into account or additional discretionary payments recently made.

Source: California Public Employees' Retirement System.

Pension Liabilities. The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of each June 30, using the annual actuarial valuation as of the prior June 30 rolled forward using standard update procedures. The City's proportion of the net pension liability of the miscellaneous employee risk pool is shown below.

The Total Pension Liability, Fiduciary Net Assets, and Net Pension Liability calculations and sensitivity of the Net Pension Liability to Changes in the Discount Rate that follow are prepared using the requirements in GASB Statement No. 68 - Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27 ("GASB No. 68"). The plan fiduciary net position pursuant to the GASB No. 68 accounting valuation report may differ from the plan assets reported in the annual actuarial valuation report due to several reasons. For example, for the accounting valuations, CalPERS must keep items such as deficiency reserves and fiduciary self-insurance included as assets. These amounts are excluded for rate setting purposes in the actuarial valuation.

TABLE NO. 12
NET PENSION LIABILITY - MISCELLANEOUS PLAN⁽¹⁾

<u>Measurement Date</u>	<u>Plan's proportion of the net pension liability/(asset)</u>	<u>Plan's proportionate share of the net pension liability/(asset)</u>	<u>Plan's covered payroll</u>	<u>Plan's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll</u>	<u>Plan's fiduciary net position as a percentage of the plan's total pension liability</u>
6/30/2014	0.19059%	\$11,859,567	\$6,334,225	187.23%	79.82%
6/30/2015	0.23388%	16,053,473	6,029,967	266.23%	78.40%
6/30/2016	0.23126%	20,010,860	6,206,549	322.42%	74.06%
6/30/2017	0.23087%	22,896,454	6,190,935	369.84%	73.31%
6/30/2018	0.22167%	21,361,148	6,387,917	334.40%	75.26%
6/30/2019	0.23350%	23,926,634	6,657,324	359.40%	77.73%

⁽¹⁾ Fiscal Year 2020 information calculated pursuant to GASB No. 68 is not yet available.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Plan as of June 30, 2020, calculated using the discount rate of 7%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate.

	Discount Rate - 1%	Current Discount Rate	Discount Rate + 1%
Plan's Net Pension Liability	\$39,982,105	\$26,123,803	\$14,765,572

Source: California Public Employees' Retirement System June 30, 2020 valuation report.

See Note 4 of the City's Annual Comprehensive Financial Report included in "APPENDIX B" for further information about the Plan.

Other Post-Employment Benefits

Plan Description. The City provides an agent multiple-employer defined benefit healthcare plan and pays certain post-retirement health insurance premium payments on behalf of qualifying retired employees and their eligible dependents or survivors. The CalPERS Board of Administration has sole and exclusive control and power over the administration and investment of the plan (sometimes also referred to as CERBT). The City pays 100% of the cost of retiree health benefits for those employees who retired prior to January 1, 2011 and 85% for those who retired subsequent to December 31, 2010. CalPERS is responsible for administering the benefits for the retirees. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office - 400 P Street - Sacramento, California 95814.

Employees with a minimum service of five years in a CalPERS agency who are at least 50 years of age at retirement qualify to receive the post- retirement benefits. Currently, 48 retirees meet these requirements and are covered under the eligibility requirements but only 43 are currently participating in the program

Funded Status and Funding Progress. The net OPEB liability as of June 30, 2019 (being the most recent date for which information is available) is calculated as shown on the following page. The schedule of funding progress, included in the required supplementary information section of the City's Annual Comprehensive Financial Report, will present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the Accrued Actuarial Liability for the benefits. However, since Fiscal Year 2017-18 is the first year of implementation of new GASB disclosures for OPEB liabilities, the Annual Comprehensive Financial Report shows only a limited number of years of information.

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Measurement period	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Total OPEB liability			
Service cost	\$ 437,000	\$ 450,017	\$ 463,518
Interest	978,000	1,045,580	1,116,530
Differences between expected and actual experience	-	-	(1,821,464)
Assumption changes	-	-	(97,284)
Benefit payments, including refunds of employee contributions	<u>(432,000)</u>	<u>(453,910)</u>	<u>(462,020)</u>
Net change in total OPEB liability	983,000	1,041,687	(800,720)
Total OPEB liability - beginning	<u>14,284,000</u>	<u>15,267,000</u>	<u>16,308,687</u>
Total OPEB liability - ending (a)	<u>\$15,267,000</u>	<u>\$16,308,687</u>	<u>\$15,507,967</u>
OEB fiduciary net position Contributions - employer	\$ 903,000	\$ 1,013,000	\$ 1,102,000
Net investment income	262,000	258,903	251,956
Benefit payments, including refunds of employee contributions	(432,000)	(453,910)	(462,020)
Administrative expense	<u>(2,000)</u>	<u>(5,979)</u>	<u>(866)</u>
Net change in plan fiduciary net position	731,000	812,014	891,070
Plan fiduciary net position - beginning	<u>2,489,000</u>	<u>3,220,000</u>	<u>4,032,014</u>
Plan fiduciary net position - ending (b)	<u>\$ 3,220,000</u>	<u>\$ 4,032,014</u>	<u>\$ 4,923,084</u>
Plan net OPEB liability - ending (a) - (b)	<u>\$12,047,000</u>	<u>\$12,276,673</u>	<u>\$10,584,883</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>21.09%</u>	<u>24.72%</u>	<u>31.75%</u>
Covered-employee payroll	<u>\$ 6,473,000</u>	<u>\$ 6,679,479</u>	<u>\$ 7,069,939</u>
Plan net OPEB liability as a percentage of covered-employee payroll	<u>186.11%</u>	<u>183.80%</u>	<u>149.72%</u>

* Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation, therefore, only three years are shown.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the Annual Required Contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

In the June 30, 2019 actuarial valuation, the actuarial assumptions included the following:

Contribution Policy	Phase-in of full pre-funding: full ADC in 2027/28, approximately 75% paid in prior 2 fiscal years
Discount Rate	6.75% at June 30, 2019 6.75% at June 30, 2018 Same as projected long-term rate of return.
	Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust.
General Inflation	2.75%
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study

Mortality Improvement	Post-retirement mortality projected fully generational with Society of Actuaries Scale MP-17
Salary Increases	Aggregate - 3%
	Merit - CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years.
	Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years.
Healthcare Participation	90% if currently waived
	100% if currently covered

Risk Management

The City of Paramount is a member of the California Joint Powers Insurance Authority (“JPIA”). The JPIA is currently composed of 118 California public entities.

Liability Coverage. Coverage includes damages for personal liability, property damage, and public official’s errors and omissions. In the liability program claims are pooled separately between police and general government exposures. The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance.

Workers’ Compensation. The pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers’ Compensation Law. Employer’s Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer’s Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance.

- *Pollution Legal Coverage.* The City participates in the pollution legal liability insurance program which is available through JPIA. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Paramount. Coverage is on a claims-made basis. There is a \$50,000 deductible. The JPIA has an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the JPIA has a \$10 million sub-limit during the 3-year policy term.

- *Property Coverage.* The City participates in the all-risk property protection program of the JPIA. This insurance protection is underwritten by several insurance companies. City property currently has all-risk property insurance protection in the amount of \$54,496,116. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

- *Earthquake and Flood Coverage.* The City purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the JPIA. City property currently has earthquake protection in the amount of \$5,222,109. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

- *Crime Coverage.* The City purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The coverage is provided through the JPIA.

- *Special Event Tenant User Coverage.* The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance is facilitated by the JPIA.

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2019-20.

City Investment Policy and Portfolio

The City administers a pooled investment program, except for those funds which are managed separately by trustees appointed under bond indentures. This program enables the City to combine available cash from all funds and to invest cash that exceeds current needs. Under the City's current investment policy dated June 22, 2021 and in accordance with the Government Code, the City may invest in the following types of investments subject to certain limitations on maturity and amount:

- United States Treasury Bills, Notes and Bonds
- Obligations of Various Agencies of the Federal Government
- Demand Deposits
- Commercial Paper
- Bankers' Acceptances
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Local Agency Investment Fund
- Time Deposits
- Medium-term Notes
- Local Agency Bonds
- California County Investment Pools or CalTRUST

As of June 30, 2021, the market value of the City's investment portfolio (excluding funds deposited in checking accounts and held under bond indentures) was \$40.6 million, which is all invested in the Local Agency Investment Fund.

Long-Term General Fund Obligations

The City has no bonded debt payable by the General Fund. The City has entered into various capital leases for vehicle purchases, which currently mature in Fiscal Year 2023-24. The amount outstanding as of June 30, 2021 was \$212,927.

The City has entered into other obligations payable from specific revenues of the City's Water Enterprise and the Successor Agency.

Financial Statements

The City's accounting policies conform to generally accepted accounting principles and reporting standards set forth by the State Controller. The audited financial statements also conform to the principles and standards for public financial reporting established by the National Council of Government Accounting and the Governmental Accounting Standards Board ("GASB").

Basis of Accounting and Financial Statement Presentation. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The City retained the firm of Eide Bailey LLP, CPAs and Business Advisors, Rancho Cucamonga, California, to examine the general purpose financial statements of the City as of and for the year ended June 30, 2020. The following tables summarize the audited Balance Sheet and audited Statement of Revenues, Expenditures and Changes in Fund Balance of the City's General Fund for Fiscal Years 2015-16 through 2019-20.

See "APPENDIX B" hereto for the audited financial statements for the Fiscal Year ended June 30, 2020. The City has not requested, and the auditor has not provided, any review or update of such statements in connection with the inclusion in this Official Statement.

GASB Statement No. 54. GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definition, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The initial distinction that is made in reporting fund balance information is identifying amounts that are considered nonspendable, which are amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact. GASB No. 54 also provides for additional classification as "restricted," "committed," "assigned," and "unassigned" based on the relative strength of the constraints that control how specific amounts can be spent.

GASB Statements Regarding Pension and OPEB Liabilities. GASB has issued various statements relating to the reporting of pension and other post-retirement benefit liabilities and expense, and most recently, new accounting and financial reporting requirements for OPEB plans. The required reporting of net pension liability was incorporated into the City's financial statements for the Fiscal Year ending June 30, 2015 and the required reporting of net OPEB liability was incorporated into the City's financial statements for the Fiscal Year ending June 30, 2020. The audited financial statements of the City for the Fiscal Year ended June 30, 2020 included in "APPENDIX B" contain additional information about the retirement plan liabilities and the OPEB liability.

See Note 1 in the City's audited financial statements attached in "APPENDIX B" for a discussion of additional accounting changes.

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TABLE NO. 13
CITY OF PARAMOUNT
GENERAL FUND BALANCE SHEET
As of June 30

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
ASSETS					
Cash and investments	\$14,765,528	\$13,985,468	\$14,336,433	\$16,667,240	\$17,814,087
Accounts receivable	2,739,126	1,755,601	1,995,393	2,015,714	2,073,852
Interest receivable	19,068	27,125	65,834	94,058	46,283
Due from other funds	956,302	1,068,968	1,413,782	617,342	604,153
Prepaid expenditures and deposits	118,669	36,484	40,425	321,881	63,104
Land held for resale	<u>236,544</u>	<u>236,544</u>	<u>236,544</u>	<u>236,544</u>	<u>236,544</u>
Total assets	<u>\$18,835,237</u>	<u>\$17,110,190</u>	<u>\$18,088,411</u>	<u>\$19,952,779</u>	<u>\$20,838,023</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,716,654	\$ 1,577,245	\$ 1,392,832	\$ 1,914,978	\$ 2,197,674
Deposits payable	36,700	50,925	59,940	65,106	102,797
Due to other governmental agencies	<u>41,359</u>	<u>31,176</u>	<u>36,117</u>	<u>24,575</u>	<u>20,632</u>
Total liabilities	<u>2,794,713</u>	<u>1,659,346</u>	<u>1,488,889</u>	<u>2,004,659</u>	<u>2,321,103</u>
Fund balances:					
Nonspendable	355,213	273,028	276,969	558,425	299,648
Assigned	3,563,827	2,620,286	3,675,028	4,613,579	5,419,180
Unassigned	<u>12,121,484</u>	<u>12,557,530</u>	<u>12,647,525</u>	<u>12,776,116</u>	<u>12,798,092</u>
Total fund balances	<u>16,040,524</u>	<u>15,450,844</u>	<u>16,599,522</u>	<u>17,948,120</u>	<u>18,516,920</u>
 Total liabilities and fund balances	 <u>\$18,835,237</u>	 <u>\$17,110,190</u>	 <u>\$18,088,411</u>	 <u>\$19,952,779</u>	 <u>\$20,838,023</u>

(1)

Source: City of Paramount Annual Comprehensive Financial Reports.

TABLE NO. 14
CITY OF PARAMOUNT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the year ended June 30

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
REVENUES					
Taxes	\$16,069,444	\$15,657,437	\$16,508,496	\$17,333,192	\$17,092,493
Licenses and permits	788,472	717,919	814,146	802,010	620,630
Fines and penalties	727,000	738,338	921,744	835,477	820,853
Interest and use of property	133,361	134,731	225,633	362,162	323,931
Intergovernmental revenues	5,468,904	5,779,305	6,068,259	6,355,849	6,915,240
Charges for services	589,864	574,441	452,936	469,109	344,028
Other revenues	<u>1,457,049</u>	<u>1,392,565</u>	<u>1,710,371</u>	<u>1,633,306</u>	<u>1,581,295</u>
Total revenues	<u>25,234,094</u>	<u>24,994,736</u>	<u>26,701,585</u>	<u>27,791,105</u>	<u>27,698,470</u>
EXPENDITURES					
Current:					
General government	5,102,077	5,304,768	5,754,027	5,475,140	6,264,392
Community development	4,557,516	1,409,488	1,472,852	1,491,537	1,609,230
Public safety	10,264,142	9,992,940	10,839,181	10,912,559	11,011,654
Community services and recreation	2,143,451	2,261,993	2,369,811	2,322,312	2,371,707
Public works	4,177,654	5,089,257	4,876,070	5,163,115	5,357,462
Capital outlay:					
Water	-	-	106,368	166,689	5,612
Streets, sidewalks and signals	975,278	1,132,488	222,311	281,842	237,361
Parks	532,377	459,492	243,031	260,711	195,301
Other	<u>420,500</u>	<u>113,354</u>	<u>145,975</u>	<u>288,192</u>	<u>174,498</u>
Total expenditures	<u>28,172,995</u>	<u>25,763,780</u>	<u>26,029,626</u>	<u>26,362,097</u>	<u>27,227,217</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,938,901)</u>	<u>(769,044)</u>	<u>671,959</u>	<u>1,429,008</u>	<u>471,253</u>
OTHER FINANCING SOURCES (USES)					
Capital lease	-	179,364	127,493	150,090	97,547
Transfers out	<u>-</u>	<u>-</u>	<u>(135,249)</u>	<u>(230,500)</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>179,364</u>	<u>(7,756)</u>	<u>(80,410)</u>	<u>97,547</u>
SPECIAL ITEMS					
Special item	<u>-</u>	<u>-</u>	<u>484,475</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,938,901)	(589,680)	1,148,678	1,348,598	568,800
Fund balances - July 1	<u>18,979,425</u>	<u>16,040,524</u>	<u>15,450,844</u>	<u>16,599,522</u>	<u>17,948,120</u>
Fund balances - June 30	<u>\$16,040,524</u>	<u>\$15,450,844</u>	<u>\$16,599,522</u>	<u>\$17,948,120</u>	<u>\$18,516,920</u>

Source: City of Paramount Annual Comprehensive Financial Reports.

RISK FACTORS

The purchase of the Bonds involves investment risk. If a risk factor materializes to a sufficient degree, it could delay or prevent payment of principal of and/or interest on the Bonds. Such risk factors include, but are not limited to, the following matters and should be considered, along with other information in this Official Statement, by potential investors.

Future Financial Condition

No representation is made as to the future financial condition of the City. Payment of the debt service payments on the Bonds is a General Fund obligation of the City and the ability of the City to make debt service payments on the Bonds may be adversely affected by its financial condition as of any particular time.

In the event the City's revenue sources are less than its total obligations, the City could choose to fund other services before paying debt service on the Bonds. The same result could occur if, because of State Constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues (see "Constitutional Limitation on Taxes and Expenditures" below). To the extent these types of events or other events adversely affecting the funds available to the City occur in any year, the funds available to pay debt service may be decreased.

The City has unfunded liabilities relating its employee retirement plans and to employee post-retirement health benefits and has also entered into other obligations which are payable from General Fund resources. The City may also enter into additional obligations in the future. To the extent that additional obligations are incurred by the City, the funds available to the City to pay debt service may be decreased (see "FINANCIAL INFORMATION – Retirement Program," "- Other Post-Employment Benefits" and "- Long-Term General Fund Obligations" herein).

Limited Obligation of the City

The obligation of the City to pay debt service on the Bonds does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay debt service payments on the Bonds does not constitute a debt or indebtedness of the City, the State of California or any of its political subdivisions, in contravention of any constitutional or statutory debt limitation or restriction.

Natural Hazards

General. The City, like all southern California communities, may be subject to unpredictable seismic activity, fires or floods. In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to both property and infrastructure in the City.

The City has adopted a Natural Hazards Mitigation Plan. This plan includes a hazard analysis for earthquake, flood, landslide and fire risk, and is required to comply with Federal Emergency Management Agency requirements for disaster relief funding.

Seismic Considerations. Southern California is a seismically active area. The City does not have any seismic faults within its boundaries, but is still in the vicinity of several known active and potentially active earthquake faults. The City's Hazard Mitigation Plan identified 4 faults that could most seriously impact the area: the San Andreas Fault, the Newport-Inglewood Fault, the Whittier-Elsinore Fault and the Palos Verdes Fault. A major earthquake along any of these four faults could result in substantial casualties and damage resulting from collapsed buildings, damaged roads and bridges, fires, flooding, and other threats to life and property. The effects could be aggravated by aftershocks and by the secondary effects of fire,

hazardous material accidents, and possible failures of pipelines and waterways. There may still be unmapped earthquake faults throughout Southern California that could also affect the City.

A major earthquake could cause widespread destruction and significant loss of life in a populated area such as the City. If an earthquake were to substantially damage or destroy taxable property within the City, a reduction in taxable values of property in the City and a reduction in revenues available to the General Fund to make pay debt service on the Bonds would be likely to occur.

Flooding. Flooding hazards may be considered in two categories: natural flooding and dam inundation. Portions of the City are prone to occasional urban flooding, also sometimes referred to as ponding, due to debris accumulation on storm drains and aged drainage systems. Low-lying areas of the City are particularly susceptible. The All American Park is subject to potential flooding during heavy rains, as is the western boundary of the City. The majority of the City is located in 100-year flood plains.

There are two major dams that could potential affect the City in the event of a dam failure: Whittier Narrows and Hansen Dams. Modifications are currently scheduled to be made to the Whittier Narrows Dam to prevent dam failure in the future.

Significant flooding in the City as a result natural flooding or as a result of overtopping or failure of the dams could have materially adverse consequences for the City's finances and operations. If such a flood were to substantially damage or destroy taxable property within the City, a reduction in taxable values of property in the City and a reduction in revenues available to the General Fund to pay debt service on the Bonds would be likely to occur.

Fire and Wildfire. The City's commercial and industrial facilities increase the possibility of fires involving hazardous materials that could affect nearby residential areas. The City is also surrounded and bisected by major transportation networks and pipeline transfer systems that add further risk.

Risk of wildfire is not a significant hazard within the boundaries of the City due to the urbanized nature of the immediate area. However, in recent years, portions of California have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures, even in areas not previously thought to be prone to wildfires. There can be no assurances that wildfires won't occur within the City. Property damage due to wildfire could result in a reduction in taxable values of property in the City and a reduction in revenues available to the General Fund to make pay debt service on the Bonds would be likely to occur.

If such events described above occur, the City's emergency response to such an event may add unanticipated expenditures to the General Fund budget, some or all of which may not be reimbursed by federal or state disaster funding, and, if reimbursed, may not be received by the City in a timely manner. This could lead to reduced ability by the City to pay debt service.

Air Quality Issues

Since 2016, South Coast Air Quality Management District ("AQMD") and the City have worked together with other government agencies to substantially reduce hexavalent chromium emissions and reduce odors in the community. Innovative air monitoring techniques were used in conjunction with complaint response, inspections, enforcement efforts, permitting, source testing and rule development to identify and reduce sources of hexavalent chromium or odors. AQMD completed the program after determining that the levels of hexavalent chromium emissions "are generally low and stable and odor complaints have decreased." In the next several months, the City will begin its own program of air monitoring at four locations to ensure that hexavalent chromium emissions levels remain low. In the meantime, the AQMD will temporarily conduct air monitoring at four locations in the City. Air quality issues have not had a long-term impact on City operations or finances, and the City is not aware of long-term negative financial impacts to businesses operating in the City.

Potential Impact of Climate Change

Climate change caused in part by human activities may have adverse effects on the City. Climate change can also result in more variable weather patterns throughout the State, which can lead to longer and more severe droughts as well as increased risk of flooding. Projections of the impacts of global climate change on the State are complex and depend on many factors that are outside the City's control. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on assumptions contained in such studies, but actual events may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the City is unable to forecast with certainty when adverse impacts of climate change will occur or the extent of such impacts.

In July 2021, the City adopted a Climate Action Plan ("CAP") that outlines strategies, goals, and actions for reducing City's municipal and community-wide greenhouse gas emissions and for preparing the community for the anticipated impacts of climate change. It is designed to ensure that City does its part to contribute to the goals of California's Global Warming Solutions Act of 2006 (Assembly Bill [AB] 32), and its successor bill Senate Bill (SB) 32, while remaining consistent with the City's General Plan vision for future growth.

While the impacts of climate change may be mitigated by the City's past and future investment in adaptation strategies, the City can give no assurance about the net effects of those strategies and whether the City will be required to take additional adaptive mitigation measures.

Cybersecurity

The City, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other sensitive electronic information, the City is potentially subject to multiple cyber threats, including without limitation hacking, viruses, ransomware, malware and other attacks. No assurance can be given that the City's efforts to manage cyber threats and attacks will be successful in all cases, or that any such attack will not materially impact the operations or finances of the City. The City is also reliant on other entities and service providers in connection with the administration of the Bonds, including without limitation the County tax collector for the levy and collection of property taxes, and the Trustee. No assurance can be given that the City and these other entities will not be affected by cyber threats and attacks in a manner that may affect the Bond owners.

The City has never had a major cyber breach that resulted in a financial loss. The City's current technology infrastructure provides the City with countermeasure redundancies, protecting critical data from internal and external cybersecurity threats, and modernizes the City's backup strategy away from older technologies. It is the City's expectation that this provides a reliable safety net for a range of data loss events including malicious or accidental deletions, hardware failures, and cybercrime.

The City implemented a state of the art cybersecurity training and awareness program for its employees. In 2020, the City purchased a special cybersecurity training and awareness platform that provides on-demand, interactive, engaging training through the browser combined with unlimited simulated social engineering attacks through email, phone and text.

No assurances can be given that the security and operational control measures of the City will be successful in guarding against any and each cyber threat or breach. Although the City maintains insurance coverage for cyber security losses should a successful breach ever occur, the cost of any such disruption or remedying damage caused by future attacks could be substantial and in excess of such insurance coverage.

Dependence on State for Certain Revenues

A number of the City's revenues are collected and dispersed by the State (such as sales taxes and the VLF) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. In the event of a material economic downturn in the State, including as a result of the COVID-19 outbreak, there can be no assurance that any resulting revenue shortfalls to the State will not reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of the State's efforts to address any such related State financial difficulties. See the caption “- Constitutional Limitation on Taxes and Expenditures- Proposition 1A and Proposition 22.”

Information about the State budget is regularly available at various State-maintained websites. Text of the State budget may be found at the State Department of Finance website, www.govbud.dof.ca.gov. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the City, and the City takes no responsibility for the continued accuracy of the Internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated herein by these references.

No prediction can be made by the City as to whether the State will encounter budgetary problems in future fiscal years once recovered from the impacts of the Pandemic, and if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on City finances and operations or what actions will be taken in the future by the Legislature and the Governor to deal with changing State revenues and expenditures.

There can be no assurance that actions taken by the State to address its financial condition will not materially adversely affect the financial condition of the City. Current and future State budgets will be affected by national and State economic conditions and other factors over which the City has no control, including, and particularly, the Pandemic.

Bankruptcy

The enforceability of the rights and remedies of the Owners of the Bonds are subject to a number of limitations, including bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in equity or at law), to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities in the State of California.

In addition, the rights and remedies of the Owners of the Bonds may be limited by and are subject to the provisions of federal bankruptcy laws and to other laws or equitable principles that may affect the enforcement of creditors' rights. The City is a governmental unit and therefore cannot be the subject of an involuntary case under the United States Bankruptcy Code (the “Bankruptcy Code”). However, the City is a municipality and therefore may seek voluntary protection from its creditors pursuant to Chapter 9 of the Bankruptcy Code for purposes of adjusting its debts. Should the City file for bankruptcy, there could be adverse effects on the Owners of the Bonds.

If the City is in bankruptcy, the parties (including the Trustee and the Owners of the Bonds) may be prohibited from taking any action to collect any amount from the City or to enforce any obligation of the City, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the Owners of the Bonds from funds in the Trustee's possession.

The Bonds are not secured by any property other than the funds that the City has actually deposited with the Trustee, and the City is only obligated to deposit funds with the Trustee twice each year, 5 Business Days prior to each June 1 and December 1, beginning June 1, 2022. The Bonds are not secured by any funds held by the City.

If the City is in bankruptcy, it may not be obligated to make any further deposits with the Trustee. As a result, the Bonds may be treated as unsecured obligations of the City in the bankruptcy case. Under such circumstances, the Owners of the Bonds could suffer substantial losses.

The City may be able, without the consent and over the objection of the Trustee or the Owners of the Bonds, to alter the priority, interest rate, payment terms, maturity dates, payment sources, covenants, and other terms or provisions of the Trust Agreement and the Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the City that could result in delays or reductions in payments on the Bonds, or result in losses to the Owners of the Bonds. Regardless of any specific adverse determinations in a City bankruptcy proceeding, the fact of a City bankruptcy proceeding could have an adverse effect on the liquidity and value of the Bonds.

Recent bankruptcies in the City of Stockton, the City of San Bernardino and the City of Detroit have brought scrutiny to pension obligation securities. Specifically, in the Stockton bankruptcy the Court found that CalPERS was an unsecured creditor of that city with a claim on parity with those of other unsecured creditors. Additionally, in the San Bernardino bankruptcy, the Court held that in the event of a municipal bankruptcy, payments on pension obligation bonds, such as the Bonds, were unsecured obligations and not entitled to the same priority of payments made to CalPERS. A variety of events, including, but not limited to, additional rulings adverse to the interests of bond owners in the Stockton, San Bernardino and Detroit bankruptcy cases or additional municipal bankruptcies, could prevent or materially adversely affect the rights of Beneficial Owners to receive payments on the Bonds in the event the City files for bankruptcy. Accordingly, in the event of bankruptcy, Beneficial Owners may not recover the full amount of principal and interest due on the Bonds.

The opinion to be delivered by Bond Counsel concurrently with the execution and delivery of the Bonds will be subject to various limitations on remedies including those related to bankruptcy and the various other legal opinions to be delivered concurrently with the issuance of the Bonds will be similarly qualified. See “APPENDIX D.” In the event that the City fails to comply with its covenants under the Trust Agreement or fails to pay debt service payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interest of the Beneficial Owners of the Bonds.

Public Health Emergencies

General. In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020, the WHO announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 has since spread across the globe. The spread of COVID-19 is having significant adverse health and financial impacts throughout the world, including the City. The WHO has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the Governor of the State and the President of the United States.

The COVID-19 outbreak is ongoing, and its duration and severity and its economic effects are uncertain in many respects. Uncertain too are the additional actions, if any, that may be taken by federal and State governmental authorities to contain or mitigate the effects of the outbreak. The ultimate impact of COVID-19 on the City’s operations and finances and the economy, real estate market and development within the City is not fully known, and it may be some time before the full adverse impact of the COVID-19 outbreak is known. Certain reports providing preliminary information regarding the impact of the COVID-19

pandemic are described in this Official Statement. Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the City's operations and finances.

Collection of Taxes. On March 30, 2020, the Governor issued Executive Order N-40- 20, which delayed the deadline for the filing and payment of sales and use taxes by 90 days for all but the largest taxpayers. Under Executive Order N-40-20 and a subsequent notice from the California Department of Tax and Fee Administration, businesses with less than \$5 million in taxable annual sales are authorized to defer up to \$50,000 in sales tax and enter into a 12-month, zero interest payment plan. The Governor has also issued an Executive Order for waivers of late penalties on property taxes. Such efforts to relieve the financial impact of the COVID-19 pandemic on taxpayers have not resulted in significant delays in revenue collection by the City.

On May 6, 2020 in response to the COVID-19 pandemic, the Governor issued Executive Order N-61-20 to allow qualified taxpayers to request relief of penalties on property taxes for owner occupied residential real property and real property owned and operated by a taxpayer that qualifies as a small business under the Small Business Administration's Regulations, Code of Federal Regulations Title 13, section 121.201. To be eligible for penalty relief taxpayers must fall into one of two categories: (i) owner occupied residential real property; or (ii) real property owned and operated by a taxpayer qualified as a small business. For homeowners requesting penalty relief on property taxes for a residential real property that the homeowner occupies, the homeowner may qualify for penalty relief if all of the following are true: (i) taxes on real property were current as of March 4, 2020; (ii) the homeowner was unable to pay on time and that inability was due to a COVID-19 pandemic related impact; (iii) the homeowner was able to submit payment of the original tax amount due with the request for relief; and (iv) the homeowner's request is received by the Treasurer-Tax Collector within 30 days after the circumstances that prevented payment have concluded. If the homeowner satisfies all of the criteria, they may submit a Request for Penalty Cancellation - COVID-19 Impact Form to request penalty relief and must provide documentation to support the request.

To be eligible for penalty relief for real property owned and operated by a taxpayer as a qualified small business, the taxpayer may qualify for penalty relief if all of the following are true: (i) taxes on the real property were current as of March 4, 2020; (ii) the business was unable to pay on time and that inability was due to a COVID-19 related impact; (iii) the taxpayer is able to submit payment of the original tax amount due with the request for relief; and (iv) the taxpayer's request is received by the Treasurer-Tax Collector within 30 days after the circumstances that prevented payment have concluded. If the taxpayer satisfies all of the criteria, they may submit a Request for Penalty Cancellation - COVID-19 Impact Form to request penalty relief and will need to provide documentation to support their request.

The negative impacts from the COVID-19 pandemic on the City's revenues in Fiscal Year 2019-20 and 2020-21 are not anticipated to continue into Fiscal Year 2021-22, except in limited categories of revenues, but there is potential for that impact to continue for several Fiscal Years beyond Fiscal Year 2021-22 depending on the effect of variants of COVID-19 on the pace of recovery of certain sectors of the local economy to the levels which existed prior to the Pandemic. See "FINANCIAL INFORMATION" herein.

Constitutional Limitation on Taxes and Expenditures

State Initiative Measures Generally. Under the California Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. Voters have exercised this power through the adoption of Proposition 13 ("Article XIII A") and similar measures, such as Propositions 22 and 26 approved in the general election held on November 2, 2010.

Any such initiative may affect the collection of fees, taxes and other types of revenue by local agencies such as the City. Subject to overriding federal constitutional principles, such collection may be materially and adversely affected by voter-approved initiatives, possibly to the extent of creating cash-flow problems in the payment of outstanding obligations such as the Bonds.

Article XIII A. Article XIII A of the California Constitution limits the taxing powers of California public agencies. Article XIII A provides that the maximum ad valorem tax on real property cannot exceed 1% of the “full cash value” of the property, and effectively prohibits the levying of any other ad valorem property tax except for taxes above that level required to pay debt service on voter-approved general obligation bonds. “Full cash value” is defined as “the County assessor’s valuation of real property as shown on the 1975-76 tax bill under ‘full cash value’ or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” The “full cash value” is subject to annual adjustment to reflect inflation at a rate not to exceed 2% or a reduction in the consumer price index or comparable local data. Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by substantial damage, destruction or other factors, and to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other special circumstances. There may also be declines in valuations if the California Consumer Price Index is negative.

The foregoing limitation does not apply to ad valorem taxes or special assessments to pay the interest and prepayment charges on any indebtedness approved by the voters before July 1, 1978 or any bonded indebtedness for the acquisition or improvement of real property approved by two-thirds of votes cast by the voters voting on the proposition.

In the general election held November 4, 1986, voters of the State of California approved two measures, Propositions 58 and 60, which further amend the terms “purchase” and “change of ownership,” for purposes of determining full cash value of property under Article XIII A, to not include the purchase or transfer of (1) real property between spouses, and (2) the principal residence and the first \$1,000,000 of other property between parents and children. Proposition 60 amends Article XIII A to permit the Legislature to allow persons over age 55 who sell their residence and buy or build another of equal or lesser value within two years in the same city, to transfer the old residence’s assessed value to the new residence. In the March 26, 1996 general election, voters approved Proposition 193, which extends the parents-children exception to the reappraisal of assessed value. Proposition 193 amended Article XIII A so that grandparents may transfer to their grandchildren whose parents are deceased, their principal residences, and the first \$1,000,000 of other property without a reappraisal of assessed value.

Because the Revenue and Taxation Code does not distinguish between positive and negative changes in the California Consumer Price Index used for purposes of the inflation factor, there was a decrease of 0.237% in 2009-10 – applied to the 2010-11 tax roll – reflecting the actual change in the California Consumer Price Index, as reported by the State Department of Finance. For each fiscal year since Article XIII A has become effective (the 1978-79 Fiscal Year), the annual increase for inflation has been at least 2% except in fiscal years as shown below:

<u>Tax Roll</u>	<u>Percentage</u>	<u>Tax Roll</u>	<u>Percentage</u>
1981-82	1.000%	2011-12	0.753%
1995-96	1.190%	2014-15	0.454%
1996-97	1.110%	2015-16	1.998%
1998-99	1.853%	2016-17	1.525%
2004-05	1.867%	2021-22	1.036%
2010-11	(0.237)%		

The Pandemic’s impact on the economy has impacted the inflation factor for the upcoming Fiscal Year 2021-22 tax roll and will likely impact future inflation factors.

Proposition 8 Adjustments. Proposition 8, approved in 1978, provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions based on

Proposition 8 do not establish new base year values, and the property may be reassessed as of the following lien date up to the lower of the then-current fair market value or the factored base year value. The State Board of Equalization has approved this reassessment formula and such formula has been used by county assessors statewide. The City experienced Proposition 8 reductions in property values between 2009 and 2011. Although not apparent at this time based on residential property sales during the Pandemic, the Pandemic's impact on the economy may impact future residential or commercial property values and cause an increase in Proposition 8 reductions in future years. See "FINANCIAL INFORMATION - Ad Valorem Property Taxes - Taxable Property and Assessed Valuation" herein.

Article XIII B. On November 6, 1979, California voters approved Proposition 4, or the Gann Initiative, which added Article XIII B to the California Constitution. Article XIII B limits the annual appropriations of the State and any city, county, city and county, school district, authority or other political subdivision of the State. The "base year" for establishing such appropriations limit is the 1978-79 Fiscal Year, and the limit is to be adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by public agencies.

Appropriations subject to Article XIII B include generally the proceeds of taxes levied by or for the entity and the proceeds of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. "Proceeds of taxes" include, but are not limited to, all tax revenues, certain State subventions, and the proceeds to an entity of government, from (1) regulatory licenses, user charges and user fees, to the extent that such charges and fees exceed the costs reasonably borne in providing the regulation, product or service, and (2) the investment of tax revenues. Article XIII B includes a requirement that if an entity's revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules within the next two subsequent fiscal years.

In the June 1990 election, the voters approved Proposition 111 amending the method of calculation of State and local appropriations limits. Proposition 111 made several changes to Article XIII B. First, the term "change in the cost of living" was redefined as the change in the California per capita personal income ("CPCPI") for the preceding year. Previously, the lower of the CPCPI or the United States Consumer Price Index was used. Second, the appropriations limit for the fiscal year was recomputed by adjusting the 1986-87 limit by the CPCPI for the three subsequent years. Third and lastly, Proposition 111 excluded appropriations for "qualified capital outlay for Fiscal Year 1990-91 as defined by the legislature" from proceeds of taxes.

Section 7910 of the Government Code requires the City to adopt a formal appropriations limit for each fiscal year. The City's appropriations limit for 2021-22 is \$897,638,435. The City's appropriations subject to the limit for 2021-22 are \$28,450,838.

Proposition 62. Proposition 62 was a statutory initiative adopted in the November 1986 general election. Proposition 62 added Sections 53720 to 53730, inclusive, to the California Government Code. It confirmed the distinction between a general tax and special tax, established by the State Supreme Court in 1982 in *City and County of San Francisco v. Farrell*, by defining a general tax as one imposed for general governmental purposes and a special tax as one imposed for specific purposes. Proposition 62 further provided that no local government or district may impose (i) a general tax without prior approval of the electorate by majority vote or (ii) a special tax without such prior approval by two-thirds vote. It further provided that if any such tax is imposed without such prior written approval, the amount thereof must be withheld from the levying entity's allocation of annual property taxes for each year that the tax is collected. By its terms, Proposition 62 applies only to general and special taxes imposed on or after August 1, 1985. Proposition 62 was generally upheld in *Santa Clara County Local Transportation Authority v. Guardino*, a California Supreme Court decision filed September 28, 1995.

Proposition 218. On November 5, 1996, California voters approved Proposition 218 – Voter Approval for Local Government Taxes – Limitation on Fees, Assessments, and Charges – Initiative Constitutional

Amendment. Proposition 218 added Articles XIIC and XIID to the California Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. Proposition 218 states that all taxes imposed by local governments shall be deemed to be either general taxes or special taxes. Special purpose districts, including school districts, have no power to levy general taxes. No local government may impose, extend or increase any general tax unless and until such tax is submitted to the electorate and approved by a majority vote. No local government may impose, extend or increase any special tax unless and until such tax is submitted to the electorate and approved by a two-thirds vote.

Proposition 218 also provides that no tax, assessment, fee or charge shall be assessed by any agency upon any parcel of property or upon any person as an incident of property ownership except: (i) the ad valorem property tax imposed pursuant to Article XIII and Article XIII A of the California Constitution, (ii) any special tax receiving a two-thirds vote pursuant to Section 4 of Article XIII A the California Constitution, and (iii) assessments, fees, and charges for property related services as provided in Article XIID. Proposition 218 added voter requirements for assessments and fees and charges imposed as an incident of property ownership, other than fees and charges for sewer, water, and refuse collection services. In addition, all assessments and fees and charges imposed as an incident of property ownership, including sewer, water, and refuse collection services, are subjected to various additional procedures, such as hearings and stricter and more individualized benefit requirements and findings. The effect of such provisions will presumably be to increase the difficulty a local agency will have in imposing, increasing or extending such assessments, fees and charges.

Proposition 218 also extended the initiative power to reducing or repealing any local taxes, assessments, fees and charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairment of contracts.

Proposition 218 provides that, effective July 1, 1997, fees that are charged “as an incident of property ownership” may not “exceed the funds required to provide the property related services” and may only be charged for services that are “immediately available to the owner of the property.”

The City levies a franchise tax on its cable television, trash collection and utility franchises. This tax has not been submitted for approval by voters. See “FINANCIAL INFORMATION - Local Taxes” herein for a discussion of these taxes.

The City does not expect the application of Proposition 218 will have a material adverse impact on its ability to pay debt service on the Bonds.

Voter-Approved Taxes. Paramount levies a utility users tax. On March 3, 2015, by majority vote, voters ratified the tax and approved amendments to the City’s Utility User Tax ordinance, which modernized the definitions of the Telephone User Tax portion to include, among other things, VoIP, IP-TV, text messaging, paging, and private communication services. The amendment increases the rate for subject to the tax from 3% to 5.5%. There is no time limit established for the collection of the utility users tax.

On March 3, 2020, voters approved, by majority vote, an additional 0.75% sales tax to be levied and collected on behalf of the City. There is no time limit established for the collection of this sales tax.

Proposition 1A. Proposition 1A, proposed by the Legislature in connection with the 2004-05 Budget Act and approved by the voters in November 2004, restricts State authority to reduce major local tax revenues such as the tax shifts permitted to take place in Fiscal Years 2004-05 and 2005-06. Proposition 1A provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax

revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature.

Proposition 1A provides, however, that beginning in Fiscal Year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses and certain other conditions are met. Such a shift may not occur more than twice in any 10-year period. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county.

For Fiscal Year 2009-10, 8% of the City's property tax revenues were diverted to the State as a result of a Proposition 1A suspension.

Proposition 1A also provides that if the State reduces the vehicle license fee rate below 0.65% of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates.

Proposition 22. On November 2, 2010, voters in the State approved Proposition 22. Proposition 22, known as the "Local Taxpayer, Public Safety, and Transportation Protection Act of 2010," eliminates or reduces the State's authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues.

Proposition 26. On November 2, 2010, voters in the State also approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The City does not expect the provisions of Proposition 26 to materially impede its ability to pay debt service on the Bonds when due.

Future Initiatives. From time to time other initiative measures could be adopted, limiting or otherwise affecting the ability of the City to increase revenues and appropriations.

Secondary Market Risk

There can be no assurance that there will be a secondary market for purchase or sale of the Bonds, and from time to time there may be no market for them, depending upon prevailing market conditions, the financial condition or market position of firms who may make the secondary market and the financial condition of the City.

TAX MATTERS

In the opinion of Quint & Thimmig LLP, Bond Counsel, under existing law, interest on the Bonds is exempt from State personal income taxes. Bond Counsel expresses no opinion as to any other tax consequences regarding the Bonds. INTEREST ON THE BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES.

The complete text of the final opinion that Bond Counsel expects to deliver upon the delivery of the Bonds is set forth in “APPENDIX D - FORM OF OPINION OF BOND COUNSEL.”

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes and provides the payer with a Form W-9, “Request for Taxpayer Identification Number and Certification,” unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payer is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payer” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

LEGAL MATTERS

Enforceability of Remedies

The remedies available to the Trustee and the Owners of the Bonds upon an event of default under the Trust Agreement or any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. In the case of any bankruptcy proceeding involving the City, the rights of the Owners could be modified at the direction of the court. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Trust Agreement and other pertinent documents is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Approval of Legal Proceedings

Quint & Thimmig LLP, Larkspur, California, as Bond Counsel, will render an opinion with respect to the validity and enforceability of the Trust Agreement, and as to the validity of the Bonds. See “APPENDIX D” hereto for the proposed form of Bond Counsel’s opinion.

The City has no knowledge of any fact or other information which would indicate that the Trust Agreement or the Bonds are not enforceable against the City, except to the extent such enforcement is limited by principles of equity, by state and federal laws relating to bankruptcy, reorganization, moratorium or creditors’ rights generally and by limitations on legal remedies against municipalities in the State.

Certain legal matters will be passed on for the City by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel and by the City Attorney. Certain matters will be passed on for the Underwriter by its counsel, Nixon Peabody LLP, Los Angeles, California. Fees payable to Bond Counsel, Disclosure Counsel and Underwriter’s Counsel are contingent upon the sale and delivery of the Bonds.

Litigation

The City will furnish a certificate dated as of the date of delivery of the Bonds that there is not now known to be pending or threatened any litigation restraining or enjoining the execution or delivery of the Trust Agreement or the sale or delivery of the Bonds or in any manner questioning the proceedings and authority under which the Trust Agreement is to be executed or delivered or the Bonds are to be delivered or affecting the validity thereof.

Lawsuits and claims against the City exist that are incidental to the ordinary course of the City’s operations. In the view of the City’s management and City Attorney, there is no litigation, present or pending against the City, that will individually or in the aggregate impair the City’s ability to pay debt service on the Bonds.

VALIDATION

On July 15, 2021, the City, acting pursuant to the provisions of Section 860 et seq. of the California Code of Civil Procedure, filed a complaint in the Superior Court of the State of California in and for the County of Los Angeles seeking judicial validation of the transactions relating to the CalPERS Contract and the Bonds and certain other matters entitled City of Paramount v. All Persons Interested et al. (Case No. 21CMCV00180). On September 16, 2021, the court entered the Validation Judgment to the effect, among other things, (i) the Trust Agreement will be a valid, legal and binding obligation of the City and the approval thereof was in conformity with applicable provisions of law and (ii) the City has the authority under California law to provide for the refunding of its Unfunded Liability by issuing the Bonds and applying the proceeds of the Bonds to the retirement of its Unfunded Liability. On October 16, 2021, the judgment became binding and conclusive in accordance with California law. The City is unaware of any threatened challenge to this judgment. In issuing its approving opinion Quint & Thimmig LLP, Larkspur, California, Bond Counsel, will rely, among other things, upon the above-described judgment.

CONCLUDING INFORMATION

Rating on the Bonds

S&P Global Ratings has assigned its rating of “___” to the Bonds. Such rating reflects only the views of the rating agency and any desired explanation of the significance of such rating should be obtained from the rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

Except as otherwise required in the Continuing Disclosure Certificate, the City undertakes no responsibility either to bring to the attention of the owners of any Bonds any downward revision or withdrawal of any rating obtained or to oppose any such revision or withdrawal. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Underwriting

The Bonds are being sold at an aggregate purchase price of \$_____ (representing the aggregate principal amount of the Bonds less an underwriting discount of \$_____) pursuant to a bond purchase contract (“Bond Purchase Contract”) entered into between the City and Raymond James & Associates, Inc. (the “Underwriter”).

The expenses associated with the issuance of the Bonds are being paid by the City from proceeds of the Bonds. The right of the Underwriter to receive compensation in connection with the Bonds is contingent upon the issuance and delivery by the City, and the purchase by the Underwriter, of the Bonds. The Bond Purchase Contract provides that the Underwriter will purchase all of the Bonds if any are purchased and that the obligation of the Underwriter to accept and pay for the Bonds is subject to certain terms and conditions set forth therein, including the approval by counsel of certain legal matters.

The Underwriter will initially offer the Bonds for sale at the prices and yields set forth on the inside cover page of this Official Statement. Such prices or yields may subsequently change. The Underwriter reserves the right to join with dealers and other investment banking firms in offering the Bonds for sale and may offer to sell Bonds to dealers at prices lower than the initial offering prices.

The Municipal Advisor

The material contained in this Official Statement was prepared by the City with the assistance of the Municipal Advisor who advised the City as to the financial structure and certain other financial matters relating to the Bonds. The information set forth herein has been obtained by the City from sources which are believed to be reliable, but such information is not guaranteed by Municipal Advisor as to accuracy or completeness, nor has it been independently verified. Fees paid to the Municipal Advisor are contingent upon the sale and delivery of the Bonds.

Continuing Disclosure

The City will provide annually certain financial information and data relating to the City by not later than March 31 in each year commencing March 31, 2022 (the “Annual Report”), and to provide notices of the occurrence of certain other enumerated events in accordance with Rule 15c2-12 of the Securities Exchange Act of 1934 as amended (the “Rule”). The Municipal Advisor will act as Dissemination Agent. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events and certain other terms of the continuing disclosure obligation are found in the form of the City’s Disclosure Certificate attached in “APPENDIX C - FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

Additional Information

The summaries and references contained herein with respect to the Trust Agreement, the Bonds, statutes and other documents, do not purport to be comprehensive or definitive and are qualified by reference to each such document or statute and references to the Bonds are qualified in their entirety by reference to the

form hereof included in the Trust Agreement. Copies of the Trust Agreement may be obtained after delivery of the Bonds from the City at 16400 Colorado Avenue, Paramount, California 90723.

References

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or Owners of any of the Bonds.

Execution

The execution of this Official Statement by the City Manager has been duly authorized by the City.

CITY OF PARAMOUNT

By: /s/ _____
City Manager

APPENDIX A
SUMMARY OF CERTAIN PROVISIONS OF THE TRUST
AGREEMENT

APPENDIX B
CITY AUDITED FINANCIAL STATEMENTS

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the CITY OF PARAMOUNT (the “City”), in connection with its issuance of the \$_____ aggregate principal amount of City of Paramount Taxable Pension Obligation Bonds, Series 2021 (the “Bonds”) pursuant to an Indenture of Trust, dated as of November 1, 2021 (the “Indenture”), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

The City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4.

“*Annual Report Date*” means March 31.

“*Dissemination Agent*” means Harrell & Company Advisors, LLC, or any successor Dissemination Agent designated in writing by the City and which has filed with the City and the Trustee a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a).

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the final official statement executed by the City in connection with the issuance of the Bonds.

“*Participating Underwriter*” means any of the original purchasers of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2022, with the report for the 2020-21 fiscal year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4. Not later than five Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the City may be

submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) in a timely manner to the MSRB, in an electronic format as prescribed by the MSRB, a notice thereof.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the City for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

- (i) Table No. 8 (Gross Assessed Value of All Taxable Property);
- (ii) Table No. 9 (Largest Property Taxpayers);
- (iii) Table No. 10 (General Fund Tax Revenues by Source);
- (iv) Table No. 12 (General Fund Balance Sheet);
- (v) Table No. 13 (Statement of Revenues, Expenditures and Changes in Fund Balance); and

(c) Information for the most recent year provided by CalPERS for the net pension liability of the City's Miscellaneous Plan, in the format provided by CalPERS (which format may change from time to time).

(d) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(e) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City.
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

(b) Upon the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsection (a)(8) above need not be

given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier “if material” and that subparagraph (a)(6) also contains the qualifier “material” with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Harrell & Company Advisors, LLC. Any Dissemination Agent may resign by providing 30 days’ written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;
- (b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after

taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

- (c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. (a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The Dissemination Agent shall have the same rights, privileges and immunities hereunder as are afforded to the Trustee under the Indenture. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Section 15. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of California.

Date: November __, 2021

CITY OF PARAMOUNT

By: _____
John Moreno
City Manager

AGREED AND ACCEPTED:

**HARRELL & COMPANY ADVISORS,
LLC**, as Dissemination Agent

By: _____
Authorized Representative

APPENDIX D
PROPOSED FORM OF BOND COUNSEL OPINION

APPENDIX E

THE BOOK-ENTRY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Bonds (the “Issuer”) nor the trustee, fiscal agent or paying agent appointed with respect to the Bonds (the “Agent”) take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange

Commission. More information about DTC can be found at www.dtcc.com. *The information contained on such Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds and distributions on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption

proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

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\$ _____
CITY OF PARAMOUNT
Taxable Pension Obligation Bonds, Series 2021

BOND PURCHASE AGREEMENT

October __, 2021

City of Paramount
16400 Colorado Avenue
Paramount, CA 90723-5012

Ladies and Gentlemen:

Raymond James & Associates, Inc. (the "Underwriter") offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with you, the City of Paramount, California (the "City"), which, upon acceptance will be binding upon the City and the Underwriter.

This offer is made subject to written acceptance by the City at or prior to 5:00 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. Upon such acceptance the Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$_____ City of Paramount Taxable Pension Obligation Bonds, Series 2021 (the "Bonds").

The proceeds of the Bonds will be used by the City to (i) finance a portion of the City's unfunded accrued actuarial liability to the California Public Employees Retirement System ("CalPERS") for the benefit of the City's miscellaneous employees, and (ii) pay the costs of issuance of the Bonds.

The purchase price for the Bonds shall be \$_____ (representing the \$_____ aggregate principal amount of the Bonds, and less \$_____ of Underwriter's discount).

The Bonds shall be described in the Preliminary Official Statement (as defined below), except for information permitted to be excluded by the Rule (as defined below), and the Official Statement (as defined below). The Bonds will mature, bear interest at the rate per annum, and be subject to redemption as shown on Exhibit B hereto. The Bonds are being issued pursuant to

a Trust Agreement, dated as of November 1, 2021 (the “Trust Agreement”), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

The execution and delivery of the Trust Agreement and the issuance and sale of the Bonds have been approved by resolutions of the City dated June 22, 2021, and _____, 2021 (collectively, the “Resolutions”), and the Bonds shall be as described in, and shall be secured under and pursuant to, the Trust Agreement. The Bonds shall be payable as provided in the Trust Agreement.

The Trust Agreement, the Bonds, the Continuing Disclosure Certificate dated as of the Closing Date (the “Continuing Disclosure Certificate”), executed and delivered by the City, and this Purchase Agreement are referred to collectively herein as the “Legal Documents,” and all capitalized terms not otherwise defined herein shall have the meanings as defined in the Trust Agreement.

Pursuant to the City’s CalPERS Agreement, the City Council of the City (the “Council”) is obligated to appropriate annually to CalPERS the amount necessary to pay retirement benefits accruing to City’s members of CalPERS, and to amortize the unfunded accrued actuarial liability with respect to such pension benefits.

The Bonds are absolute and unconditional obligations imposed upon the City by law and enforceable against the City pursuant to the CalPERS Agreement and are not limited as to payment to any special source of funds of the City.

2. Delivery of the Official Statement and Other Documents.

(a) The City agrees to deliver to the Underwriter, at such address as the Underwriter shall specify, as many copies of the Official Statement dated the date hereof relating to the Bonds (as supplemented and amended from time to time, the “Official Statement”) as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”) and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The City agrees to deliver the Official Statement within the earlier of (i) seven (7) business days after the execution hereof or (ii) two (2) business days prior to the Closing Date.

(b) The City hereby authorizes the approval of the Official Statement, by execution thereof by a duly authorized officer of the City. By execution of this Purchase Agreement, the City confirms that the Preliminary Official Statement dated October __, 2021 with respect to the Bonds (the “Preliminary Official Statement”) was deemed final by the City for purposes of the Rule on the date thereof.

(c) The Underwriter shall give notice to the City on the Closing if any participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to paragraph (b)(4) of the Rule after the Closing. If such notice is given, then the Underwriter shall provide a subsequent notice of the date on which no participating

underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to paragraph (b)(4) of the Rule.

(d) If the Underwriter provides notice pursuant to Section 2(c) hereof that Official Statements are required under the Rule after the Closing, then, until the earlier to occur of the date on which no participating underwriter (as such term is defined in the Rule) remains obligated to deliver the Official Statement pursuant to paragraph (b)(4) of the Rule or ninety (90) days after the Closing (as hereinafter defined), the City shall (i) apprise the Underwriter of all material developments, if any, occurring with respect to the City after delivery of the Bonds to the Underwriter, and (ii) provide the Underwriter with such information regarding the City, its current financial condition and ongoing operations as the Underwriter may reasonably request.

3. The Closing. At 8:00 a.m., Pacific Daylight time, on November __, 2021, or at such other time or on such earlier or later date as the City and the Underwriter mutually agree, the City and the Trustee will deliver or cause to be delivered to the Underwriter the Bonds in book-entry form through the facilities of The Depository Trust Company, New York, New York ("DTC"), duly executed and the other documents hereinafter mentioned shall be delivered at the offices of Quint & Thimmig LLP in Larkspur, California or at such other location as shall have been mutually agreed upon by the City and the Underwriter. Subject to the terms and conditions hereof, the Underwriter will accept delivery of the Bonds and pay the purchase price thereof by federal funds to the order of the Trustee in an amount equal to the Purchase Price as set forth in Section 1 hereof (which such delivery of and payment for the Bonds is herein called the "Closing," and which such date is herein called the "Closing Date").

The Bonds shall be issued in fully registered form and shall be prepared and delivered as one bond per maturity registered in the name of Cede & Co., as nominee of DTC. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriter to accept delivery of the Bonds in accordance with the terms of this Purchase Agreement.

4. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the offering price set forth in Exhibit B. The Underwriter reserves the right to change such initial public offering price or yield as the Underwriter deems necessary following the initial public offering period in connection with the marketing of the Bonds. The City hereby authorizes the Underwriter to use the forms or copies of the Resolutions, the Legal Documents and the Official Statement and the information contained therein in connection with the public offering and sale of the Bonds. The City hereby ratifies and confirms its authorization of the distribution and use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Bonds.

5. City Representations, Warranties and Agreements. The City represents, warrants to and agrees with the Underwriter that, as of the date hereof and as of the date of the Closing:

(a) *Due Organization and Operation; Legal, Valid and Binding Obligations.* The City is a municipal corporation and general law city duly organized and operating pursuant to the

Constitution and laws of the State of California and has all necessary power and authority to adopt the Resolutions, and to enter into and perform its duties under the Legal Documents, the Resolutions have been adopted and have not been rescinded, and the Legal Documents, when executed and delivered by the respective parties thereto, will constitute legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles.

(b) *No Conflict.* The adoption of the Resolutions and the execution and delivery of the Legal Documents, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the City's duties under the Legal Documents, the Resolutions or any law, administrative regulation, court decree, resolution, by-laws, loan agreement, trust agreement, indenture, bond, note or other agreement to which the City is subject or by which it or any of its property is bound which such conflict, breach or default would have a material adverse effect on the financial condition of the City or the ability of the City to perform its obligations under the Legal Documents.

(c) *No Consents Required.* After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect or the requirement for which is otherwise disclosed in the Official Statement, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the City, other than the approval and authorization of the Council, required for the adoption of the Resolutions and execution and delivery of the Legal Documents or the consummation by the City of the other transactions contemplated by the Official Statement, the Resolutions or the Legal Documents, including this Purchase Agreement.

(d) *No Litigation.* There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the City, threatened against the City to restrain or enjoin the delivery of the Bonds, or in any way contesting or affecting the validity of the Legal Documents, the Resolutions or the Bonds, or contesting the powers of the City to enter into or perform its obligations under any of the foregoing, or contesting the accuracy or completeness of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto.

(e) *Preliminary Official Statement Correct and Complete.* The Preliminary Official Statement, as of its date and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit (except as permitted by the Rule) to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading except that no representation and warranty is made concerning statements and information relating to DTC or the Book-Entry System.

(f) *Official Statement Correct and Complete.* The Official Statement (excluding the statements and information relating to DTC and the Book-Entry System) does not and (unless amended or supplemented pursuant to Section 5(k) hereof) at all times subsequent hereto to

and including the Closing Date will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) *Blue Sky Cooperation.* The City agrees to cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may request; provided, that the City shall not be required to take any action which, in the opinion of the Council, would subject the City to jurisdiction, personal or otherwise, in any jurisdiction in which it is not now so subject or to qualify to do business in any jurisdiction where it is not now so qualified.

(h) *Due Approval of Official Statement Distribution.* By official action of the City prior to the execution hereof, the City has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement, has duly adopted the Resolutions and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the Legal Documents and the consummation by it of all other transactions contemplated by the Official Statement and the Legal Documents, including this Purchase Agreement.

(i) *No Breach or Default.* Except as described in the Preliminary Official Statement and the Official Statement, the City is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, trust agreement, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject which breach or default would have a material and adverse impact upon the financial condition of the City or on the City's ability to perform its obligations under the Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument. The City is not in default as to the payment of principal or interest with respect to any debt obligation issued by the City or with respect to any debt obligation guaranteed by the City as guarantor.

(j) *Agreement to Notify Underwriter Regarding Official Statement.* The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not affect any such amendment or supplement without the written consent of the Underwriter. The City will advise the Underwriter promptly of the institution of any proceedings known to it seeking to prohibit or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(k) *Agreement to Amend Official Statement.* If, at any time from the date hereof to and including twenty-five (25) days after the end of the underwriting period, in the reasonable opinion of the Underwriter, the Official Statement as then amended or supplemented includes an untrue statement of a material fact, or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City will prepare an amendment or supplement to the Official Statement; provided that all expenses thereby incurred (including printing expenses) will be paid for by the City.

Unless otherwise notified in writing by the Underwriter on or prior to the date of the Closing, the City may assume that the “end of the underwriting period” for the Bonds for all purposes of Rule 15c2-12 under the Securities and Exchange Act of 1934 is the date of the Closing. In the event such notice is given in writing by the Underwriter, the Underwriter agrees to notify the City in writing following the occurrence of the “end of the underwriting period” as defined in Rule 15c2-12 for the Bonds. The “end of the underwriting period” as used in the Purchase Agreement shall mean the Closing Date or such later date as to which notice is given by the Underwriter in accordance with the preceding sentence.

(l) *Amendments to Official Statement Correct and Complete.* If the information contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date twenty-five (25) days after the end of the underwriting period, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will be true and correct in all material respects and such information will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the information therein, in the light of the circumstances under which it was made, not misleading except that no representation and warranty is made concerning statements and information relating to DTC or the Book-Entry System. If at any time prior to the earlier of (i) receipt of notice from the Underwriter pursuant to Section 2(c) hereof that Official Statements are no longer required to be delivered; and (ii) twenty-five (25) days after the end of the underwriting period, any event occurs with respect to the City as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall promptly notify the Underwriter in writing of such event. Any information supplied by the City for inclusion in any amendment or supplement to the Official Statement will not contain any untrue statement of a material fact relating to the City or omit to state any material fact relating to the City necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that no representation and warranty is made concerning statements and information relating to DTC or the Book-Entry System.

(m) *City Financial Statements.* The financial statements of, and other financial information regarding, the City in the Preliminary Official Statement and the Official Statement fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied. Except as disclosed in the Preliminary Official Statement and the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any material adverse change in the financial condition of the City since June 30, 2020, and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(n) *Compliance with Continuing Disclosure.* Except as disclosed in the Preliminary Official Statement, the City is, and at all times during the previous five years has been, in material compliance with all of its prior continuing disclosure undertakings under the Rule, and at or

prior to the Closing Date, the City will undertake pursuant to the Continuing Disclosure Certificate to provide certain annual financial information and notices of the occurrence of certain events. The form of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

(o) *Limitation on Issuance.* Except as disclosed in the Official Statement, or in the ordinary course of business, the City will not, prior to the Closing, offer or issue any bonds, notes or other obligations for borrowed money payable from the General Fund of the City.

6. Conditions to the Obligations of the Underwriter. The Underwriter has entered into the Purchase Agreement in reliance upon the representations, warranties and agreements of the City contained herein, the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing, the performance by the City of its obligations hereunder and the opinion of Quint & Thimmig LLP, Bond Counsel to the City ("Bond Counsel"), counsel to the Trustee, counsel to the City and counsel to the Underwriter described hereafter. Accordingly, the Underwriter's obligations under the Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon and subject to (i) the performance by the City and the Trustee of their obligations to be performed hereunder and under such documents and instruments as shall reasonably be requested by the Underwriter or its counsel at or prior to the Closing and (ii) the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of the City herein as of the date hereof and as of the time of the Closing Date, and shall also be subject to the following additional conditions:

(a) *Bring-down of Representations.* The representations, warranties and agreements of the City contained herein shall be true, complete and correct on the date hereof and on and as of the Closing Date.

(b) *Default Judgment.* Copies of the default judgment, dated September 16, 2021, entered in favor of the City in connection with *City of Paramount v. All Persons Interested, etc.*, Case No. 21CMB00180 filed in the Superior Court of California for the County of Los Angeles (the "Default Judgment").

(c) *Authorization, Execution and Delivery of Documents.* At the Closing, the Legal Documents, the Bonds and the Official Statement shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and said agreements shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and each shall be in full force and effect.

(d) *No Amendment of Official Statement.* At the Closing, the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter.

(e) *Marketability Adversely Affected.* In the reasonable judgment of the Underwriter, between the date hereof and the Closing or the ability of the Underwriter to enforce contracts

for the sale of the Bonds, the market price or the marketability of the Bonds at the initial offering prices set forth in the Official Statement shall not have been materially adversely affected by reason of any of the following:

(1) **Legislation, Judicial Decisions or Rulings.** An amendment to the Constitution of the United States or the Constitution of the State of California shall have been passed or legislation enacted, introduced in the Congress or in the legislature of the State of California or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) Regarding State Tax Exemption – by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of imposing California personal income taxation upon payments of the general character of the interest as would be received by the owners of the Bonds; or

(ii) Regarding Federal or State Tax Rates – by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of changing the federal or State of California income tax rates, respectively; or

(iii) Regarding Securities Registration Exemption – by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Agreement Act of 1939, as amended;

(2) **War.** The declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of an act of terrorism or any other national emergency or calamity or the escalation thereof relating to the effective operation of the government or the financial community in the United States;

(3) **Banking Moratorium.** The declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange or a material disruption in commercial banking or securities settlement or clearance services;

(4) **Securities Exchange Restrictions.** Trading generally shall have been suspended or materially limited on or by the New York Stock Exchange or other national securities exchange, or the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds, or the material increase of any such restrictions now in force, including those

relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(5) **Regarding Federal Securities Laws.** An order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the execution, delivery, offering or sale of obligations of the general character of the Bonds, or the execution, delivery, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of any federal securities law as amended and then in effect;

(6) **Official Statement Untrue or Incomplete.** Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (regardless of whether or not a supplement to the Official Statement is prepared pursuant to Sections 5(k) or 5(l));

(7) **Negative Rating Action.** Any nationally recognized statistical rating agency shall downgrade, suspend or withdraw (or announce their intent to downgrade, suspend or withdraw) any rating of the Bonds, or shall issue (or announce their intent to issue) any negative qualification with respect to the Bonds) (such as being placed on “credit watch” with negative implications or “negative outlook” or any similar qualification);

(8) **Pending SEC Action.** Any proceeding shall be pending or threatened by the SEC against the City; or

(9) **Market Disruption.** A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred.

(f) At or prior to the Closing, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter and its counsel:

(1) **Opinion of Bond Counsel.** The approving opinion of Bond Counsel in substantially the form included as Appendix D to the Official Statement, dated the date of Closing, addressed to the City and the Underwriter (or a reliance letter to the Underwriter);

(2) **Supplemental Opinion of Bond Counsel.** A supplemental opinion of Bond Counsel in substantially the form attached hereto as Exhibit A;

(3) **Opinion of City Attorney.** An opinion of the City Attorney, dated the date of Closing, in form and substance satisfactory to the Underwriter, addressed to the City, the Trustee and the Underwriter, to the effect that:

(i) *Due Organization and Existence* – the City is a public entity duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) *Due Adoption* – the Resolutions approving the issuance and sale of the Bonds and authorizing the execution and delivery of the Legal Documents and approving the Official Statement were duly adopted at meetings of the Council which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and have not been modified, amended or rescinded;

(iii) *No Litigation* – except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the City, which would materially and adversely impact the City's ability to complete the transactions described in and contemplated by the Official Statement or in any way contesting or affecting the validity of the Legal Documents or the Bonds;

(iv) *No Conflict* – the execution and delivery of the Legal Documents, the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject;

(v) *Due Authorization, Execution and Delivery; Legal, Valid and Binding Agreements* – the Legal Documents have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles and by the limitations on legal remedies imposed on actions against cities in the State of California; and

(vi) *No Consents Required – Official Statement, Legal Documents* – no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California, other than the Council, is required for the valid authorization, execution and delivery of the Legal Documents and the approval of the Official Statement.

(4) **Opinion of Trustee's Counsel.** The opinion of counsel to the Trustee, dated the date of Closing, addressed to the City and the Underwriter, to the effect that:

(i) *Due Organization and Existence* – the Trustee has been duly organized and is validly existing in good standing as a national banking association duly organized and existing under the laws of the United States of America and has full corporate power to undertake the trust of the Trust Agreement;

(ii) *Corporate Action* – the Trustee has duly authorized, executed and delivered the Trust Agreement and has duly authenticated and delivered the Bonds, and by all proper corporate action has authorized the acceptance of the duties and obligations of the Trustee under the Trust Agreement, and has authorized in its capacity as Trustee the execution and delivery of the Bonds; and

(iii) *Due Authorization, Execution and Delivery* – assuming due authorization, execution and delivery by the City, the Trust Agreement is a valid, legal and binding agreement of the Trustee, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(5) **Letter of Disclosure Counsel.** The negative assurance letter of Jones Hall, a Professional Law Corporation, San Francisco, California, Disclosure Counsel to the City ("Disclosure Counsel"), dated the Closing Date and addressed to the City and the Underwriter, to the effect that based upon their participation in the preparation of the Preliminary Official Statement and the Official Statement as Disclosure Counsel, without assuming any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement nor making any representation regarding independent verification of the accuracy, completeness or fairness of any of the statements contained in the Official Statement, such counsel advises that during the course of such representation of the City as disclosure counsel on this matter, no information has come to their attention which would lead them to believe that the Preliminary Official Statement as of its date and as of the date of the Purchase Agreement and the Official Statement as of its date or as of the date of Closing (except for any financial, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, the information in Appendices B, C, D and E, the information about book-entry or DTC or the Book Entry system included therein, as to which no opinion or view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(6) **Opinion of Underwriter's Counsel.** The opinion of Nixon Peabody LLP ("Underwriter's Counsel"), dated the Closing Date and addressed to the Underwriter, in form and substance satisfactory to the Underwriter.

(7) **No Litigation Certificate.** A certificate, dated the date of Closing, signed by a duly authorized official of the City satisfactory in form and substance to the Underwriter, to the effect that no action, suit or proceeding is pending or, to the best of his or her knowledge, threatened against the City (a) to restrain or enjoin the execution or delivery of any of the Bonds or the Legal Documents, (b) in any way contesting or affecting the validity of the Bonds, the Legal Documents, or the authority of the City to enter into the Legal Documents, (c) in any way contesting or affecting the powers of the City in connection with any action contemplated by the Official Statement or the Purchase Agreement, (d) in anyway contesting the accuracy or completeness of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or (e) in any way materially affecting the ability of the City to perform its obligations under the Legal Documents.

(8) **Legal Documents.** A copy of each of the Legal Documents.

(9) **Official Statement.** A copy of the Official Statement.

(10) **Trustee Resolution.** A copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Bonds and the Trust Agreement.

(11) **Trustee's Representations, Warranties and Agreements.** At the time of and as a condition to Closing, the Trustee, subject to the limitations provided herein, will represent, warrant to and agree with the Underwriter pursuant to a certificate, dated the date of Closing, that as of the date of Closing:

(i) *Due Organization and Existence* - the Trustee is duly organized and existing as a national banking association duly organized and existing under the laws of the United States of America having the full power and authority to enter into and perform its duties under the Trust Agreement and to execute and deliver the Bonds to the Underwriter pursuant to the terms of the Trust Agreement;

(ii) *Due Authorization; Valid and Binding Obligations* - the Trustee is duly authorized to enter into the Trust Agreement;

(iii) *No Conflict* - the execution and delivery by the Trustee of the Trust Agreement, and compliance with the terms thereof, will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any material agreement or material instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties, which conflict breach or default would materially adversely affect the ability of the Trustee to perform its obligations under the Trust Agreement or (except with respect to the lien of the

Trust Agreement) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee;

(iv) *Consents* – exclusive of federal or state securities laws and regulations, other than routine filings required to be made with governmental agencies in order to preserve the Trustee’s authority to perform a trust business (all of which routine filing, to the best of the Trustee’s knowledge, have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee is or will be required for the execution and delivery by the Trustee of the Trust Agreement or the execution and delivery of the Bonds; and

(v) *No Litigation* – to the Trustee’s knowledge, there is no litigation pending or threatened against or affecting the Trustee to restrain or enjoin the Trustee’s participation in, or in any way contesting the powers of the Trustee with respect to, the transactions contemplated by the Bonds and the Trust Agreement.

(12) **Resolutions.** Copies of the Resolutions, adopted by the City and certified by the City Clerk, authorizing the execution and delivery of the Legal Documents;

(13) **Bring-Down Certificate.** A certificate of an authorized officer of the City, dated the date of Closing, confirming as of such date the representations and warranties of the City contained in the Purchase Agreement;

(14) **Rating.** Evidence from S&P Global Ratings that the Bonds have been rated “___” by such agency;

(15) **CDIAC Notices.** Evidence of required filings with the California Debt and Investment Advisory Commission;

(16) **Validation.** A copy of the validation judgment;

(17) **Certificate of Municipal Advisor.** A certificate of Harrell & Company Advisors, LLC, as municipal advisor to the City (the “Municipal Advisor”), dated the Closing Date and addressed to the City and the Underwriter, to the effect that based upon its participation in the preparation of the Preliminary Official Statement and the Official Statement as a Municipal Advisor, without assuming any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement nor making any representation regarding independent verification of the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and the Official Statement, no information has come to its attention which would lead it to believe that the Preliminary Official Statement and the Official Statement as of their dates or as of the date of Closing (except for any financial, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion contained in the Preliminary Official Statement

and the Official Statement, any CUSIP numbers or information relating thereto contained in the Preliminary Official Statement and the Official Statement, the information in Appendices A, B, C, D and E, the information about book-entry or DTC or the Book Entry system included therein, as to which no opinion or view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(18) **Miscellaneous.** Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel, Disclosure Counsel and Underwriter's Counsel may reasonably request to evidence compliance with legal requirements, the truth and accuracy, as of the time of Closing, of the representations and warranties contained herein and in the Official Statement and the due performance or satisfaction by the Trustee and the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(g) All matters relating to the Purchase Agreement, the Bonds and the sale thereof, the Official Statement, the Legal Documents and the consummation of the transactions contemplated by the Purchase Agreement shall have been approved by the Underwriter and counsel for the Underwriter, such approval not to be unreasonably withheld.

If the conditions to the Underwriter's obligations contained in the Purchase Agreement are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted by the Purchase Agreement, the Purchase Agreement shall terminate and neither the Underwriter nor the City shall have any further obligations hereunder, except that the respective obligations of the City and the Underwriter set forth in Paragraph 8 hereof (relating to expenses) hereof shall continue in full force and effect.

7. Expenses.

(a) The City shall pay or cause to be paid from the proceeds of the Bonds or other funds available to it the expenses incident to the performance of its obligations hereunder, including but not limited to: (i) the cost of printing and distribution of the Official Statement in reasonable quantities and all other documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby, including distribution costs and all mailing, including overnight and express delivery, costs; (ii) the fees and disbursements of the Trustee in connection with the execution and delivery of the Bonds; and (iii) the fees and disbursements of Bond Counsel, Disclosure Counsel, Harrell & Company Advisors, LLC, as Municipal Advisor to the City, and any other experts or consultants retained by the City in connection with the transactions contemplated hereby.

(b) The Underwriter shall pay, which shall be included in the expense component of the Underwriter's discount: (i) all advertising expenses in connection with the public offering of the Bonds; (ii) the fees and expenses of Underwriter's Counsel, including their fees in connection with the qualification of the Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (iii) California Debt and Investment Advisory Commission

fees; and (iv) all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds, including CUSIP fees.

8. Notices.

(a) *Underwriter.* Any such notice or other communication to be given to the Underwriter may be given by delivering the same to the Underwriter, Raymond James & Associates, Inc., 39 East Union Street, Pasadena, CA 91103, Attention: Mr. José Vera, Managing Director.

(b) *City.* Any notice or communication to be given the City under the Purchase Agreement may be given by delivering the same to the City of Paramount, 16400 Colorado Avenue, Paramount, CA 90723-5012, Attention: City Manager.

All notices or communications hereunder by any party shall be given and served upon each other party.

9. Parties in Interest; Force and Effect. The Purchase Agreement is made solely for the benefit of the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof.

All representations, warranties and agreements of the City or the Underwriter pursuant to the Purchase Agreement, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to the Purchase Agreement; or (iii) termination of the Purchase Agreement but only to the extent provided by the last paragraph of Paragraph 6 hereof, regarding preconditions of Closing.

10. Counterparts. The Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11. Governing Law. The Purchase Agreement shall be governed by the laws of the State of California.

12. Entire Agreement. The Purchase Agreement when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the City and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any right hereunder or by virtue hereof.

13. Headings. The headings of the paragraphs of the Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

14. Unenforceable Provisions. If any provision of the Purchase Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid,

inoperable or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of the Purchase Agreement invalid, inoperative or unenforceable to any extent whatsoever.

15. Role of Underwriter. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the City and the Underwriter and the Underwriter has financial and other interests that differ from those of the City, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and is not acting as the agent or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

16. Effectiveness. The Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Finance Director of the City or his or her designee and shall be valid and enforceable at the time of such acceptance and acknowledgment.

RAYMOND JAMES & ASSOCIATES, INC.,
as Underwriter

By _____
Managing Director

Accepted:

CITY OF PARAMOUNT

By _____
City Manager

Time of Execution: _____

EXHIBIT A

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

City of Paramount
16400 Colorado Avenue
Paramount, CA 90723-5012

Raymond James & Associates, Inc.
39 East Union Street
Pasadena, CA 91103

Harrell & Company Advisors, LLC
13891 Newport Avenue, Suite 145
Tustin, CA 92780

\$ _____
City of Paramount
Taxable Pension Obligation Bonds, Series 2021
(Supplemental Opinion)

Ladies and Gentlemen:

This opinion is addressed to you, as underwriter, pursuant to Section 6(f)(2) of the Purchase Agreement, dated October __, 2021 (the "Purchase Agreement"), between Raymond James & Associates, Inc. (the "Underwriter") and the City of Paramount (the "City"), providing for the purchase of \$_____ aggregate principal amount of the City's Taxable Pension Obligation Bonds, Series 2021 (the "Bonds"), and Harrell & Company Advisors, LLC. The Bonds are being issued by the City under the provisions of Articles 10 and 11 (commencing with section 53570) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"), and a Trust Agreement, dated as of November 1, 2021 (the "Trust Agreement"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement, and if not defined in the Trust Agreement, in the Purchase Agreement.

In addition to the opinions set forth in our final legal opinion (the "Bond Opinion") concerning the validity of the Bonds and certain other matters, dated the date hereof and addressed to the City, and based on and subject to the matters referred to in such Bond Opinion (which are hereby incorporated herein by reference), and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. The Purchase Agreement and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, constitute the legal, valid and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State.

3. The information contained in the Official Statement on the cover and under the captions "INTRODUCTION," "THE BONDS" (excluding any information relating to DTC and its book-entry system), "SOURCES OF PAYMENT FOR THE BONDS," "VALIDATION," "TAX MATTERS," APPENDIX A—SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT, APPENDIX C—FORM OF CONTINUING DISCLOSURE CERTIFICATE and APPENDIX D—FORM OF BOND COUNSEL OPINION, to the extent they purport to summarize certain provisions of the Bonds, the Trust Agreement, the Continuing Disclosure Certificate, the Default Judgment and the form and content of Bond Counsel's approving opinion with respect to the treatment of interest on the Bonds under State or federal law, are accurate in all material respects.

This letter is delivered to and for the sole benefit of the above addressees, is issued for the sole purpose of the transaction specifically referred to herein, and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. The provision of this opinion to you shall not create any attorney-client relationship between our firm and the Underwriter. This opinion may not be relied upon by any other person, firm, corporation or other entity without our prior written consent, and we have no obligation to update this opinion.

EXHIBIT B

MATURITIES, RATES, YIELDS, PRICES AND REDEMPTION PROVISIONS

\$ _____
CITY OF PARAMOUNT
(Los Angeles County, California)
Taxable Pension Obligation Bonds, Series 2021

MATURITY SCHEDULE

Maturity (June 1)	Principal Amount	Interest Rate	Yield	Price
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T Term Maturity

Optional Redemption. The Bonds maturing on or before June 1, ____, are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on and after June 1, ____, are subject to optional redemption from any source of available funds of the City, prior to their respective maturities, in whole or in part among maturities as specified by the City, and by lot within a maturity, on any date on or after June 1, ____, upon at least forty-five (45) days prior written notice to the Trustee from the City, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on June 1, ____, are also subject to mandatory sinking fund redemption on June 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed

†Maturity

OCTOBER 19, 2021

AUTHORIZATION TO PURCHASE

A STREET SWEEPER

MOTION IN ORDER:

AUTHORIZE THE PURCHASE OF A STREET SWEEPER FROM HAAKER EQUIPMENT COMPANY, LA VERNE, CALIFORNIA, IN THE AMOUNT OF \$403,515 AND DIRECT STAFF TO MAKE THE NECESSARY ADJUSTMENTS TO THE MIDYEAR BUDGET.

MOTION:

MOVED BY: _____

SECONDED BY: _____

[] APPROVED

[] DENIED

ROLL CALL VOTE:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



To: Honorable City Council

From: John Moreno, City Manager

By: Adriana Figueroa, Public Works Director
Sarah Ho, Public Works Assistant Director

Date: October 19, 2021

Subject: AUTHORIZATION TO PURCHASE A STREET SWEEPER

BACKGROUND

As part of the City's ongoing campaign to abate litter, street sweeping is one of the key tools utilized to keep our public right of ways clean. While the City has an existing contract with a street sweeping company for the routine weekly sweeping throughout the City, the Public Works Department operates a street sweeper unit as part of its fleet for use on an as-needed basis. Typically, staff will use the sweeper weekly to clean the City owned parking lots, after special events, and when the street sweeping contractor is not available. For the last several years, the 18 year old City-owned street sweeper unit has experienced a series of mechanical issues that require frequent trips to an offsite mechanic, creating operational and budgetary setbacks. This year, \$380,000 of Measure W funds were allocated in the FY 22 budget for the purchase of a new street sweeper unit.

Measure W funds are restricted for specific uses and are collected through the County of Los Angeles as part of the Safe Clean Water Program that is funded by a County wide parcel tax. Each City in the Los Angeles County receives an allocation of Measure W funds to use towards programs or infrastructure that help capture and clean stormwater or keep the catch basins free of debris.

DISCUSSION

On September 30, 2021, the Director of Public Works opened and examined the bids for the purchase of a street sweeper. The bids were opened at 11:00 AM at the City Yard.

Two (2) bids were received and the apparent low bid submitted by Municipal Maintenance Equipment, Inc. (MME), amounted to \$352,938. The second bid was in the amount of \$403,515. Upon review of both proposals, staff identified errors in MME's bid proposal and determined MME's bid as nonresponsive. Therefore the lowest responsible and responsive bid for this project was submitted by Haaker Equipment Company in the amount of \$403,515.

This bid amount is \$23,515 above the budgeted amount of \$380,000. As this equipment is being purchased with Measure W funding, we will make the appropriate adjustments during the Midyear budget process using these funds.

VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity and guidelines; and provide the framework for policy decision making. The Strategic Outcomes were implemented to provide a pathway to achieving the City's Vision. This item aligns with Strategic Outcome No. 4: Environmental Health; and No. 5: Attractive and Well-Maintained Infrastructure.

RECOMMENDED ACTION

It is recommended that the City Council authorize the purchase of a street sweeper from Haaker Equipment Company, La Verne, California, in the amount of \$403,515 and direct staff to make the necessary adjustments to the Midyear budget.

JOB NAME: AUTHORIZATION TO PURCHASE A STREET SWEEPER

BID DATE: Thursday, September 30, 2021

BID TIME: 11:00 AM

	<u>Company Name</u>	<u>Company Address</u>	<u>Bid Amount</u>
1.	Municipal Maintenance Equipment, Inc.	4634 Mayhew Road Sacramento, CA 95827	\$352,938.00
2.	Haaker Equipment Company	2070 N. White Avenue La Verne CA 91750	\$403,515.00

OCTOBER 19, 2021

APPROVAL OF AMENDMENT NO. 1 TO THE AGREEMENT WITH PSOMAS TO PERFORM ENGINEERING DESIGN OF PARKING LOT RECONFIGURATION AT PARAMOUNT PARK IN CONJUNCTION WITH THE PROPOSED WEST SANTA ANA BRANCH BIKEWAY TRAIL – PHASE II PROJECT (CITY PROJECT NO. 9932)

MOTION IN ORDER:

APPROVE AMENDMENT NO. 1 TO THE AGREEMENT WITH PSOMAS TO PERFORM ENGINEERING DESIGN OF PARKING LOT RECONFIGURATION AT PARAMOUNT PARK IN CONJUNCTION WITH THE PROPOSED WEST SANTA ANA BRANCH BIKEWAY TRAIL – PHASE II PROJECT, DIRECT STAFF TO MAKE THE NECESSARY ADJUSTMENTS TO THE MID-YEAR BUDGET, AND AUTHORIZE THE MAYOR OR HER DESIGNEE TO EXECUTE THE AMENDMENT.

MOTION:

MOVED BY: _____

SECONDED BY: _____

[] APPROVED

[] DENIED

ROLL CALL VOTE:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



To: Honorable City Council
From: John Moreno, City Manager
By: Adriana Figueroa, Public Works Director
Date: October 19, 2021

Subject: APPROVAL OF AMENDMENT NO. 1 TO AGREEMENT WITH PSOMAS TO PERFORM ENGINEERING DESIGN OF PARKING LOT RECONFIGURATION AT PARAMOUNT PARK IN CONJUNCTION WITH THE PROPOSED WEST SANTA ANA BRANCH BIKEWAY TRAIL – PHASE II PROJECT (CITY PROJECT NO. 9932)

BACKGROUND

On March 17, 2020, the City Council approved an agreement with PSOMAS in the amount of \$685,866 to provide professional engineering design services for the West Santa Ana Branch (WSAB) Bikeway Trail – Phase II (CIP No. 9932). Phase II is the section of the City's future bikeway trail that runs from Somerset Blvd. to Paramount Blvd. In the original concept plans for the bikeway trail, the bikeway trail was to be located within the Los Angeles County Metropolitan Authority (Metro) right-of-way alignment. However, Metro's latest design for the West Santa Ana Branch Light Rail shifted and consequently moved the alignment for the City's future bikeway trail into the Los Angeles Department of Water and Power (LADWP) right-of-way.

DISCUSSION

The shift in alignment requires a redesign of the north parking lot at Paramount Park to accommodate this section of the City's future bikeway trail and replace existing parking spaces that will be impacted as part of the WSAB light rail project. An Amendment to the PSOMAS agreement is necessary in order to prepare this design work. The cost for this added work is \$135,090 and will be funded with Active Transportation Program (ATP) grant funds. An adjustment will be made during the mid-year budget process to reflect this change.

	Current Contracts	Proposed Amendments	Revised Contract Amount
PSOMAS	\$685,866	\$135,090	\$820,956

VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity and guidelines; and provide the framework for policy decision making. The Strategic Outcomes were implemented to provide a pathway to achieving the City's Vision. This item aligns with Strategic Outcomes No. 2: Community Health; No. 4; Environmental Health; and No. 5: Attractive and Well-Maintained Infrastructure.

RECOMMENDED ACTION

It is recommended that the City Council approve Amendment No. 1 to the Agreement with PSOMAS to perform engineering design of parking lot reconfiguration at Paramount Park in conjunction with the proposed West Santa Ana Branch Bikeway Trail - Phase II project, direct staff to make the necessary adjustments to the mid-year budget, and authorize the Mayor or her designee to execute the amendment.

July 23, 2020

Updated on October 11, 2021

Rafael Casillas, PE

City Engineer

City of Paramount, CA

Via email: bpagett@paramountcity.com

Subject: Amendment to perform Parking Lot Reconfiguration – in conjunction with the proposed West Santa Ana Branch Multi-Use Trail Project in Paramount, CA.

In order to accommodate a new Class I Bicycle facility through Paramount Park, portion of an existing parking lot at the southeast corner of Paramount Boulevard and Rosecrans Avenue will undergo modification. This amendment covers the necessary tasks for such works that will involve additional design survey, research and data gathering, grading and drainage, storm water quality treatment, soil report, lighting and photometrics, and construction support services for the parking lot reconfiguration. Project limits and more detailed scope of services are outlined as follow:

Project Limits:

Project and survey limits shall be within the yellow outline of the parking lot area as shown below in the City of Paramount, at the southeast corner of Paramount Boulevard and Rosecrans Avenue.



Task 1 – Project Management & Coordination

Project Management and coordination associated with the parking lot modification is expected to extend for approximately 6 months, through January 2021. Up to three milestone submittals are expected: Draft, Final Draft and Final, in close coordination with the development of West Santa Ana Branch Phase 2 construction document.

With the current pandemic, all coordination meetings, estimated between six and eight are assumed to be conducted virtually.

Task 2a – Design Survey

Topographic Survey:

Conventional topographic surveys shall be shown within said project limits for design. Additionally, overhead transmission line's horizontal locations will be identified by the nursery property on the west side of the trail's crossing on Downey Avenue, and in the parking lot. Psomas shall perform topographic survey within the limits shown earlier.

Survey data will be reviewed, reduced and imported into a CAD base mapping file in AutoCAD DWG format. Field located topographic features will be labeled with their respective point number, elevation and descriptions. Psomas office surveyors will produce a topographic base mapping file in DWG format of the surveyed scope at a mapping scale of 1" = 20' including surface contours at 1-ft. interval.

Deliverables:

- CAD Topo base mapping file in AutoCAD DWG format on mapping scale of 1"=20' including surface contours at 1 ft. interval
- DTM file in Inroads format

Exclusions:

- Any permitting fees required for surveying or other services are not included in this fee proposal.
- Supplemental topographic design survey and mapping to merging to existing topographic mapping shall be excluded for this proposal.
- Subsurface and overhead utility investigation research and mapping shall be excluded from this proposal.
- Manhole and invert surveys shall be excluded from this proposal.

Task 2b – Plans, Specifications and Estimates

Psomas will compose Plans, Specifications and Estimates (PS&E) consisting of the following:

No.	Plan Descriptions	Scale	Est. # of Sheets
1	Title Sheet	N/A	1
2	Details	N/A	2
3	Horizontal Control Plan	1"=40'	2
4	Grading and Drainage & Storm Drain Connection Plans	1"=20'	3
5	Standard Urban Storm Water Management Plan (Budget task for Hydrology-hydraulic will be used)	1"=40'	1
6	Signing and Striping Plans	1"=40'	2
7	Lighting Relocation Plans and Details	1"=40'	2
Estimated Total			13

Specific approaches to Drainage and Lighting tasks are further described below:

Grading, Drainage and Storm Drain Connection Plans

Psomas will prepare a Grading and Drainage Plan for the proposed parking lot reconfiguration. The plan will also include the locations of the landscape features as provided by the Landscape Architect. Under existing conditions, runoff within project limits is graded towards cross gutters in the parking lot which ultimately drains to an underground storm drain system. Relevant hydraulic analysis will be performed for relocated and modified inlets, impacted by the parking lot reconfiguration.

Standard Urban Storm Water Management (SUSMP)

Psomas will prepare a SUSMP for the proposed parking lot reconfiguration and bike trail in conformance with the applicable Los Angeles County requirements. The SUSMP will identify long-term post-construction Best Management Practices (BMPs) for managing storm water on the project site and will incorporate required structural and non-structural BMPs. We will prepare a Best Management Practices Exhibit.

Signing and Striping Plans

Psomas will develop standalone Signing and Striping plans which will reflect modification of the parking lot along with installation and/or relocation of pertinent signs.

Lighting and Photometrics

As part of the lighting relocation plans, Psomas will perform photometric/illumination level analysis within project area limits as shown earlier. Illumination level evaluation will guide locations of lights to in the parking lot area impacted by the proposed bike facility, per IESNA guidelines. The team will develop Lighting Relocation plans that will show new, relocated signs.

Coordination with DWP

Psomas will coordinate with DWP on the proposed parking reconfiguration and locations of lights for the project area within the DWP easement. It is our understanding that DWP will be reviewing construction plans and provide comments. Up to two cycles of review comments and five (5) coordination calls are expected and assumed.

Exclusions:

- Any permitting fees required for services included in this fee proposal.
- Review of existing ADA parking compliance with current code.
- SUSMP for the entire parking lot

Task 2c – Percolation tests

For SUSMP purposes, Diaz Yourman will be performing a percolation test. See attached proposal from Diaz-Yourman & Associates for scope, fees, and assumptions. Will use percolation tests budget from Multi-Use Trail for this task.

Task 2d – Landscape architectural services

KTUA will be furnishing Planting and Irrigation Modification plans associated with parking lot reconfiguration as shown. See attached proposal from KTUA for scope, fees, and assumptions.

Task 3 – Construction Support Services (*time and material*), to be authorized at a later time

Along with design, Psomas will also be providing construction support services which will include responding to Request for Information (RFI), reviewing and approving submittal drawings. A total of 6 RFIs or submittal drawings are expected in the estimated, time and material fee.

Overall Assumptions/Exclusions:

- Any services other than what is mentioned and discussed in the aforementioned is considered excluded.
- Geotechnical investigation and/or engineering other than what has been included for percolation test associated with SUSMP/Water Quality are assumed not needed and are excluded.
- Change in basis of design, including modified parking lot layout beyond the agreed-upon concept after construction document has begun will be regarded as a potential change of scope eligible for an amendment.
- Structural analysis or work of any kind is excluded
- No encroachment permit work and/or fee is assumed required
- Stormwater Pollution Prevention and Erosion Control Plans are excluded. These will be done by the contractor.
- The existing Hydrology-hydraulic study task budget for Multi-Use trail will be used to develop SUSMP report for the parking lot

Description Consultant Services		Principal In Charge QA \ QC Manager	Project Manager	Project Engineer	Staff Engineer	Project Assistant	Total Hours	Direct Labor Subtotal	PSOMAS Survey	Diaz-Yourman & Associates	KTUA	Total Cost
		\$250	\$235	\$165	\$145	\$115						
Task 1 - PROJECT MANAGEMENT Project Management and Coordination (4 month duration assumed) Reimbursable Expenses												
	2	64	40		4	110	\$ 22,600				\$ 22,600	
							\$ 500				\$ 500	
Subtotal - PROJECT MANAGEMENT		2	64	40		4	110	\$ 23,100				\$ 23,100
Task 2 - FINAL DESIGN												
2a. Design Survey		2	4			6	\$ 1,130	\$ 14,500			\$ 15,630	
2b. Plans Specifications and Estimates												
Title Sheet		1	1	3		5	\$ 835				\$ 835	
Details		1	2	4		7	\$ 1,145				\$ 1,145	
Horizontal Control		2	4	13		19	\$ 3,015				\$ 3,015	
Grading, Drainage and Storm Drain Connection Plans	1	6	12	36		55	\$ 8,860				\$ 8,860	
SUSMP Report	Will use hydrology-hydraulic budget from Multi-Use Trail							\$ -			\$ -	
Signing and Striping		4	10	22		36	\$ 5,780				\$ 5,780	
Lighting Relocation		6	12	24		42	\$ 6,870				\$ 6,870	
Draft Opinion of Probable Costs (Estimates)	2	4	6	12		24	\$ 4,170				\$ 4,170	
Draft Specifications	2	12	12		6	32	\$ 5,990				\$ 5,990	
Quality Control and Peer Review	1	3	10	17		31	\$ 5,070				\$ 5,070	
Final Draft Plans	2	5	14	36		57	\$ 9,205				\$ 9,205	
Final Draft Estimates and Specifications	1	2	4	12	2	21	\$ 3,350				\$ 3,350	
Quality Control and Peer Review	1	4	5	8		18	\$ 3,175				\$ 3,175	
Final Plans	2	3	9	21		35	\$ 5,735				\$ 5,735	
Final Estimates and Specifications		4	4	8	2	18	\$ 2,990				\$ 2,990	
Quality Control and Peer Review	1	2	6	8		17	\$ 2,870				\$ 2,870	
DWP calls (5 assumed) & Coordination	8	12	16	8	8	52	\$ 9,540				\$ 9,540	
2c. Percolation tests (See Diaz-Yourman & Associates proposal attached)	Will use percolation tests budget from Multi-Use Trail							\$ -			\$ -	
2d. Landscape architectural services (See KTUA proposal attached)		2	4		2	8	\$ 1,360			\$ 15,400	\$ 16,760	
Reimbursable Expenses							\$ 1,000				\$ 1,000	
SubTotal - FINAL DESIGN		21	75	135	232	20	483	\$ 82,090	\$ 14,500		\$ 15,400	\$ 111,990
Total of Tasks 1 and 2 for Current Authorization \$ 135,090												

Total Cost	
22,600	
500	
23,100	
15,630	
835	
1,145	
3,015	
8,860	
-	
5,780	
6,870	
4,170	
5,990	
5,070	
9,205	
3,350	
3,175	
5,735	
2,990	
2,870	
9,540	
-	
16,760	
1,000	
111,990	
\$ 135,090	

OCTOBER 19, 2021

RESOLUTION NO. 21:033

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT
AMENDING RESOLUTION NO. 19:045 PERTAINING TO THE FREQUENCY
OF THE COMMUNITY-WIDE PARKING COMMITTEE MEETINGS

MOTION IN ORDER:

READ BY TITLE ONLY AND ADOPT RESOLUTION NO. 21:033.

<u>MOTION:</u>	<u>ROLL CALL VOTE:</u>
MOVED BY: _____	AYES: _____
SECONDED BY: _____	NOES: _____
[] APPROVED	ABSENT: _____
[] DENIED	ABSTAIN: _____



To: Honorable City Council
From: John Moreno, City Manager
By: Adriana Lopez, Public Safety Director
Date: October 19, 2021

**Subject: RESOLUTION NO. 21:033 AMENDING RESOLUTION NO. 19:045
PERTAINING TO THE FREQUENCY OF THE COMMUNITY-WIDE
PARKING COMMITTEE MEETINGS**

BACKGROUND

On December 17, 2019, the City Council adopted Resolution No. 19:045 establishing the Community-Wide Parking Committee (Committee). The Committee is comprised of the Public Safety Chair and Vice Chair and the Public Works Chair and Vice Chair. In terms of staffing, the Committee includes the Public Safety, Public Works, and Planning Directors and the City's Traffic Engineer. The Committee is governed under the Brown Act. The focus of the Community-Wide Parking Committee is to recommend short-term, mid-term, and long-term parking strategies that will address the City's on-street parking issues in a cost-efficient manner to the Paramount City Council.

Since the adoption of Resolution No. 19:045, the Committee met on a monthly or bi-monthly basis until COVID-19 restrictions did not allow in-person meetings. In June 2021, the Committee resumed monthly meetings.

DISCUSSION

It has become apparent that monthly meetings do not allow staff adequate time to fully prepare for potential recommendations presented at the previous meeting. Some staff and resident recommendations require staff to evaluate many factors in the targeted neighborhoods. For example, it may be necessary for the Traffic Engineer to evaluate traffic conditions and/or conduct a traffic study before recommending the removal of red curbs or eliminating "no parking" sections. This process may also be necessary if additional red curb markings are being requested by the residents. On occasions, Public Safety staff may need to conduct surveys before proposing parking restrictions (parking T's or resident permit parking).

PROPOSAL

As previously mentioned, monthly meetings do not provide staff an adequate amount of time required to effectively evaluate the specific parking issues and needs of a specific neighborhood. Quarterly meetings would better serve the community by allowing staff to produce more comprehensive analysis of potential recommendations. Additionally, quarterly meetings would also allow staff to identify the next neighborhood with ample time and conduct targeted outreach.

RECOMMENDED ACTION

It is recommended that City Council read by title only and adopt Resolution No. 21:033.

CITY OF PARAMOUNT
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION NO. 21:033

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT
AMENDING RESOLUTION NO. 19:045 PERTAINING TO THE
FREQUENCY OF THE COMMUNITY-WIDE PARKING COMMITTEE
MEETINGS

WHEREAS, on December 17, 2019 the City Council adopted Resolution No. 19:045 establishing a Community-Wide Parking Committee ("Parking Committee") and setting the criteria therefore; and

WHEREAS, the establishing resolution called for the meetings to be held at least once per month or more if need; and

WHEREAS, holding monthly meetings does not provide staff the adequate amount of time required to effectively evaluate the specific parking issues and neighborhood conditions; and

WHEREAS, quarterly meetings would better serve the community by allowing staff to produce a more comprehensive analysis and make recommendations to the Parking Committee for remedies that could be implemented immediately to improve parking conditions; and

WHEREAS, quarterly meetings would also provide the opportunity to more effectively inform residents about the upcoming meeting dates/times; and

WHEREAS, the City Council believes it is in the best interest of the community for the Parking Committee to change the frequency of its meetings to at least once per quarter or more if needed.

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

SECTION 1. The above recitations are true and correct.

SECTION 2. Section 2(a) of Resolution 19:045 is hereby amended in its entirety as follows:

(a) The Community-Wide Parking Committee ("Parking Committee") would be comprised of the Public Safety Commission Chair and Vice Chair and the Public Works Commission Chair and Vice Chair who will meet for public discussion at least once per quarter or more if needed;

SECTION 3. All other sections of Resolution No. 19:045 remain in full force and effect.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Paramount this 19th day of October 2021.

Brenda Olmos, Mayor

ATTEST:

Heidi Luce, City Clerk

OCTOBER 19, 2021

REPORT

NORTH PARAMOUNT GATEWAY SPECIFIC PLAN

MOTION IN ORDER:

PROVIDE DIRECTION AND RECEIVE AND FILE THE REPORT.

MOTION:

MOVED BY: _____

SECONDED BY: _____

[] APPROVED

[] DENIED

ROLL CALL VOTE:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



To: Honorable City Council

From: John Moreno

By: John Carver, Planning Director
John King, AICP, Assistant Planning Director

Date: October 19, 2021

Subject: NORTH PARAMOUNT GATEWAY SPECIFIC PLAN

BACKGROUND

This item is a report summarizing the North Paramount Gateway Specific Plan. As a reminder, a specific plan is a regulatory tool in California for furthering a vision for a “sense of place” and implementing a jurisdiction’s general plan. Title 17 of the Paramount Municipal Code includes the City’s zoning regulations also known as the “Zoning Code” or “Zoning Ordinance”. When the City Council adopts a completed specific plan by ordinance, the plan is integrated with the Zoning Code and becomes the official land use and zoning regulatory document for a particular area.

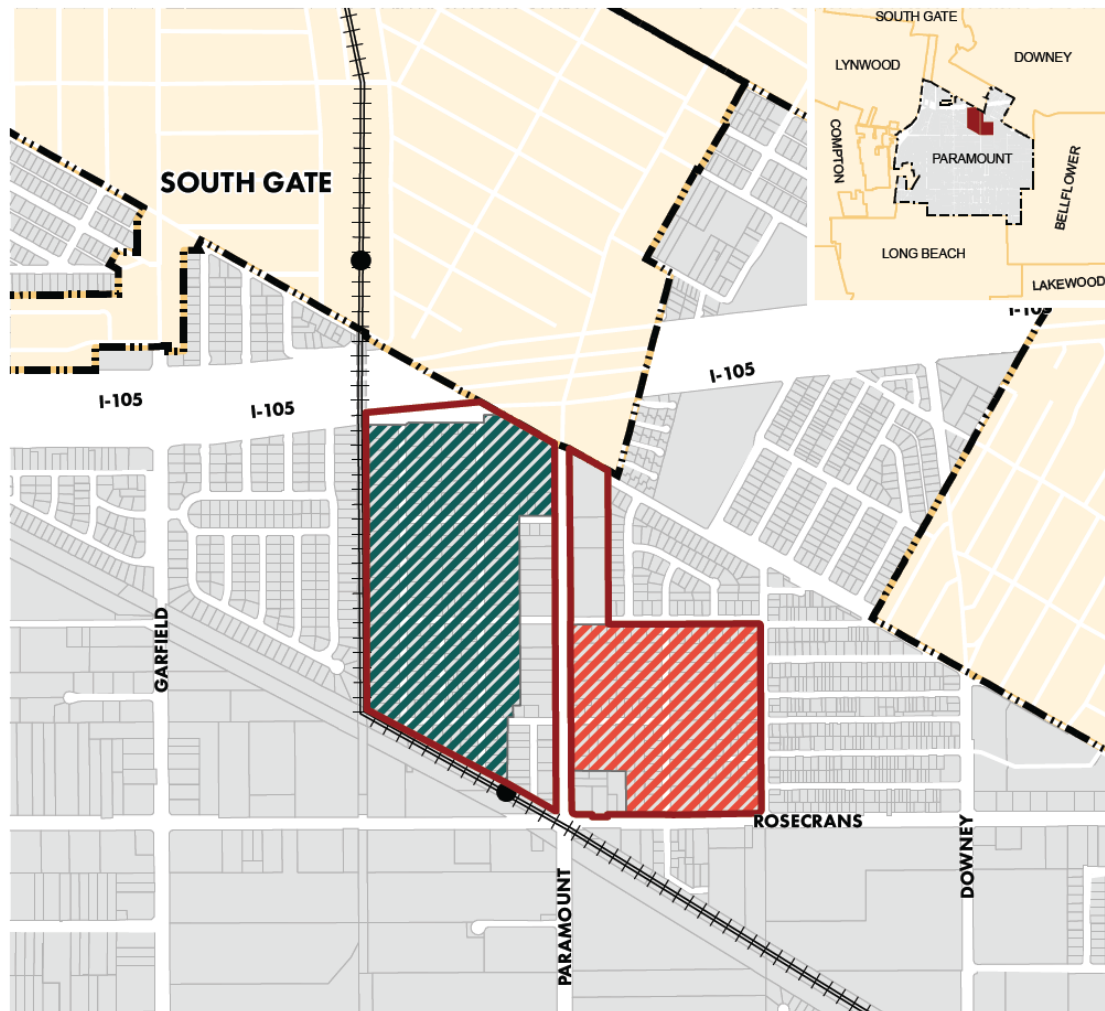
The Planning Commission reviewed the plan at its October 12, 2021 meeting. On October 5, 2021, the City Council approved a proposal to award the contract to a private firm to prepare the environmental impact report (EIR) for the plan to meet California Environmental Quality Act (CEQA) requirements.

NORTH PARAMOUNT GATEWAY SPECIFIC PLAN

At the north-central portion of the City, on each side of Paramount Boulevard north of Rosecrans Avenue are two specific plan areas as adopted by the Paramount City Council in 1987 – (1) Clearwater North on the west side of Paramount Boulevard and (2) Howe/Orizaba on the east side of Paramount Boulevard – totaling approximately 69 acres. The intent of this project is to join the two specific plan areas into a single North Paramount Gateway Specific Plan, slightly expand the plan area to incorporate a few key parcels along Paramount Boulevard, and develop a contemporary, “user-friendly” plan that provides long-term reductions in greenhouse gas (GHG) emissions and vehicle miles traveled (VMT), supports sustainability efforts such as sustainable design, promotes community health and well-being, and strengthens the economic vitality of businesses and individuals.

The summary and discussion that follow are key points for City Council consideration, and the full draft of the Specific Plan is attached.

Below is a map of the North Paramount Boulevard Specific Plan area, which is shown within the red boundaries.



PUBLIC OUTREACH

In addition to extensive analysis and land use modeling, public outreach and comments are fundamental aspects of the development of any specific plan. The North Paramount Gateway Specific Plan is no exception. The project team has staffed informational tables at the Farmers Market at Progress Park, the Friday Night Farmers Market on Jackson Street near City Hall, and during the Summer Concert Series. Public participants were invited to apply stickers on interactive informational boards to indicate their preferred plan and policy options. On Saturday, September 25, a community workshop was conducted at the Community Center at Paramount Park to further listen to public comments and refine plan options. The outreach events were supplemented with an online community survey that has been thoroughly publicized. Information from the Paramount community will supplement the City Council discussion, which will all be synthesized with technical studies into the environmental impact report (EIR).

Below are photos from outreach events:



PLAN VISION AND GUIDING PRINCIPLES

The vision of the Specific Plan is as follows:

The Specific Plan area will be walkable, accessible, well-connected, and provide recreational, shopping, cultural, and housing opportunities and other key amenities that will support activity throughout the day.

Guiding principles include the following:

- Focus future growth along Paramount Boulevard near the 105-freeway and future Paramount/Rosecrans light rail station while preserving a majority of the existing lower-density neighborhoods. Also, allow some intensification along Paramount Boulevard and Rosecrans Avenue to support the use of transit without contributing to overcrowded conditions.
- Creating new public amenities, improving air quality through reduced congestion and lower car use, building high-quality, affordable housing, and connecting residents to quality jobs through transit and active transportation investments, all of which contribute to a reduction of greenhouse gas (GHG) and vehicle miles traveled (VMT).
- Respect the existing character and scale of adjacent low-density housing.
- Promote a diverse housing stock with types that are offered at a wide range of sizes and affordability.
- Provide strategies for introducing new open space and recreational opportunities for neighborhood residents in new developments.
- Ensure that new housing developments are well connected to the stations through wide, clear sidewalks, bicycle lanes, and amenities such as convenient bicycle storage.

ZONING DESIGNATIONS

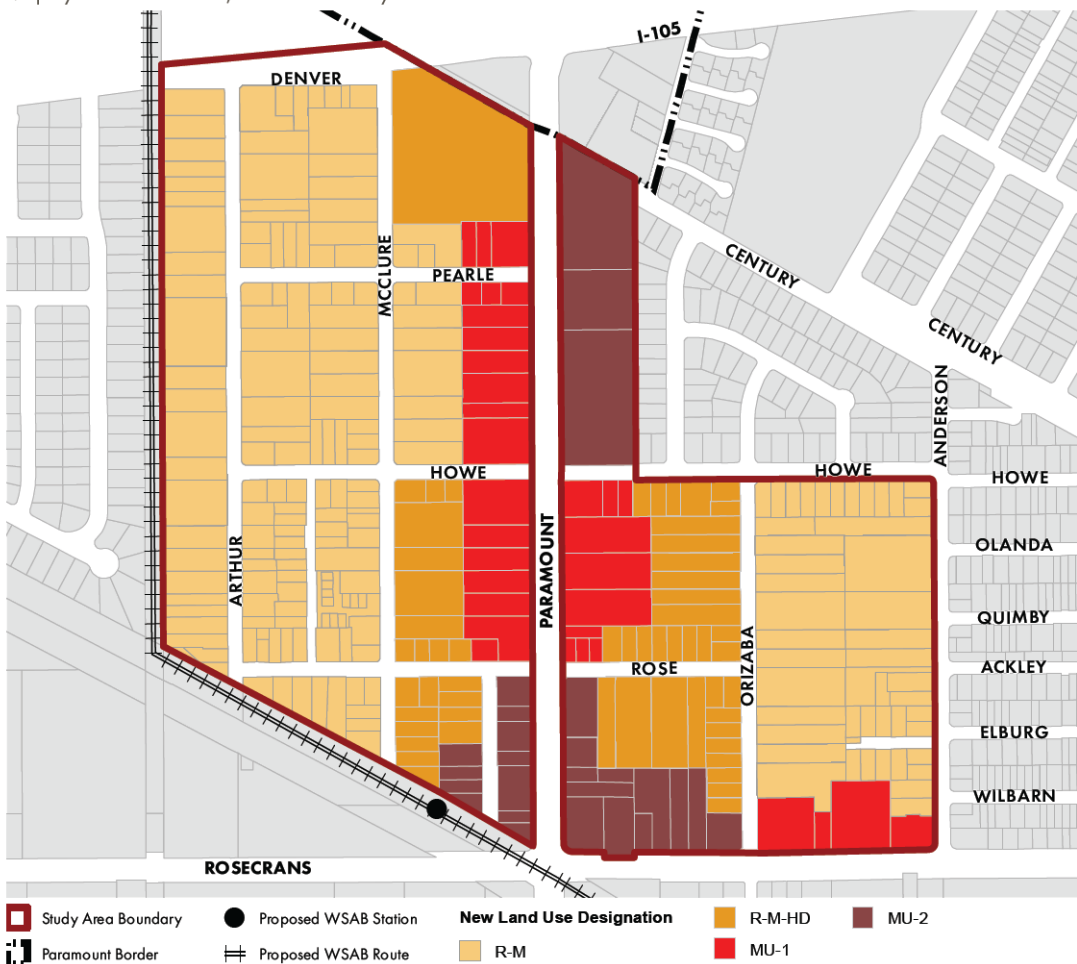
Currently, the properties within the Specific Plan area are primarily zoned R-M (Multiple-Family Residential) with commercial zones – C-3 (General Commercial); C-M (Commercial Manufacturing), and PD-PS (Planned Development with Performance Standards) – on most of Paramount Boulevard and Rosecrans Avenue.

The proposed North Paramount Gateway Specific Plan would replace the current land use zoning designations to allow for vertical mixed-use development (commercial on the first floor and residential on upper floors) along Paramount Boulevard and the north side of Rosecrans Avenue.

The proposed land use designations map (Figure 3.3 from the draft plan) follows:

FIGURE 3.3 - PROPOSED SPECIFIC PLAN LAND USE DESIGNATIONS MAP

Map By: Gruen Associates, Data Sources: City of Paramount



Zone	Description	Maximum Density	Maximum Height	Maximum FAR
R-M	Multiple family residential, medium-density	30 du/ac	30 ft	n/a
R-M-HD	Multiple family residential, high-density	40 du/ac	40 ft	n/a
MU-1	Mixed-use, medium-density	30 du/ac	30 ft	1.5
MU-2	Mixed-use, high-density	40 du/ac	45 ft	2.0

DENSITY

As noted in the table above, the proposed densities in the Specific Plan area are above the longstanding default density of 22 housing units per acre. The citywide maximum density (with exceptions for senior housing developments up to 70 housing units per acre) was established on November 8, 1988 when Paramount voters approved Proposition FF. However, with changes in State law and pro-housing interpretations of the California Department of Housing and Community Development, the City Attorney's Office determined the provisions of Proposition FF inapplicable by operation of law.

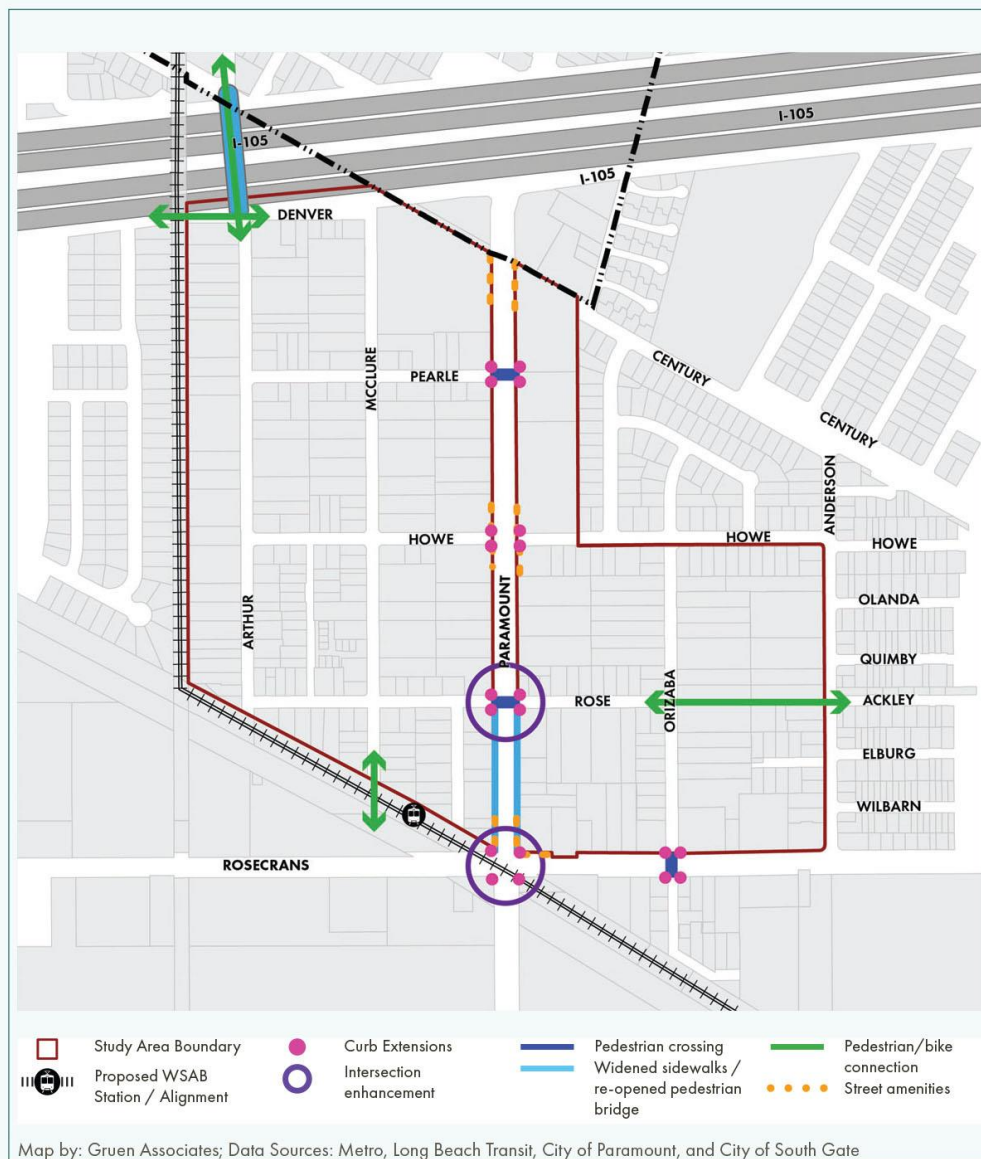
As such, a slight reimagining of housing density in this area of Paramount is possible. The density proposed in this plan is an opportunity to demonstrate the best use of local land use visioning and regulation. In recent years, the State has introduced legislation requiring one-size-fits-all housing requirements for urbanized areas statewide. The response from cities like Paramount is that cities are better positioned to understand and develop the specific locations and programs to support future housing and population growth. By offering a sensible housing approach that includes a modest uptick in density in a defined area, the City lives up to its promise addressing the housing availability and affordability shortage at the local level. When applied carefully with strict development requirements and associated public infrastructure improvements, especially in light of the upcoming West Santa Ana Branch light rail transit corridor with a station at Paramount Boulevard/Rosecrans Avenue, the added housing density can positively invigorate the area's quality of life.

Additionally, this thoughtful rezoning for more housing will accommodate the Regional Housing Needs Assessment (RHNA). The State mandates cities through the RHNA process to plan for a specified number of housing units, approximately half of which are required to be affordable units. With more and more State legislation holding cities directly accountable for the actual construction of market-rate and affordable housing to meet their RHNA numbers, it is critical to lay the foundation for the current ("6th cycle") RHNA demand and the next with deliberate planning. The Housing Element update that is near completion will include a program for the North Paramount Gateway Specific Plan to help meet the current RHNA of 364 housing units, which includes 183 affordable units.

These changes are open for discussion and direction from the City Council.

INFRASTRUCTURE

The North Paramount Gateway Specific Plan also includes a mobility and parking plan in addition to other recommendations for public infrastructure. The plan identifies several treatments to calm traffic, facilitate safer crossings, and generally make pedestrians of all abilities more visible to drivers and cyclists. Provisions are included for widening public sidewalks, extending curbs into parking lanes at street intersections, adding pedestrian-scale lighting, and improving pedestrian signal systems. The following is a map of proposed curb extensions, crossings, and other amenities:



IMPLEMENTATION

The plan includes implementation measures to bring the vision, goals, and objectives to life. The following are the overarching implementation objectives:

- Attract focused mixed-use and residential development
- Preserve and create affordable housing
- Invest in public realm and civic infrastructure
- Improve retail offerings and attract missing services

NEXT STEPS

This draft of the North Paramount Gateway Specific Plan will be revised based on guidance from the City Council this evening. The EIR will begin shortly and take approximately one year to complete. All changes will be incorporated into the final document that the City Council will review for approval at the conclusion of the EIR process. At that point, the Specific Plan will be adopted by ordinance and integrated with the Municipal Code.

VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES

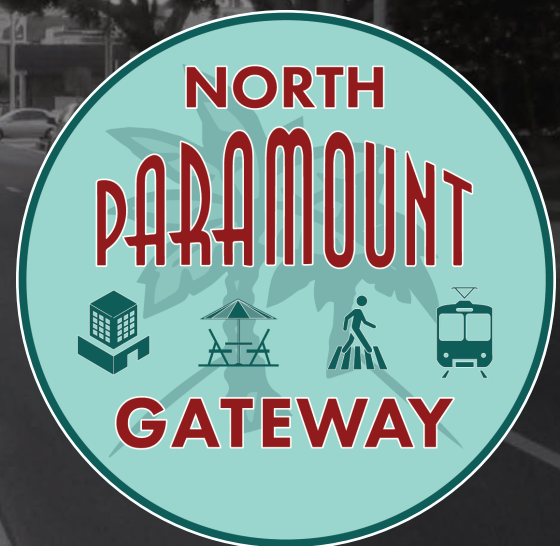
The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity, and guidelines; and provide the framework for policy decisionmaking. The City Council implemented the Strategic Outcomes to provide a pathway to achieving the Vision of a city that is safe, healthy, and attractive. This item aligns with Strategic Outcomes No. 1: Safe Community; No. 2: Community Health; No. 3: Economic Health; No. 4: Environmental Health; and No. 5: Attractive and Well-Maintained City Infrastructure.

RECOMMENDED ACTION

It is recommended that the City Council provide direction and receive and file the report.

North Paramount Gateway Specific Plan

DRAFT October 19, 2021



North Paramount Gateway Specific Plan

ACKNOWLEDGMENTS

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(unless otherwise stated)

TABLE OF CONTENTS

1.0	Introduction				
1.1	Project Background & Context	6	4.3	Building Design	45
1.2	Relationship to other Plans	10	4.4	Open Space	50
1.3	Planning Process	12	4.5	Landscaping	52
1.4	Plan Administration	14	4.6	Site Design	55
			4.7	Circulation and Parking	56
			4.8	Sustainable Design	60
2.0	The North Paramount Gateway Vision		5.0	Mobility Plan	
2.1	The Specific Plan Area Today	16	5.1	Background	64
2.2	Vision & Guiding Principles	18	5.2	Transit	66
2.3	Goals and Objectives	20	5.3	Pedestrian Circulation	71
			5.4	Bicycle Circulation	77
			5.5	Vehicular Mobility	83
			5.6	Parking	85
3.0	Land Use Plan		6.0	Infrastructure Plan	
3.1	Land Use Strategy	28	6.1	Background	88
3.2	Existing Zoning Designations	30	6.2	Sewer System	89
3.3	Establishment of Specific Plan Zones	32	6.3	Water System	91
3.4	Permitted Uses by Zone	35	6.4	Storm Drain System	92
			6.5	Electrical System	93
			6.6	Natural Gas System	95
			6.7	Telecommunications System	96
4.0	Design and Development Standards				
4.1	Purpose & Applicability	40			
4.2	Site Development	42			

7.0 Implementation Plan

7.1	Background	98
7.2	Implementation Framework	100
7.3	Specific Plan Projects	104
7.4	Funding Opportunities	106

8.0 Appendix

8.1	Drought Tolerant Native Plant List	112
8.2	Community Benefit Incentives	114

1.0 Introduction



1.1 PROJECT BACKGROUND & CONTEXT

1.1.1 PROJECT AREA & LOCATION

Approximately five square miles in size, largely surrounded by four major freeways, and adjacent to the Los Angeles River, the City of Paramount has over 50,000 residents and 3,000 businesses. Paramount Boulevard is the primary north-south major arterial through the City. At the north-central portion of the City, on each side of Paramount Boulevard are two specific plan areas as adopted by the Paramount City Council in 1987 – (1) Clearwater North on the west side of Paramount Boulevard and (2) Howe/Orizaba on the east side of Paramount Boulevard – totaling approximately 69 acres. Both specific plans focused on high density housing opportunities, but a voter-approved initiative in 1988 capped housing density for new construction to 22 units per acre, thereby rendering the specific plans largely irrelevant.

The intent of this project is to combine the two specific plan areas into a single North Paramount Gateway (NPG) Specific Plan, slightly expand the plan area to incorporate additional key parcels along Paramount Boulevard, and develop a contemporary, “user-friendly” plan that provides long-term reductions in greenhouse gas (GHG) emissions and vehicle miles traveled (VMT), supports sustainability efforts such as sustainable design, promotes community health and well-being, and strengthens the economic vitality of businesses and individuals. The project is a collaborative process between the City of Paramount, the Southern California Association of Governments (SCAG), the Consultant Team (which consists of Gruen Associates, HR&A Advisors, JMC2, and GTS), and the Paramount community.

The specific plan area (SPA) for the NPG is in the northern portion of the City of Paramount and is generally bounded by the Paramount/South Gate city border and Howe Street to the north, the Metro/Union Pacific railroad to the west, Rosecrans Avenue and Pacific Electric railroad right-of-way to the south, and Anderson Street to the east. The precise boundary of the SPA is mapped in [Figure 1.1](#).

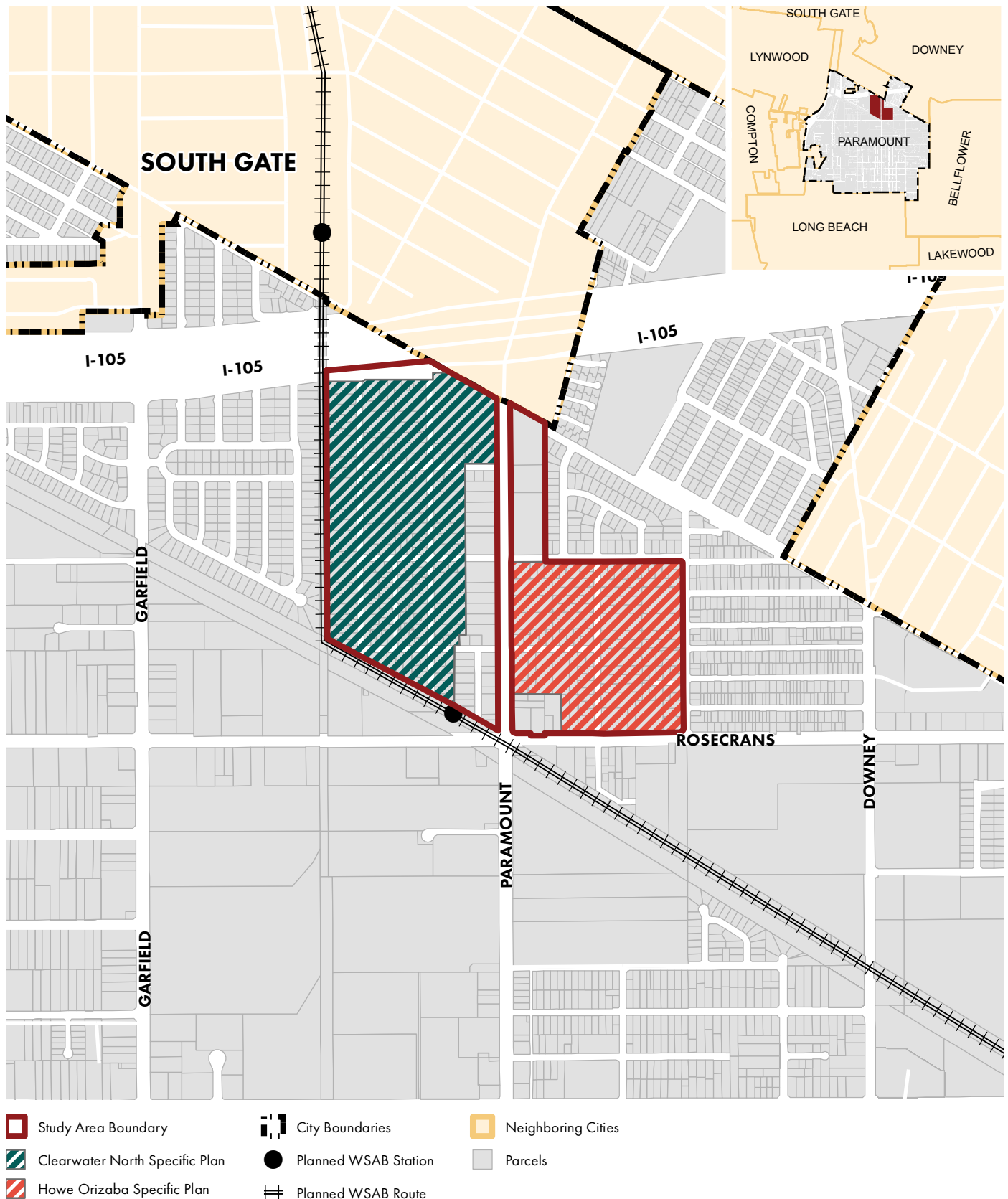
1.1.2 PURPOSE

Cities experience economic growth and physical change over time, and individual neighborhoods often experience change at unique rates when compared to the City as a whole. The City’s General Plan provides policy guidance for the entire City’s development, and the built environment is directly guided by the zoning code and other municipal standards. A Specific Plan becomes a critical tool to address the unique needs and conditions of smaller subareas within a city to create new neighborhoods or refurbish and reshape older neighborhoods, while still allowing the zoning standards to manage routine changes to the use of existing buildings. A Specific Plan is a zoning tool that allows a clear and specific vision for the future of an identified study area that enables the City and property owners to reshape the public and private realms according to that vision. Specific Plan visions are refined from discussions between community stakeholders and City officials.

This Specific Plan will aid the City of Paramount to plan for and guide the City’s future to capitalize on the forthcoming West Santa Ana Branch (WSAB) light rail transit station to be located near the Paramount/Rosecrans intersection, stimulate new private investment, and ultimately build upon the existing neighborhood fabric to create a transit-oriented district with an expanded and broadened housing stock and new employment opportunities. This is accomplished by updating existing and creating new land use, public realm, and infrastructure goals and policies set forth by the Howe/Orizaba and Clearwater North Specific Plans, and other goals and policies outlined in the Paramount General Plan and Municipal Code.

This Specific Plan’s Land Use Plan will replace the current zoning standards for the study area with customized standards designed to deliver development consistent with the City’s and community’s integrated vision. The Specific Plan will have comprehensive design standards for the built environment including streets and open space in the SPA, along with implementation and financing recommendations to provide property owners the appropriate context for

FIGURE 1.1 - NORTH PARAMOUNT GATEWAY SPECIFIC PLAN AREA



Map by: Gruen Associates; Data Sources: City of Paramount, SCAG

understanding the potential reinvestment of their properties, while minimizing displacement.

The Specific Plan will provide a road map for growth in the study area for at least the next 25 years, until the year 2046 and beyond. The provisions of this Specific Plan are in conformance with the goals and objectives of the 2007 General Plan. This Specific Plan proposes a wide range of policies, programs, and projects, some with short-term horizons—within the next 10 years—that can attract immediate financing, while others are visionary in nature, may not be practical or may be too expensive to implement in the short term, and consequently may not be implemented for 20 years or longer. Please see [Chapter 7.0](#) for more information.

ILLUSTRATIVE/GUIDELINES VS. MANDATORY STANDARDS

This Specific Plan is comprised of four principal sections, a vision ([Chapter 2.0](#)), the land use plan and development standards ([Chapter 3.0](#) and [4.0](#)), the mobility and infrastructure plans ([Chapter 5.0](#) and [6.0](#)), and implementation strategy ([Chapter 7.0](#)).

- **Chapter 2.** The vision illustrates the City's and community's broad goals for the SPA over the next 25 years. These goals reflect community input that has been received at various community outreach events, the City interagency meeting and reviews by City staff, and Planning Commission and City Council meetings. Accordingly, specific projects presented and described in Chapter 2 are not mandatory, are purely illustrative, and should be viewed as guidelines. For example, a property that is shown to be developed in diagrams is not required to develop in that manner and may never develop, while a property not shown with illustrative development may develop in the future.
- **Chapters 3 and 4.** The land use plan and development standards ensures that private development occurs according to the community's vision and replaces the relevant portions of the previous zoning code for all properties within the Specific Plan study area. The provisions of the land use plan and development standards area mandatory.
- **Chapters 5 and 6.** The mobility plan describes publicly-funded capital improvement projects identified by the vision. The infrastructure plan provides an overview of existing and planned infrastructure facilities, as well as outlines recommended infrastructure upgrades for

the SPA based on the projected infrastructure needs of the build-out of the SPA. Certain projects identified may move forward while others may not. Ultimately it is up to the City, and the community, to decide which projects move forward and when. Thus, like the Vision, the mobility and infrastructure strategies should be viewed as guidelines.

- **Chapter 7.** The implementation plan describes potential phasing and financing mechanisms for the projects identified in the mobility and infrastructure plans.

1.1.3 PLAN AUTHORITY

The California Government Code authorizes cities to adopt Specific Plans under Title 7, Division 1, Chapter 3, Article 8, Sections 65450 through 65457. Specific Plans may be adopted by resolution, becoming policy, or by ordinance, becoming regulation. Public hearings before the Planning Commission and City Council are required before adoption.

The North Paramount Gateway Specific Plan is a regulatory plan for all properties within the SPA. Development plans or agreements, tract or parcel maps, or any development of land use approval requiring ministerial or discretionary actions must be consistent with the Specific Plan which itself is consistent with the General Plan.

When adopted by City ordinance, the Specific Plan serves a Planning and regulatory function. It implements the Paramount General Plan, contains applicable land use regulations, and constitutes zoning for the NPG SPA.



The Taback Building at Jackson Street and Paramount Boulevard



The Drive-in Swap Meet in the 1950's show a tradition of gathering in Paramount



Jackson Street and Paramount Boulevard in the 1930's



Somerset Boulevard and Paramount Boulevard



Radium Drive-in later Paramount Drive-in

1.2 RELATIONSHIP TO OTHER PLANS

1.2.1 GENERAL PLAN

The City of Paramount adopted the current General Plan in 2007. The General Plan is applicable to every parcel within the City and includes several elements which regulate policies across the City including but not limited to the Land Use Element, Housing Element, Transportation Element, Health and Safety Element, and Environmental Justice Element.

The General Plan is the overarching policy document for the City and all land use and mobility regulations must comply with its provisions, as mandated by California state law. The NPG Specific Plan is generally consistent with the intent, goals, and policies of the Paramount General Plan.

1.2.2 HOWE / ORIZABA CLEARWATER SPECIFIC PLANS

The Clearwater North and Howe/Orizaba Specific Plans were adopted in April 1987 and cover an area of approximately 69 acres on both sides of Paramount Boulevard north of Rosecrans Avenue. The two specific plans cover the majority of the study area for the North Paramount Gateway Specific Plan. The two specific plans envisioned both medium-density and high-density residential areas, with a maximum density of 70 dwelling units per acre (du/ac). Since the passage of Proposition FF (see below), the medium- and high-density zones applied by the specific plans have been replaced with a lower-density zone to comply with the Proposition's imposed citywide maximum density cap at 22 du/ac.

The North Paramount Gateway (NPG) Specific Plan combines these two existing specific plan areas as well as additional parcels along Paramount Boulevard north of Rosecrans Avenue. The NPG Specific Plan completely replaces and supersedes both the Clearwater North and Howe/Orizaba Specific Plans.

1.2.3 PARAMOUNT MUNICIPAL CODE

The Paramount Municipal Code (PMC) implements the General Plan through citywide and zone-specific regulations. Title 17 of the PMC includes conventional zoning regulations as well as the codified Howe/Orizaba and Clearwater North Specific Plans (Chapter 17.84).

CHAPTER 17.20 (PROPOSITION FF)

A voter initiative, Proposition FF, was passed in 1988 and codified into the PMC as Chapter 17.20 to limit new multiple-family housing construction to 22 du/ac with exceptions for senior housing, which may develop at 70 du/ac.

1.2.4 2014 HOUSING ELEMENT AND 2021 UPDATE

The Housing Element provides an overview of the existing housing and household characteristics for the City of Paramount and provides strategies to meet the City's existing and projected demand for affordable housing units. The current Housing Element was adopted in 2014 and is currently being updated.

The latest draft of the Housing Element Update (August 2021) includes several provisions which aim to ensure the City can meet the required "fair share" of affordable housing units as specified by the State of California. The update notes that Chapter 17.20's 22 du/ac cap is incompatible with California state laws regarding required density bonuses applicable to affordable housing projects. As such, the 2021 Housing Element Update includes language that requires that this NPG Specific Plan utilize density minimums and maximums that are comparable to the State's requirements.

The NPG Specific Plan is consistent with the latest draft of the 2021 Paramount Housing Element Update.

1.2.5 OTHER CITYWIDE PLANS

The NPG SPA is subject to the provisions of regional and citywide planning documents including but not limited to the Bellflower-Paramount Bicycle and Trail Master Plan (2015) and the Bellflower-Paramount Active Transportation Plan (2019). Both of these plans make a series of recommendations for all of Paramount and certain specific mobility and public realm improvements within the SPA. The NPG Specific Plan addresses these recommended improvements.



Paramount Boulevard: Landscaped Median with Signage

1.2.6 WEST SANTA ANA BRANCH PLANS

The West Santa Ana Branch (WSAB) Transit Corridor is a proposed 20-mile light rail line that will connect southeast corridor cities from Cerritos or Artesia to Downtown Los Angeles. The corridor is planned to pass through the City of Paramount adjacent to the SPA, including a station near the intersection of Paramount Boulevard and Rosecrans Avenue.

The NPG Specific Plan anticipates the future construction of this station as a major catalyst for the envisioned development and public realm improvements discussed in later chapters of this document. As Metro continues its planning process for the WSAB corridor, it will continue to produce plans for the areas surrounding the stations, typically within one-half to three miles from the station, that will recommend enhancements relating to the public realm and mobility for those areas including the one at Paramount/Rosecrans. The entirety of the NPG SPA is within a half-mile of the proposed WSAB Paramount/Rosecrans station.



Clearwater North Neighborhood: Traditional Multi-Family



Howe-Orizaba Neighborhood



Paramount Boulevard / Rosecrans Avenue Auto-oriented Uses

1.3 PLANNING PROCESS

1.3.1 REVIEW OF EXISTING CONDITIONS

The project Consultant Team has collected background information for the study area and summarized it in an Existing Conditions Report (ECR). Background information includes a summary of existing plans for the study area and nearby areas, an inventory of existing land uses, existing transportation/mobility options, existing densities, existing streetscape, underutilized land, infrastructure constraints, and other aspects of the built environment. The ECR concludes with an assessment of issues, opportunities, and constraints associated with the SPA, the City, and the surrounding region in terms of development and circulation feasibility. The information summarized in the ECR was used in later reports for this project, as well as the preparation of the final Specific Plan document.

1.3.2 PRELIMINARY REPORTS AND STUDIES

Findings from the ECR were used to inform a series of reports which assessed the SPA's potential for future development and public realm and infrastructure improvements. The purpose of each report is summarized briefly below:

WORKBOOK OF LAND USE CONCEPTS

The Land Use Workbook was a report which served as a guide for determining the appropriate types and arrangements of land uses in the SPA and as an aid for soliciting feedback at subsequent community outreach events. The Workbook included imagery and brief summaries of precedent transit-oriented developments in other cities, followed by three land use alternative scenarios representing a range of densities, open spaces, and land uses. The final land use plan proposed in this NPG Specific Plan incorporates the lessons learned from this workbook and the feedback received from the community by adopting a hybrid approach which combines the alternative scenarios into a unified medium-density scenario with

specific opportunities. This hybrid approach includes the following key takeaways from this exercise, discussed in greater detail in the following sections of the Specific Plan:

- The highest-density areas in the SPA are to be concentrated at the northern and southern ends of the SPA along Paramount Boulevard.
- Land uses with active frontages are to be prioritized along Paramount Boulevard and Rosecrans Avenue near the proposed WSAB station.
- The parcels along Paramount Boulevard south of Rose Street, near the incoming transit station, are envisioned for higher-density mixed-use.
- Generally, much of the residential areas on either side of Paramount Boulevard remain at a comparable existing zoning designation.

MARKET STUDY

A market study was conducted which analyzed the current mix of residential, retail, and office land uses within the SPA to identify gaps in service and plan for future growth. To analyze supply, the study used industry-recognized real estate market data to analyze the current and historic performance of residential, retail, and office land uses in the SPA against City and County benchmarks. Using supply data, market realities, and projected growth, the study then modeled the current and future (2045) demand and unmet need for new and/or repurposed residential, retail, and office space. [Table 1.1](#) summarizes the SPA's projected demand for key land uses:

Table 1.1 - Market Study Findings: 2045 Demand

Land Use	Unit of Measure	Projected Demand Estimate	
		Low Estimate	High Estimate
Residential	dwelling units	200	350
Retail	square feet	16,000	21,750
Office	square feet	39,379*	42,400*

Source: HR&A, 2021

* includes 34,687 square feet of existing unmet demand

PARKING AND MOBILITY NEEDS ASSESSMENT

The Parking and Mobility Needs Assessment document built on the findings from the ECR to assess the parking and multi-modal transportation needs assessment for the SPA. It included parking and transit-oriented development (TOD) considerations followed by a diagnosis of active transportation modes, transit and vehicular modes as well as opportunities and challenges relating to these items.

1.3.3 PUBLIC OUTREACH

The Project Team conducted a series of public outreach efforts to solicit feedback from the community regarding different approaches to improving the SPA. The Project Team staffed an information booth at three major City events on the following dates:

- Friday Night Farmer's Market: May 7th, 2021
- Summer Concert Series: July 15th, 2021
- Farmer's Market: August 6th, 2021

At each event, the Project Team presented to the public the preliminary project goals and findings from preliminary reports such as the ECR, the Land Use Workbook, the Market Study, and the Parking and Mobility Needs Assessment. The Project Team presented both informational boards as well as interactive boards where participants could apply stickers to indicate their favorability towards the various findings and policy approaches presented.

The community outreach events were supplemented with an online community survey. The goal of the survey was to solicit feedback on what the community feels are the underlying issues for the NPG SPA, including its challenges and needs.

In addition, the Project Team presented the draft NPG Specific Plan at a community engagement event on September 25, 2021 to collect additional feedback. Feedback received at the event was incorporated into the final Specific Plan document.

The Draft Plan was presented to Planning Commission on October 12, 2021 for review. The Commission unanimously approved a motion to receive and file the plan so that it may be reviewed by City Council. City Council will review the Draft Specific Plan on October 19, 2021.



May 7th Pop Up Event



July 15th Pop Up Event



August 6th Pop Up Event

1.3.4 NEXT STEPS AND ADOPTION

Following review by the Planning Commission and City Council but prior to adoption, the City will prepare the necessary California Environmental Quality Act (CEQA) documentation that addresses potential impacts of the NPG Specific Plan in conformance with the guidelines set by the State of California. Completion and approval of the Specific Plan-wide environmental document would allow developments within the SPA to take advantage of CEQA's tiering and streamlining provisions to enable future projects with the SPA which conform to the Specific Plan's regulations to undergo an expedited and limited environmental review process. Once final CEQA documentation has been approved, the Specific Plan may be officially adopted by the City Council.

1.4 PLAN ADMINISTRATION

1.4.1 GENERAL ADMINISTRATION

Three basic procedures are specified for the review of projects: 1) Development Review Board/Planning Commission approval; 2) Parcel Map or Tract Map approval by the Planning Commission and City Council for any project requiring the creation of lots, including condominium projects; 3) Nondiscretionary approval for smaller additions or accessory dwelling units (ADUs).

1. Development Review Board approval shall be obtained in accordance with the provisions of Chapter 17.60 of the Paramount Municipal Code. The Board may approve, modify, conditionally approve, or deny said application.

The Development Review Board may require additional studies or development provisions at the time of site plan review for individual projects. Recommendations may include detailed noise, vibration and/or odor studies and incorporation of specific design features to ensure compatibility between different land use types. These may include, but not be limited to:

- » Building orientation
- » Façade articulation
- » Bioswales/landscaping
- » Type of building materials used
- » Use of double paned windows
- » Additional buffering or setback standards

2. Prior to the creation of any lots, a tentative parcel or tract map shall be processed in accordance with the provisions of Title 16 of the Paramount Municipal Code. The Planning Commission may approve, modify, conditionally approve, or deny said application.
3. Nondiscretionary approval of housing projects is permitted for smaller additions or accessory dwelling units (ADUs). Such projects are subject to review by the Planning Director or designee.
4. Certificate of Occupancy for housing. No certificate

of occupancy may be issued for a project required to provide affordable housing in accordance with the most recently adopted Paramount Housing Element unless a certificate of occupancy is concurrently, or has already been, issued for all restricted affordable units.

5. Affordability Covenant. A covenant guaranteeing affordability criteria for a minimum of 55 years from the issuance of a Certificate of Occupancy and acceptable to the City Attorney shall be recorded with the Los Angeles County Recorder.

1.4.2 AMENDING THE PLAN

REQUIREMENT AND PROCEDURES

This plan may be amended at any time in the same manner and process by which the plan was originally adopted. An amendment or amendments shall not require a concurrent General Plan amendment unless by determination of the Planning Director, the General Plan goals, objectives, policies, or programs would be substantially affected by the proposed change.

MINISTERIAL ACTION

The addition of new information to the Specific Plan that does not change the effect of any concepts or regulations may be made administratively by the Planning Director, subject to appeal to the Planning Commission.

A photograph of a street scene in North Paramount, California, featuring a wide road with a crosswalk, palm trees, and cars. The image is overlaid with a semi-transparent red filter. The text "2.0 The North Paramount Gateway Vision" is centered in the upper half of the image in a white, bold, sans-serif font.

2.0 The North Paramount Gateway Vision

2.1 THE SPECIFIC PLAN AREA TODAY

2.1.1 DEMOGRAPHICS AND POPULATION

The NPG SPA accounts for 12% of the City of Paramount's population and has a population growth rate (4% annually) which outpaces that of the City as a whole (0.2% annually). The SPA has a relatively even population distribution amongst the age groups of 0-17 years, 18-34 years, and 35-64 years, and has a relatively lower proportion of senior persons aged 65 years and over (5%) when compared to the rest of the City (7%).

The SPA is home to middle-income communities comprised of mostly renters (79% of households) with median annual household incomes of \$59,000, which is higher than the City's median of \$53,000. Since there are few jobs within the SPA, the vast majority of residents commute to other areas in the City and beyond for work. Even before the arrival of the WSAB station, which is anticipated to serve residents working in downtown Los Angeles which is the second largest commuting destination for current SPA residents, SPA households own fewer cars on average and commute to work more often than the average household in the City.

2.1.2 LAND USE

The SPA is generally comprised of three land uses: single-family residential, multi-family residential, and commercial. The majority of the SPA is characterized by multi-family residential developments in the neighborhoods on either side of Paramount Boulevard which are on average a higher density than the 22 du/ac cap. According to a residential inventory analysis conducted by Project Team member HR&A (March 2021), there are 1,707 residential dwelling units in the SPA, most of which are rentals. There are some commercial uses along Paramount Boulevard and Rosecrans Avenue, however there are medium-density residential parcels along these streets as well. The businesses within the study area represent a range of general commercial uses including retail, restaurants, and

professional offices. Throughout the SPA there are very few vacant parcels.

2.1.3 URBAN DESIGN

Many of the multi-family buildings built in the 1970s and 1980s along Paramount Boulevard are inward looking and do not activate the street. Auto-oriented retail along Rosecrans often includes surface parking and limited landscaping. Several buildings along major corridors have blank walls, little to no vegetation, limited windows, and sidewalk-adjacent parking lots. These characteristics do not reinforce a positive pedestrian experience. Portions of Paramount Boulevard do have large street trees and 15 foot-wide sidewalks/parkways which with additional improvements could foster excellent pedestrian connections. In addition, many of the residential streets are tree-lined and have landscaped parkways and sidewalks.

2.1.4 MOBILITY AND PUBLIC REALM

The two primary roadways in the SPA are Paramount Boulevard for north-south travel and Rosecrans Avenue for east-west travel, both of which are classified as major arterials by the General Plan. Paramount Boulevard provides north-south connectivity across the City and connects the City to the I-105 freeway and the regional freeway system as well as the cities to the north and south of Paramount. Rosecrans Avenue provides east-west connectivity within Paramount and to the adjacent cities spanning from Norwalk in the east to Manhattan Beach to the west. Both arterials, as well as many of the other local streets in the SPA, have on-street parking on both sides of the roadway.

The SPA does not include any public parks, however there are three community parks located within a 1/2 mile of the SPA: Hollydale Community Park, All American Park, and Paramount Park.



Paramount Boulevard



Multiple family development



Orizaba Avenue



Typical retail with street-facing off-street parking



Residential uses with blank walls that limit pedestrian realm



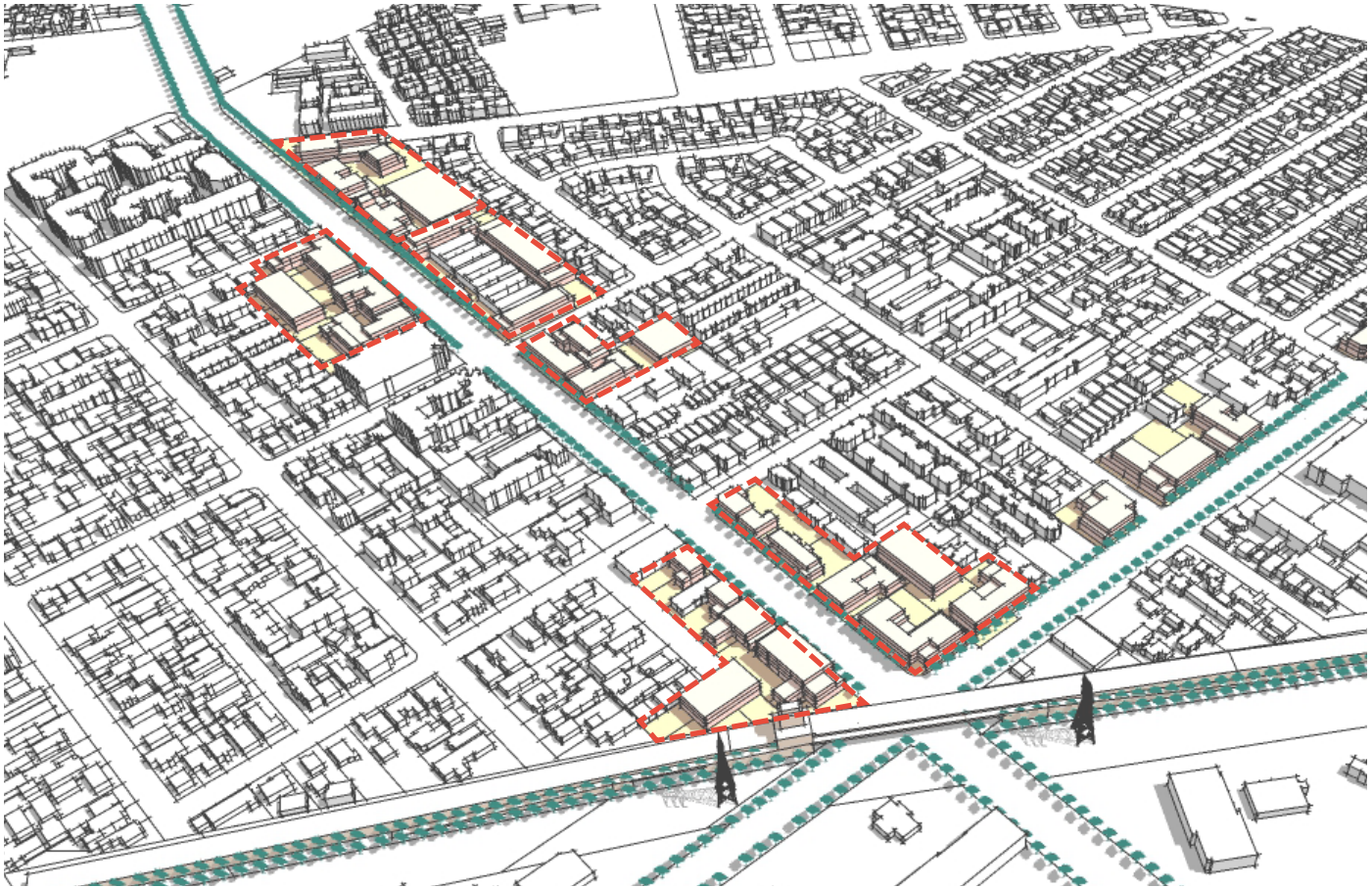
WSAB Rail Right-of-Way: Paramount Park-Adjacent



McClure Avenue

2.2 VISION & GUIDING PRINCIPLES

FIGURE 2.1 - ILLUSTRATIVE VISION BUILDOUT DIAGRAM



The Specific Plan area will be walkable, accessible, well-connected, and provide recreational, shopping, cultural, and housing opportunities and other key amenities that will support activity throughout the day.

- North Paramount Boulevard will become a unifying corridor that provides a gateway between the local community fabric (Clearwater North and Howe/Orizaba specific plan areas), new development at and neighboring the future Paramount/Rosecrans light rail station, Downtown Paramount, and the region at-large.
- The Paramount/Rosecrans light rail station will serve as a multi-modal hub for the surrounding communities.

2.2.1 GUIDING PRINCIPLES

To realize the vision for the project area, the guiding principles listed below inform the project goals detailed in the following section.

- Encourage focused growth strategies along Paramount Boulevard near the I-105 and the Paramount/Rosecrans station that preserve a majority of the existing lower-density neighborhoods, and allow for intensification along Paramount Boulevard and Rosecrans Avenue to support the use of transit without contributing to overcrowded conditions.
- Reinforce and enhance existing commercial corridors through the introduction of new building types, a mix

of housing and commercial uses, and placemaking strategies that create a unique brand and sense of place.

- Develop a phased approach to development that allows for the highest and best use of transit-oriented development (TOD) sites.
- Address connectivity/mobility issues, at a high level, that go beyond the Specific Plan's study area such as connecting to Downtown Paramount to the south, South Gate to the north, neighboring transit such as the light rail station at the C Line (Green Line), and other destinations.
- Use complete street approaches for the design of existing and new streets that balance the needs of pedestrians, cyclists, and vehicles.
- Strengthen bicycle and pedestrian connections to the proposed stations and the regional bike and park system.
- Address longstanding environmental justice issues by creating new public amenities, improving air quality through reduced congestion and lower car use, building high-quality, affordable housing, and connecting residents to quality jobs through transit and active transportation investments, all of which contribute to a reduction of greenhouse gas (GHG) emissions and vehicle miles traveled (VMT).
- Respect the existing character and scale of adjacent

low-density housing.

- Promote a diverse housing stock with products that are offered at a wide range of sizes and affordability.
- Provide strategies for introducing new open space and recreational opportunities for neighborhood residents in new developments.
- Close to the Paramount/Rosecrans station, consider reduced parking ratios that discourage the use of private vehicles.
- Ensure that new housing developments are well connected to the station through wide, clear sidewalks, bicycle lanes, and amenities such as convenient bicycle storage.
- In all project disciplines, consideration needs to be given to how Covid-19 may affect the Specific Plan's regulatory framework. High level strategies should be identified to give the City tools for growth, order, and a sense of normalcy under uncertain future conditions.
- Ensure consistency with current and previous planning efforts such as the forthcoming Clearwater East Specific Plan Update, The Paramount/South Gate Station Area Vision Plan, the WSAB Corridor Transit-Oriented Development Strategic Implementation Plan (WSAB TOD SIP), and SCAG's Connect SoCal Plan.



Building faces contribute to the character of the public realm



Wide sidewalks create active streetscapes

2.3 GOALS AND OBJECTIVES

2.3.1 LAND USE

A majority of the SPA is comprised of existing multi-family residential developments where this Specific Plan proposes no land use interventions since these areas already feature land uses and densities complementary to the project vision. This will preserve the existing character of the neighborhoods. Much of the multifamily housing built in the SPA range from roughly 30 to 60 du/ac, which is a level adequate to support high transit ridership.

New development to support the proposed vision will be concentrated primarily along Paramount Boulevard and Rosecrans Avenue and will not change the continued daily activities of residential areas within the SPA. Paramount Boulevard has a number of large, underutilized sites along the corridor's eastern edge that present significant redevelopment opportunities. Auto-oriented commercial along the north side of Rosecrans Avenue offer an opportunity for lower density mixed-use projects. For both of these corridors the following goals prioritize redeveloping surface parking lots, underutilized and vacant land, and older commercial areas as retail, restaurants, office, high quality medium and high-density housing in a range of unit typologies, other job-generating activities, entertainment and public gathering spaces.

COMMERCIAL

Goal 2.3.1: Extend the Downtown Paramount area north to Rosecrans Avenue along Paramount Boulevard

- Cluster commercial uses and activity near the Paramount/Rosecrans intersection.
- Permit convenience retail in mixed-use structures that are close to the Paramount/Rosecrans intersection.

Goal 2.3.2: Increase the amount, variety, and quality of commercial uses (i.e. restaurants, retail, office, and hotel) along major streets in the SPA

- Locate new retail in clusters at key intersections to maximize the success of businesses and tenants. Intersections of focus include: Paramount/Pearle, Paramount/Howe, Paramount/Rose, Paramount/Rosecrans, and Rosecrans/Orizaba.
- Permit neighborhood-serving community services such as a grocery store/access to fresh food, a food hall, and other commercial opportunities that will serve to fill in gaps upon likely redevelopment of the Swap Meet.



Commercial buildings with retail on the first floor and housing upstairs, or offices and live/work spaces.

RESIDENTIAL

Goal 1.1.1: Increase the supply of housing units in the SPA to address concerns for overcrowding

- Allow for the intensification of housing along Paramount Boulevard and Rosecrans Avenue in standalone or mixed-use structures.
- Convert commercial zones along Paramount Boulevard and Rosecrans Avenue into mixed-use zones to allow existing buildings to include dwelling units to achieve live/work conditions.
- Introduce requirements which encourage Inclusionary Housing (affordable housing) for future development.

Goal 1.1.2: Develop focused land use vision and implementation plan that responds to current density restrictions (22 du/ac)

- Identify key locations for modest residential projects before housing density limits can be strategically modified for allowing higher density at specific areas.
- Remove barriers to lot consolidation of adjacent residential parcels to accommodate medium-density residential in the long-term.
- Introduce design and development standards which permit a variety of “missing middle” housing types (i.e. duplexes, triplexes, courtyard apartments, etc.) that fit within the existing medium-density context while adding significant intensification to support the use of transit.
- Permit residential developments in the SPA to exceed

the 22 du/ac maximum density if they provide publicly accessible community amenities in the SPA and affordable housing.

MIXED-USE

Goal 1.1.3: Develop Paramount Boulevard and Rosecrans Avenue as attractive corridors in support of vibrant mixed-use within close proximity to the future light rail station

- Permit the highest density of uses along Paramount Boulevard and Rosecrans Avenue to support higher density, mixed-use projects could be located at these intersections: Pearle Street, Howe Street, Rose Street, Orizaba Street.
- Permit infill developments with vertical and horizontal mixed-use structures consisting of office uses, multi-family residential, neighborhood serving retail, and entertainment uses on existing underutilized land.
- Zone existing auto-oriented retail sites along Paramount Boulevard and Rosecrans Avenue for mixed-use.

Goal 1.1.4: Grow job opportunities within the SPA in anticipation of likely Swap Meet redevelopment

- Allow for employment focused mixed-use projects near the I-105 Freeway.
- The Swap Meet site is likely to take up a high demand for residential units, which is acknowledged in how the Specific Plan addresses affordability in the residential areas.



Neighborhood- and commuter-serving mixed-use including a café/market, newsstand and a bicycle shop and housing.

- » Identifying an employment focused mixed-use node will also be critical to providing local residents, many of whom work at the Swap meet, transitional opportunities for employment and living locally.

- Shallow sites east of Orizaba along Rosecrans Avenue may be more appropriate for attached townhomes or retail.

PROHIBITED/PERMITTED USES

Goal 1.1.5: Permit uses which are compatible with a walkable, transit-oriented community and prohibit uses which are auto-oriented

- New uses prohibited include drive-through businesses; warehousing and storage facilities, standalone vehicle repair and service.
- Permanent and architecturally compatible retail kiosks and wireless computer services may be permitted in outdoor plaza/public gathering spaces.
- The ground floor frontage of major streets should be devoted to retail, restaurants and other pedestrian friendly uses. The following commercial uses are encouraged on the ground floor frontage in order to generate pedestrian activity: residential lobbies, gyms, groceries and other food stores, cafes, tea shops, restaurants, bookstores, floral shops, bakeries, retail shopping, commercial recreation and entertainment spaces, personal and convenience stores, travel agencies, barber or beauty parlors, childcare facilities, art galleries and stores, professional offices, and other uses determined by the City as appropriate.
- Live/Work units with working space at the ground floor would be permitted at select locations.

2.3.2 URBAN DESIGN

Placing buildings or active open space close to the sidewalk with parking in the rear will create a lively pedestrian-friendly environment. Parking structures can be lined with development to avoid unfavorable pedestrian sidewalk conditions. The Specific Plan will include urban design strategies that reinforce and enhance the existing building stock by responding to land use, scale, architectural character, and time period, with block patterns comprised of diverse building types and unifying streetscapes.

Goal 1.1.6: New development projects should activate the ground plane

- New buildings should feature active uses, transparency through large expanses of glass and windows, privately-owned, publicly-accessible open space, and landscaping that encourages pedestrians to walk further.
- For an active street frontage along major corridors, promote live-work units along Paramount Boulevard and Rosecrans Avenue in areas not well suited for retail activity.
- For multi-family buildings, locate community rooms, gyms, offices, and other active uses along the street.
- For retail and commercial buildings, locate building



Live-Work units enhances active commercial frontage



Open space reinforces transit-supportive uses

entrances along the primary street.

- Activate the ground plane through overhead signage, awnings and canopies, louvers, benches, and landscaping.
- Encourage the use of balconies, terraces, amenity decks, and other open spaces.

Goal 1.1.7: Create visually interesting, pedestrian-oriented streetscapes with new “build-to-line” development along major streets

- Reduce or eliminate setback requirements along major streets.
- Locate buildings close to the sidewalks so that the public realm is not separated from the sidewalk by parking in the mixed-use areas.
- A minimum width of the pedestrian realm is required along the frontage of commercial, residential, and mixed-use projects.
- Landscaping to be provided at the front of properties.
- Include design standards which encourage “360° design” so that all sides of a building are visually interesting.

Goal 1.1.8: Ensure that housing developments are well designed and in keeping with the community character

- Preserve, maintain, and enhance the adjacent low-density housing fabric while introducing higher-density opportunities that respects and responds to the existing character and scale.

- Require new development to incorporate materials and colors that fit existing character.
- Require larger new development to include articulation to ensure visual interest.
- Place height requirements that transition building heights from denser developments along Paramount Boulevard to lower density residential on the periphery and outside of the SPA.

2.3.3 MOBILITY AND PUBLIC REALM

Access to the planned WSAB light rail station at the Paramount/Rosecrans intersection will be important to entice ridership. Since SPA residents commute by carpooling at double the countywide rate, there is an opportunity to create a mobility and parking strategy that balances parking facilities with transit and active transportation.

The mobility component of the Specific Plan will be multi-modal, focusing on opportunities to enhance connectivity, including safe, efficient, and accessible First/Last Mile solutions, to major destinations within and outside the SPA. Both vehicular and non-motorized modes will be evaluated, with connectivity and district parking considerations being at the center of this analysis.

In addition, the Specific Plan will include strategies to provide active public, semi-public, and private spaces along major corridors that enhance the future light rail station. Activated public places will be addressed as key



Character of the built environment integrated to the human scale in both the public and private realms

components for people to feel connected to a place and generators of a sense of community ownership.

MOBILITY AND ACTIVE TRANSPORTATION

Goal 1.1.9: Improve pedestrian connectivity in the SPA to support new development

- Identify infrastructure projects in the short, medium, and long-term that will be important catalysts for development in the SPA and beyond, including complete street improvements for Paramount Boulevard and Rosecrans Avenue.
- Create pedestrian connections through superblocks along Paramount Boulevard.
- Identify Paramount Boulevard/Rosecrans Avenue intersection pedestrian improvements such as:
 - » Gateway feature and plaza
 - » Traffic-calming measures
 - » Wayfinding signage and other placemaking signs placed in landscaped medians
 - » High visibility crosswalks at all intersections along Paramount Boulevard
 - » Pedestrian amenities and furniture such as street trees, lighting fixtures, waste receptacles, and improved bus shelters along Paramount Blvd and Rosecrans Avenue
 - » Pedestrian refuge islands
- Consolidate curb cuts along Paramount Boulevard

that are shared among multiple projects to improve the pedestrian experience.

- Provide seamless connections between all of the uses, stores, places, public gathering spaces, parking, and activities.
- Ensure that new housing developments are connected to the station through wide, clear sidewalks, and bicycle lanes or paths, including TOD-supporting improvements/amenities such as bus shelters, bike share stations, bike parking such as racks or lockers, pocket parks, parklets, and benches.

Goal 1.1.10: Encourage the usage of active transportation and public transit including the future WSAB light rail

- Evaluate enhanced bike and pedestrian infrastructure along Paramount Boulevard and Rosecrans Avenue for opportunities to connect to the future light rail station area and the Los Angeles River, including key first/last mile connections to from the adjacent neighborhoods.
- Establish Paramount Boulevard as a transit priority corridor for improved transit programming and regional mobility. For context, Paramount Boulevard in South Gate immediately north of the SPA has been designated a transit priority corridor.

Goal 1.1.11: Provide long-term reductions in greenhouse gas (GHG) emissions and vehicle miles traveled (VMT)

- Evaluate impacts of truck routes on Paramount Boulevard and Rosecrans Avenue to potentially remove



A roadside parkway and use of the sidewalk for outdoor dining

the truck route designation within the SPA.

- Evaluate impacts of reduced connectivity and parking on local streets.

Goal 1.1.12: Establish an effective parking strategy

- Introduce strategies, policies, and investments that aim to make more efficient use of existing parking infrastructure, while planning for new commuter parking facilities to support ridership along the WSAB line. Effective management of parking assets will be critical to preventing overflow into neighborhoods and encouraging use of more sustainable modes of transportation.
- Close to the future Paramount/Rosecrans light rail station, consider low parking ratios that discourage the use of private vehicles.
- Due to the existing crowded parking conditions, consider a parking district to address:
 - » Shared parking structures along Paramount Blvd
 - » Future commuter parking
 - » Spill-over parking from the adjacent residential areas
 - » Citywide removals of barriers to housing density limits
- Consider parking reductions or shared parking as incentives for additional development for the purpose of promoting development reuse.
- Promote dispersed parking structures to provide

the convenience and ease of access that customers demand.

- Enable developers to build a shared parking structure that can be utilized by multiple development projects.

Goal 1.1.13: Promote easy transfers between all transit agencies serving the specific plan area

- Coordinate with Metro and bus transit providers to ensure that development of the Paramount/Rosecrans station area provides facilities for accommodating bus and shuttle transfers between rail and transit. Transit facilities should be located within a visual line-of-site of the rail station platform and connected by clearly identifiable paths.
- Work with WSAB, transit providers, and major employers to establish shuttle connections between the rail station and major destinations.

PARKS AND OPEN SPACE

Goal 1.1.14: Increase recreational space available in the SPA

- Promote paseos, pocket parks, plazas, and other publicly-accessible open space that connect the residential neighborhoods and future light rail station to Paramount Boulevard and Rosecrans Avenue.
- Identify, through new development projects, access to privately-funded, publicly-accessible high-quality open spaces for respite, socialization, and recreation.
- Locate active uses next to open spaces to encourage



Public parking structures screened from street and located at the rear of the parcels with convenient pedestrian access and parking

natural surveillance.

- Consider recreational space on rooftops of buildings.
- Convert underutilized areas along the West Santa Ana Branch Rail Line/Utility Corridor for a public open space amenity.
- Require developers to provide park space for developments that meet a land area threshold.

2.3.4 SUSTAINABILITY

The SPA's relatively dense urban fabric and its proximity to transit presents the opportunity to encourage growth in the City in an equitable and sustainable manner. Each component of the Specific Plan addresses topics which relate to sustainability.

Goal 1.1.15: Promote community health and well-being

- Introduce standards or programs that result in long-term reductions in greenhouse gas (GHG) emissions and vehicle miles traveled (VMT).
- Strengthen the economic vitality of businesses and individuals, including affordable housing.
- Partner with local businesses and institutions to implement sustainability initiatives.
- Reducing inequality and promoting peace and justice for strong institutions.
- Introduce standards that reduce or limit the amount of pavement or other impervious surfaces.
- Propose site and development standards that account for stormwater management.

Goal 1.1.16: Support and expand existing sustainability efforts

- Incorporate guidelines and standards that prioritize sustainable design, complete streets, and new technology (e.g. energy efficient/clean energy programs).
- Adhere to SCAG's Connect SoCal's sustainability goals and programs.



Complete streets reinforces pedestrian- and sustainable-oriented design such as traffic calming, landscaping, wide sidewalks, technology, and active frontages with a mix of uses

3.0 Land Use Plan



3.1 LAND USE STRATEGY

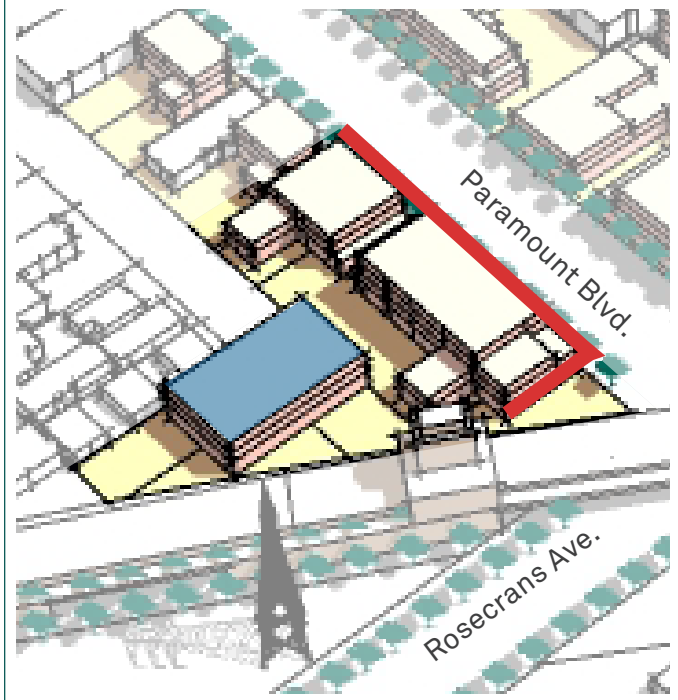
In order to identify the most suitable approach to adjusted or new land use patterns in the SPA, the Project Team completed a series of analyses of the study areas' existing conditions. One of these analyses was a Land Use Workbook which illustrated three land use buildout scenarios which incrementally applied increased density for the SPA. The three scenarios were designed to be sensitive to the restrictions of Paramount Municipal Code Chapter 17.20, which limits new multiple-family housing construction to 22 units per acre, as well as the existing densities of the neighborhood which were often between 20-40 du/ac. Scenarios also took into account the transportation and socio-economic demands for the area to propose realistic incremental change. The Project Team and the City, with input from the community, determined the land use strategy which would best suit the future of the study areas would be a hybrid of "Scenario 2: Mixed Use Core + Expanded Employment" and "Scenario 3: Mixed Use Core + Increased Housing."

This chapter details the Specific Plan's land use strategy, which expands upon the selected land use alternative scenarios and reflects feedback received on the land use scenarios as they were presented in the Land Use Workbook, to include finalized maps, lists of permissible land uses within the SPA, and applicable development and design standards.

The core elements of the Specific Plan's land use strategy include the following characteristics to implement the goals listed in [Section 2.3](#):

- The highest-density zones are concentrated at the northern and southern ends of the SPA along Paramount Boulevard.
- Generally, parcels west of McClure Avenue and east of Orizaba Avenue are zoned for densities comparable to existing conditions (approximately 20-40 du/ac).
- The parcels north of Rose Street along the western side of Paramount Boulevard and between Rose Street and Howe Street on the eastern side of Paramount Boulevard are zoned for medium-density mixed-use.
- The parcels along Paramount Boulevard south of Rose Street and north of Howe Street on the eastern side

FIGURE 3.1 - ILLUSTRATIVE CONCEPT OF HIGHER-DENSITY MIXED-USE AT THE FUTURE LIGHT RAIL STATION



of Paramount Boulevard are zoned for higher-density and employment-focused mixed-use.

- The existing 306-unit (approximately 66.5 du/ac) residential development at the north of the SPA on the western side of Paramount Boulevard will be zoned exclusively for housing.
- The lowest maximum density throughout the SPA is 30 du/ac as opposed to 22 du/ac to reflect the policies in the Draft Housing Element Update (2021) and in keeping with the existing development pattern. Areas zoned for higher density development allow for densities greater than 30 du/ac to incentivize the creation of affordable housing units in these areas.
- Areas which were shown in the Workbook scenarios as "public open space" are instead zoned for medium-density residential with standards that either require or incentivize the provision of publicly-accessible open space or attractively landscaped common open space.

3.1.1 COMMUNITY BENEFITS

Through an analysis of the existing land use patterns, projected market demands, and community feedback, several desirable primary or accessory uses were identified as “community benefits” which, if included, may help to achieve the goals and vision of the Specific Plan. Land uses identified as especially beneficial for the SPA community have been listed below as well as in [Table 3.4](#):

- **Affordable Residential Units for Low-Income or Senior Tenants.** According to the market analysis conducted for this Specific Plan, there is considerably higher demand for affordable housing units for low-income residents than for market rate housing. In addition, California state law requires certain development standards exceptions to allowed dwelling units per acre, height, and other items for projects which provide affordable housing.
- **Youth and Senior Centers.** In addition to housing for senior persons, another commonly requested community benefit included senior centers, and similarly youth centers. These centers should offer local residents regularly scheduled programs and activities to help activate the SPA as well as provide opportunities for indoor and outdoor recreation in the area.
- **Publicly Accessible Open Space.** The SPA is lacking public park space, and as a result, privately owned and operated open space that is publicly accessible is highly desired by the community to provide areas of passive recreation.
- **Publicly Available Onsite Parking Spaces.** Parking availability was identified as a concern for residents of the SPA. While the incoming WSAB station will provide transit connectivity, the provision of publicly available parking spaces especially along Paramount Boulevard is a key community benefit encouraged for medium and larger developments.
- **Grocery Store.** One of the most commonly requested land uses for the SPA was a grocery store. Grocery stores are permitted in all mixed-use zones, and should be further incentivized within the area by being classified as a community benefit.

The development of an adopted community benefit incentives policy or ordinance is an implementation measure for this Specific Plan to provide developers bonuses to permissible height, density, floor area ratio, or other requirements including potential development fee



Mixed-use Residential at 40 du/ac



Transparent Uses Activate Street Frontage



Higher-Density at a Neighborhood Scale

reductions which would incentivize the inclusion of these community benefits (see [Section 7.2](#)). A sample preliminary framework for a future community benefits incentives policy is included in the Appendix.

3.2 EXISTING ZONING DESIGNATIONS

The City of Paramount has several existing zoning designations and development standards as shown in [Table 3.1](#). Of these existing designations, the following are applied to one or more parcels within the study area (see [Figure 3.2](#) and [Table 3.2](#)): R-M, PD-PS, C-3, C-M. At present, all zones within the City are subject to Paramount Municipal Code Chapter 17.20, which limits residential dwelling units per acre (du/ac) to 22/du/ac which is in many cases lower than the existing conditions of parcels within the SPA. Chapter 17.20 states:

The multiple family designation provides for a wide variety of residential opportunities ranging up to 22 dwelling units per acre or 70 dwelling units per acre for qualified senior citizen housing. Except for a senior citizen housing development, no density, including, but not limited to, those set forth through conventional zoning, special housing opportunity area designation, Planned development with performance standard zoning or policy/regulatory specific plans shall exceed the 22 dwelling units per acre maximum.

The current Draft Paramount Housing Element Update (August 2021) notes that California state laws require affordable housing projects be permitted to develop at densities of at least 30 du/ac, which exceeds the maximum

of 22 du/acre as applied by Chapter 17.20. As such, the Housing Element Update includes action items relating to the City to either provide exceptions to Chapter 17.20 or to replace or remove the chapter.



8 units @ 20 du/ac; Source: LA Assessor, Google Images



31 units @ 37 du/ac; Source: LA Assessor, Google Images

Table 3.1 - All City of Paramount Existing Zoning Designations

Zone	Description	Maximum Density	Maximum Height	Maximum FAR
R-1	Single-family residential	22 du/ac	25 ft	-
R-2	Medium-density residential	22 du/ac	25 ft	-
R-M	Multiple family residential	22 du/ac	30 ft	-
C-3	General commercial	-	45 ft	2.0
C-M	Commercial-manufacturing	-	45 ft	2.0
M-1	Light manufacturing	-	55 ft	2.5
M-2	Heavy manufacturing	-	55 ft	2.5
PD-PS	Planned development with performance standards	-	-	-
O-P	Office professional	-	45 ft	1.5

Zones applicable to the specific plan area have been marked in bold; Source: City of Paramount, 2021

FIGURE 3.2 - EXISTING ZONING LAND USE DESIGNATIONS MAP

Map By: Gruen Associates, Data Sources: City of Paramount

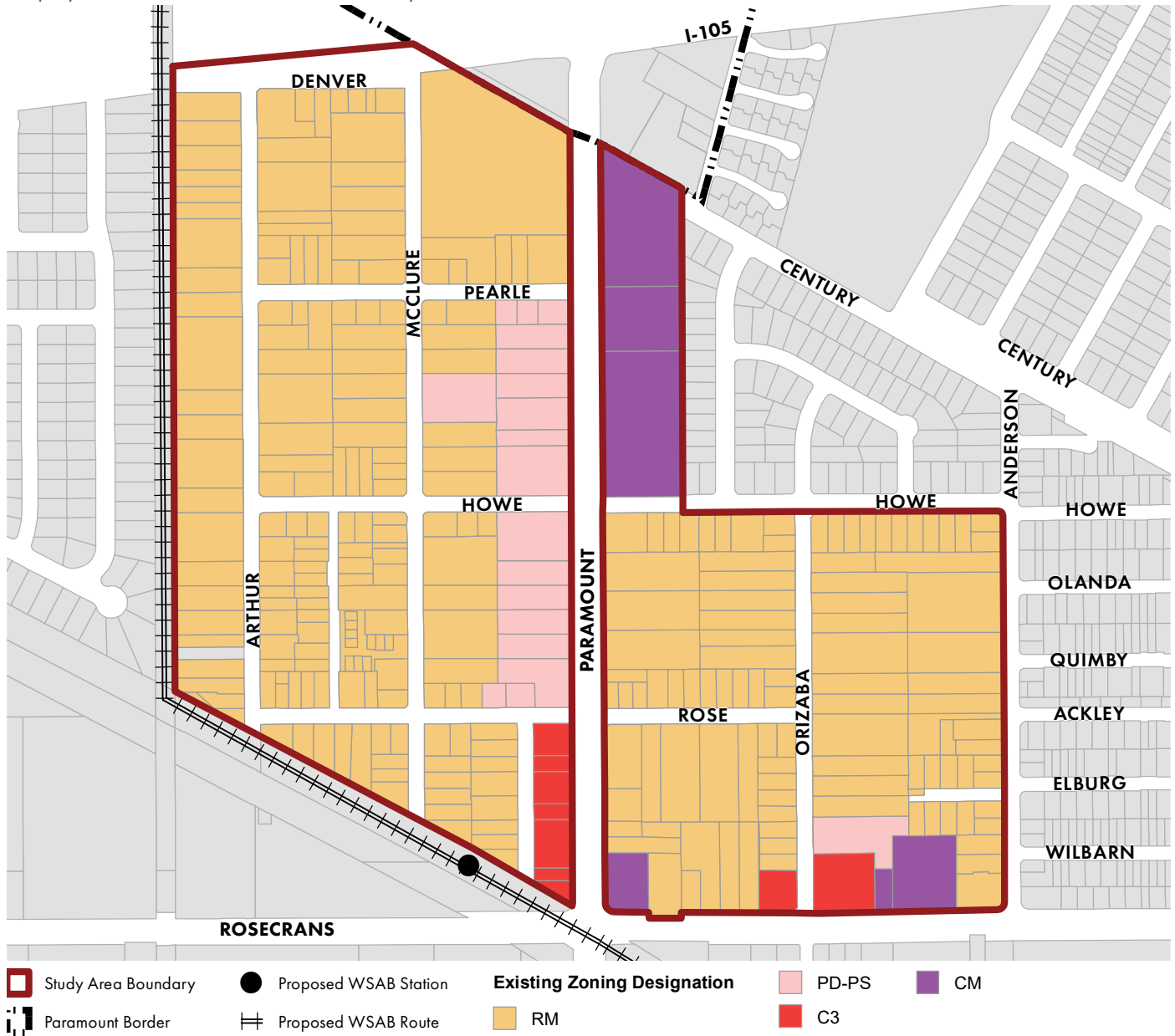


Table 3.2 - Existing Zoning Designations within the Specific Plan Area

Zone	Description	Maximum Density	Maximum Height	Maximum FAR
R-M	Multiple family residential	22 du/ac	30 ft	-
C-3	General commercial	-	45 ft	2.0
C-M	Commercial-manufacturing	-	45 ft	2.0
PD-PS	Planned development with performance standards	-	-	-

Source: City of Paramount, 2021

3.3 ESTABLISHMENT OF SPECIFIC PLAN ZONES

To establish the NPG SPA as a transit-oriented district that realizes the area vision and project goals, new specific plan land use designations (zones) which do not yet exist in the City are established. Table 3.3 lists the zones proposed for the SPA.

The zones were refined from those developed in the land use alternative scenarios in the Land Use Workbook exercise. Adjustments have been made to the allowed density of units per acre in accordance with the City of Paramount 2021 Draft Housing Element and feedback received from the City and community members at public outreach meetings. The purpose and general character of these zones are described below and permissible uses for each are listed in Table 3.4. Each new zone was tailored to accomplish the goals identified in Chapter 2.0.

In accordance with the programs and policies of the 2021 Draft Housing Element Update, the specific plan zones allow for densities higher than the existing citywide 22 du/ac maximum. The Housing Element Update states:

Program 9 requires that [the North Paramount Gateway] Specific Plan, when adopted, to include residential and mixed-use categories that accommodate a minimum of 30 dwelling units per acre. ... The new North Paramount Gateway Specific Plan ... will identify design and development standards for mixed-use and transit-oriented development standards at a minimum housing density of 30 dwelling units per acre for sites along Paramount Boulevard. This Specific Plan provides for transit-oriented development around the proposed station for the West Santa Ana Branch Transit Corridor at Rosecrans Avenue and Paramount Boulevard.

To demonstrate these new zones' compatibility with the Paramount 2007 General Plan, relevant General Plan land use policies have been included with each zone's description.

3.3.1 SPECIFIC PLAN ZONES

R-M MULTIPLE FAMILY RESIDENTIAL, MEDIUM-DENSITY

The R-M zone is intended to keep a similar density of the existing housing supply within the study area where applied. The areas designated as R-M are already mostly comprised of multifamily housing in the form of courtyard apartment buildings. The zone is applied to most parcels between the WSAB rail corridor and McClure Street, and between Orizaba Avenue to Anderson Street.

Supporting General Plan Policies

- **Land Use Element Policy 7.** The City of Paramount will continue to maintain and conserve its existing residential neighborhoods.

R-M-HD MULTIPLE FAMILY RESIDENTIAL, HIGH-DENSITY

Generally, parcels between McClure Street and Orizaba Avenue which do not front onto Paramount Boulevard are within the R-M-HD zone. Currently, R-M-HD parcels are typically larger than R-M parcels and therefore could more easily support a greater density of housing units per parcel. The parcels within this zone were concentrated closer to Paramount Boulevard to provide a transitional buffer between the major corridor and the lower-density areas of the R-M and neighborhoods outside the study area.

Supporting General Plan Policies

- **Land Use Element Policy 8.** The City of Paramount will continue to examine future potential opportunities for residential development.

MU-1 MIXED-USE, MEDIUM-DENSITY

The mixed-use zones are intended to activate Paramount Boulevard and Rosecrans Avenue with a combination of commercial and residential uses. This may be accomplished with vertical mixed-use (residential uses placed above a

FIGURE 3.3 - PROPOSED SPECIFIC PLAN LAND USE DESIGNATIONS MAP

Map By: Gruen Associates, Data Sources: City of Paramount

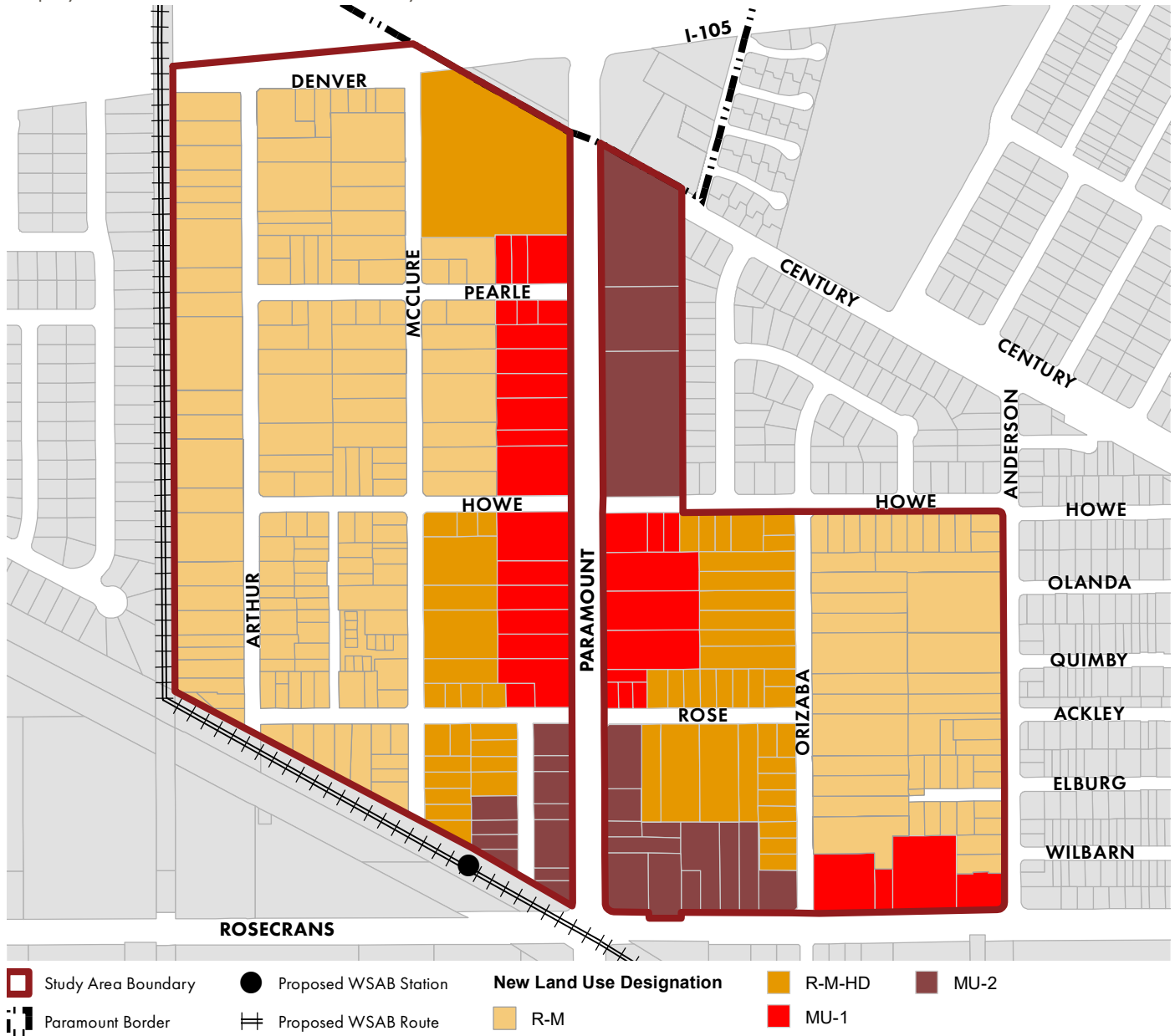


Table 3.3 - Proposed Specific Plan Designations

Zone	Description	Maximum Density	Maximum Height	Maximum FAR
R-M	Multiple family residential, medium-density	30 du/ac	30 ft	n/a
R-M-HD	Multiple family residential, high-density	40 du/ac	40 ft	n/a
MU-1	Mixed-use, medium-density	30 du/ac	30 ft	1.5
MU-2	Mixed-use, high-density	40 du/ac	45 ft	2.0

ground-floor commercial use), or horizontal mixed-use (residential uses placed next to commercial uses).

Supporting General Plan Policies

- **Land Use Element Policy 10.** The City of Paramount will continue to promote the development of larger, more efficient, commercial retail shopping centers as opposed to smaller auto-oriented commercial centers.
- **Land Use Element Policy 11.** The City of Paramount will continue to preserve and promote the improvement of the existing commercial areas, including those districts located along Paramount Boulevard and Alondra Boulevard.
- **Economic Development Element Policy 3.** The City of Paramount will continue to promote and support revitalization of the commercial districts in the City. The City will continue to enhance the “Central Business District”, promote the creation of smaller commercial neighborhood centers at key intersections, and discourage the further creation of auto-oriented commercial development.

of Paramount will continue to promote and support industry that provides jobs for the local labor force.

- **Economic Development Element Policy 12.** The City of Paramount will continue to utilize redevelopment to consolidate and redevelop underutilized and blighted parcels and properties. The City will continue to promote economic development through the use of redevelopment.
- **Land Use Element Policy 9.** The City of Paramount will promote development that capitalizes on its location near the I-105 Freeway, the I-710 Freeway, and the 91 Freeway.
- **Land Use Element Policy 15.** The City of Paramount will promote the development of modern and attractive business parks that will enhance the community’s economic well-being.

MU-2 MIXED-USE, HIGH-DENSITY

The MU-2 zone is like the MU-1 designation except it allows the residential component to have a greater density of residential units per acre and provides greater job opportunities such as offices. This zone is placed primarily along Paramount Boulevard and Rosecrans Avenue near the WSAB station, as well as at larger parcels in the northern portion of the SPA near the freeway.

Supporting General Plan Policies

- **Economic Development Element Policy 1.** The City of Paramount will continue to promote commercial development that improves the image of the City for residents and businesses alike.
- **Economic Development Element Policy 4.** The City of Paramount will encourage mixed use projects in key locations to provide additional market support and patronage of local businesses. This concept will be encouraged in the future infill development of underutilized and blighted commercially zoned parcels. This development concept will also be effective in eliminating auto-oriented commercial land use and development patterns.
- **Economic Development Element Policy 6.** The City

3.4 PERMITTED USES BY ZONE

Table 3.4 - Permissible Land Uses by Zone					
Land Use	Qualifies as a Community Benefit	R-M	R-M-HD	MU-1	MU-2
<i>P = Permitted Use, any floor</i> <i>G = Permitted Use, ground floor</i> <i>C = Conditionally Permitted Use</i> <i>N = Not Permitted Use</i>					
Mixed Use					
Mixed use development, provided that all uses are permitted in the zone		P	P	P	P
Mixed use development, where at least one use is conditionally permitted in the zone		C	C	C	C
Residential					
Affordable housing units	Y	P	P	P	P
Licensed residential care facilities		N	N	P	P
Live/work units		P	P	P	P
Multiple family dwellings		P	P	P	P
Senior housing	Y	P	P	P	P
Single family dwellings on parcels larger than 7,500 square feet		C	N	N	N
Single family dwellings on parcels smaller than 7,500 square feet		P	P	N	N
Retail and General Commercial					
Alcoholic beverage sales for consumption off-premises		N	N	C	C
Animal grooming shops		N	N	P	P
Apparel and shoe stores		N	N	P	P
Appliance stores and appliance repairing		N	N	P	P
Art supply stores		N	N	P	P
Bakeries, candy stores, and confectioneries		N	N	P	P
Barber shops, beauty shops, or nail salons		N	N	P	P
Bars or cocktail lounges with prepared food as a substantial portion of gross sales		N	N	C	C
Bicycles sales and repair shops		N	N	P	P
Book and stationery stores		N	N	P	P
Breweries, wineries, and/or distilleries with taproom or brewpub		N	N	C	C
Consumer electronics shops, including the sale of mobile phones and accessories		N	N	P	P

Table 3.4 - Permissible Land Uses by Zone

Land Use	Qualifies as a Community Benefit	R-M	R-M-HD	MU-1	MU-2
<i>P = Permitted Use, any floor</i> <i>G = Permitted Use, ground floor</i> <i>C = Conditionally Permitted Use</i> <i>N = Not Permitted Use</i>					
Cookware shops		N	N	P	P
Craft and hobby shops such as: Collectible stores, Musical instrument shops, Party supply stores, Sporting goods, Photographic supply stores, Toy/hobby retail shops		N	N	P	P
Dairy products, retail sales of		N	N	P	P
Dressmaking and millinery shops		N	N	P	P
Drive-through establishments of any kind		N	N	C	C
Dry goods and notion stores		N	N	P	P
Florist shops		N	N	P	P
Furniture stores, excluding furniture rentals		N	N	P	P
Garden supply stores (excluding hydroponics stores)		N	N	P	P
Grocery stores, delicatessen shops, and fruit stores	Y	N	N	P	P
Hardware and home improvement stores		N	N	P	P
Jewelry stores		N	N	P	P
Laundries, automatic		N	N	C	C
Laundry agencies or clothes cleaning and pressing establishment		N	N	C	C
Linen shops		N	N	P	P
Locksmiths		N	N	P	P
Mail and shipping services		N	N	P	P
Nurseries, horticultural stock and auxiliary supplies		N	N	P	P
Pet shops (excluding kennels) and pet supply stores		N	N	P	P
Pharmacies and drugstores		N	N	P	P
Printing and photocopy establishments		N	N	P	P
Restaurants, cafes, food halls, and other food or beverage service with indoor or outdoor seating		N	N	P	P
Skateboard shops		N	N	P	P
Tailors, and wearing apparel shops		N	N	P	P
Entertainment and Assembly Uses					
Art galleries		N	N	P	P
Indoor recreation (excluding billiard parlors) as a primary use such as: Bowling alleys, Game rooms or game arcades, Gymnasiums, Karaoke lounges		N	N	C	P

Table 3.4 - Permissible Land Uses by Zone

Land Use	Qualifies as a Community Benefit	R-M	R-M-HD	MU-1	MU-2
<i>P = Permitted Use, any floor</i> <i>G = Permitted Use, ground floor</i> <i>C = Conditionally Permitted Use</i> <i>N = Not Permitted Use</i>					
Youth Centers and Senior Centers which offer programs which provide, on a regular basis, activities or services for persons who are children, teenagers, or seniors, including, but not limited to, community-based programs, after-school programs, weekend programs, violence prevention programs, leadership development programs, vocational programs, substance abuse prevention programs, individual or group counseling, remedial, tutorial or other educational assistance or enrichment, music, art, dance and other recreational or cultural activities, physical fitness activities and sports programs	Y	P	P	P	P
Office					
Banks, credit unions, savings and loan institutions, and financial services (excluding check cashing, payday loans, and auto title loans)		N	N	G	P
Business, professional and public utility commercial offices		N	N	G	P
Insurance agencies		N	N	G	P
Medical, dental, and optometrist offices and professional uses		N	N	G	G
Office and professional uses (excluding medical, dental, and optometrist uses)		N	N	G	P
Real estate brokers and sales offices		N	N	G	P
Studios, such as interior decorating, record recording, couturier, artist, music, dancing		N	N	G	P
Public Facilities					
Fire stations		N	N	P	P
Libraries, public		N	N	P	P
Public parks and outdoor recreation	Y	P	P	P	P
Schools, public		N	N	P	P
Miscellaneous					
Other similar uses approved by the Planning Director		P	P	P	P
Accessory Uses and Structures					
Accessory buildings and structures		P	P	P	P
Greenhouses as an accessory use		P	P	P	P
Home garden		P	P	P	P
Home occupation		P	P	P	P

Table 3.4 - Permissible Land Uses by Zone

Land Use	Qualifies as a Community Benefit	R-M	R-M-HD	MU-1	MU-2
<i>P = Permitted Use, any floor</i> <i>G = Permitted Use, ground floor</i> <i>C = Conditionally Permitted Use</i> <i>N = Not Permitted Use</i>					
Indoor recreation as an accessory use provided as an amenity for onsite residential units such as: Community Rooms, Game Rooms, Weight or Exercise Rooms, Common lounges		P	P	P	P
Parking lots or structures		P	P	P	P
Publicly accessible open space such as courtyards, promenades, paseos, patios, and occupiable lawns	Y	P	P	P	P
Solar Energy Equipment		P	P	P	P

Note: Nonresidential land uses are subject to the performance standards specified in PMC Section 17.24.030.

A photograph of a city street scene, likely in a warm climate, featuring palm trees and lush greenery. Several vehicles, including a white sedan and a dark SUV, are visible on the road. The image is overlaid with a semi-transparent red filter. The text "4.0 Design and Development Standards" is prominently displayed in white, bold, sans-serif font in the upper right quadrant.

4.0 Design and Development Standards

4.1 PURPOSE & APPLICABILITY

4.1.1 PURPOSE

The regulations for development and land uses within the specific plan area (SPA) found in this section describe their utilization as part of the city's development review process. According to the California Department of Housing and Community Development: Objective design standards are intended to make the requirements that apply to certain eligible residential projects more predictable and easier to interpret for all stakeholders, including decision makers, staff, applicants, and members of the public. California state law stipulates that objective design standards:

involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal.

As such, this section is structured to provide objective development standards applicable to the residential and mixed-use parcels within the SPA. The standards are intended to ensure that private development occurs according to the community's vision of a pedestrian-oriented environment reflecting Paramount's history and culture. This section regulates how private developments affect the public realm with regard to topics such as building placement, height, and access. These standards provide a framework for the plan area with the following components:

- Tree-lined streets are attractive with active frontages along major streets and are accessible by multiple modes of transportation;
- New and/or remodeled buildings are integrated with a pedestrian-oriented fabric of public streets and the built environment; and
- Transit services including rail and bus are leveraged to serve the plan area and community at-large.

4.1.2 APPLICABILITY

A. General Applicability.

1. The standards are a subpart of the Paramount Municipal Code (PMC) including but not limited to Title 17 (Zoning). Parcels within the SPA are subject to the provisions of the PMC.
2. Standards or guidelines in this document are mandatory for every parcel within the SPA.
3. Each standard in this document is applicable to all zones within the SPA unless a particular zone or series of zones are explicitly stated.
4. In the event of a conflict between the provisions of the Specific Plan and the provisions identified in the PMC, the Specific Plan shall prevail.
5. Development standards or design guidelines, and/or regulations not addressed or otherwise specified in the Specific Plan, regulation and approval shall be carried out in accordance with the provisions of PMC Title 17 (Zoning). The applicable sections of code shall be based on the following:
 - a. Residential land uses: PMC Chapter 17.16 R-M, Multiple Family Residential Zone
 - b. Nonresidential land uses: PMC Chapter 17.24 C-3, General Commercial Classification

B. **R-M Zone.** Lots with the R-M Zone are subject to the provisions of the following sections in addition to the provisions as described in PMC Chapter 17.16. Where conflicting standards are applied, the standards and provisions of the Specific Plan shall prevail.

C. **Residential Zones.** Standards or guidelines listed as applicable to "Residential Zones" apply to the R-M and R-M-HD zones.

D. **Mixed-use Zones.** Standards or guidelines listed as applicable to "Mixed-use Zones" apply to the MU-1 and MU-2 zones.

- E. **Base Requirements and Community Benefit Incentives.** Upon the adoption of a Community Benefit Incentives program, ordinance, or policy, the City may permit qualifying developments to exceed certain standards of this Specific Plan, provided that the development includes one or more community benefits that adhere to required standards set forth in the specific plan and the benefits policy.

4.2 SITE DEVELOPMENT

4.2.1 LOT DIMENSIONS

A. **Minimum Lot Area.** No minimum area shall be required for any lot or parcel within the R-M or R-M-HD zones within the SPA.

1. To avoid disruptions of the pedestrian environment by driveways, the further subdivision of lots along Paramount Boulevard and Rosecrans Avenue are not permitted.
2. Consolidation of lots throughout the SPA are encouraged but not required.

B. **Minimum Lot Width.** Each lot or parcel of land in all zones shall provide the following minimum dimension for lot widths as measured along the primary roadway frontage:

Table 4.1 - Minimum Lot Widths

Street Frontage	Minimum Lot Widths
Paramount Boulevard	75 ft
Rosecrans Avenue	75 ft
Other Roadways	60 ft

4.2.2 SETBACKS

A. **Required Parkway and Sidewalk Dimensions.** According to the Mobility Plan, the streets within the SPA shall provide the following minimum dimensions for parkways and sidewalks:

Table 4.2 - Required Parkway and Sidewalk Depths

Street Frontage	Minimum Required Depth		
	Parkway	Sidewalk	Total
Paramount Boulevard	5 ft	10 ft	15 ft
Rosecrans Avenue	4 ft	7 ft	11 ft
Other Roadways	4 ft	5 ft	9 ft

In future public works plans the minimum parkway and sidewalk depths may be increased as wider sidewalks are desirable on Rosecrans Avenue.

B. **Required Setback Dimensions.** Each lot or parcel of land shall have setbacks as measured from the ultimate property line after dedication in accordance with the following table:

1. Front Yard.

Table 4.3 - Front Yard Setback Standards

Street Frontage	Minimum Setback	Maximum Setback
100% Residential Projects		
Any roadway	10 ft	N/A
Mixed-Use and Commercial Projects		
Paramount Boulevard	0 ft	5 ft
Rosecrans Avenue	4 ft	5 ft

- a. Lots or parcels with primary frontage along a roadway segment which does not meet the required total combined depth of the parkway and sidewalk as listed in the Mobility Plan shall provide a front setback as measured from the curb equal to the total required parkway and sidewalk depths plus the front setback dimension as listed in [Table 4.3](#).
- b. On adjacent private property where substantial new development or major modifications are proposed, if additional area is required to satisfy the minimum requirement, a dedication for the additional area shall be required.
- c. The portion of the required front setback which compensates for the substandard public walkway shall be paved with concrete or permeable pavers in accordance with City sidewalk standards and is subject to sidewalk maintenance provisions as specified in PMC Section 12.24.

- a. **Commercial and Mixed-use Projects:**
Developments may exceed the maximum required front setback by 20% of the front yard frontage provided that the additional setback area is used for outdoor seating and/or dining, publicly accessible open space, or other occupiable outdoor space.

3. **Side Yard.** Residential land uses in all zones at the ground or upper floors shall provide a minimum side setback of 5 feet from the side property line. Nonresidential land uses at the ground floor in commercial or mixed-use developments have no required minimum side setback at the ground floor.
4. **Rear Yard.** A minimum rear setback of 10 feet shall be provided in all zones.

C. Intrusions into Required Setbacks and Yards.

5. **Permitted Intrusions.** See PMC 17.16.100 (E) in addition to the following:
 - b. Awnings, louvers, and other permanent shade structures or devices.
6. **Prohibited Intrusions.** See PMC 17.24.070 (D) in addition to the following:
 - c. No unscreened mechanical equipment or structures are permitted within any required front yard or setback.
 - d. Parking in the required front setback or side setback is prohibited.

- D. **Walls, Fences, and Hedges.** No chain link, barbed wire, concertina wire, razor wire or cut glass shall be used as a fence or part of a fence, wall or hedge along any property line or within any required side, rear or front yard where visible from the public right-of way.

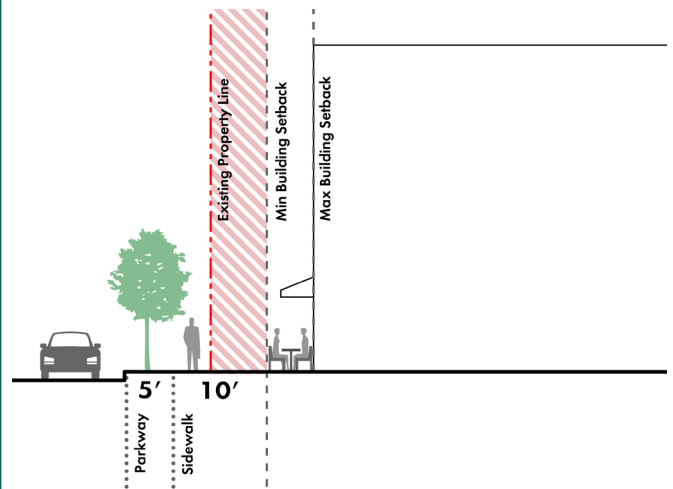
4.2.3 FLOOR AREA RATIO

- A. **Floor Area Ratio (FAR).** Lots or parcels within the SPA shall adhere to the following maximum FAR provisions:

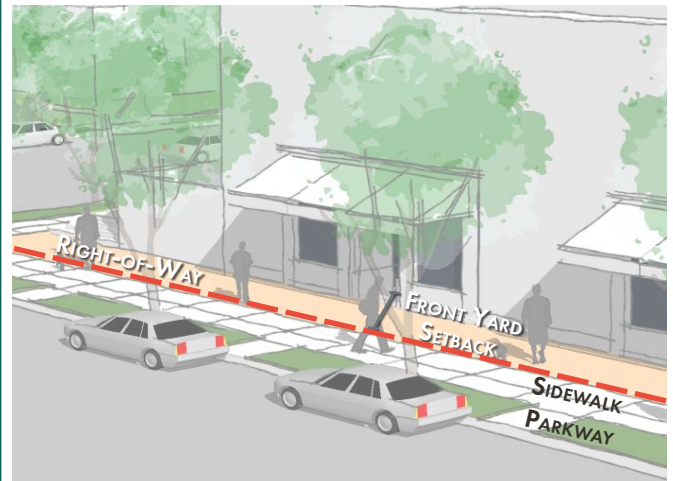
Table 4.4 - Maximum FAR Standards

Zone	Floor Area Ratio
MU-1	1.5
MU-2	2.0

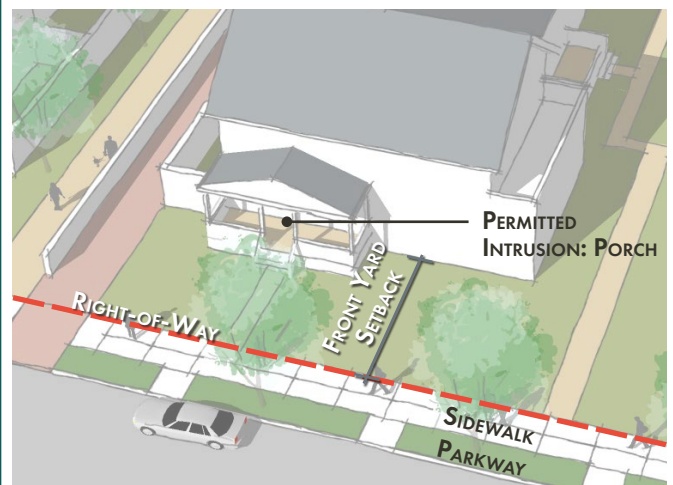
FIGURE 4.1 - SETBACK DIAGRAMS



Paramount Boulevard Dedication Diagram



Typical Major Street Front Setback



Typical Residential Street Front Setback

Source: Gruen Associates

4.2.4 BUILDING HEIGHT

- A. **Maximum Overall Building Height.** Lots or parcels within the SPA shall adhere to the following maximum building height provisions, as measured to the highest point of the building from the average grade of the adjacent public sidewalk:

Table 4.5 - Maximum Building Height Standards	
Zone	Maximum Height
R-M-HD	40 ft
MU-1	30 ft
MU-2	45 ft

7. Penthouses or roof structures for the housing of elevators and stairways for roof access, tanks, ventilating fans or similar equipment required to operate and maintain the building; fire or parapet walls, skylights, unoccupied towers, roof signs, flagpoles, chimneys, smokestacks, wireless masts, church steeples and belfries, and similar structures may be erected above the height limits by this chapter prescribed by no more than 15 feet, but no penthouse or roof structure or any other space above the height limit prescribed for the zone in which the building is located shall be allowed for the purpose of providing additional floor space.

4.2.5 MIXED-USE AND RESIDENTIAL DWELLING UNITS

- A. **Nonresidential Uses in Mixed-Use Zones.** Nonresidential land uses shall comprise no less than the following within the mixed-use zones:

Table 4.6 - Nonresidential Uses	
Zone	Minimum Percentage of Gross Building Area
MU-1	15%
MU-2	25%

8. A development in the mixed-use zones may be entirely commercial or office uses as listed in the Permitted Land Uses section of the Land Use Plan.

- B. **Residential Requirements & Density.** The number of dwelling units permitted shall be subject to the following:

Table 4.7 - Maximum Dwelling Unit Density Standards

Zone	Maximum Units / Net Acre
R-M-HD	40
MU-1	30
MU-2	40

9. A senior citizen housing development in any zone may contain densities of up to 70 dwelling units per acre.
10. Housing shall comply with the most recently adopted Paramount Housing Element, including the accommodation of the mixed-income allocation of the Regional Housing Needs Assessment (RHNA).
- C. **Minimum Dwelling Unit Size.** Every dwelling unit constructed or situated in the SPA after the effective date of the ordinance from which this chapter derives, shall have a minimum dwelling unit size as follows:

Table 4.8 - Minimum Dwelling Unit Size Standards

Number of Bedrooms	Minimum Dwelling Unit Size
Studios	350 square feet
1 bedroom	500 square feet
2 bedrooms	650 square feet
3+ bedrooms	900 square feet + 160 square feet for each bedroom in addition to the first three ⁽¹⁾

⁽¹⁾ Square footages are exclusive of stairways and bathrooms

4.3 BUILDING DESIGN

4.3.1 MASSING

A. Upper Story Step-backs.

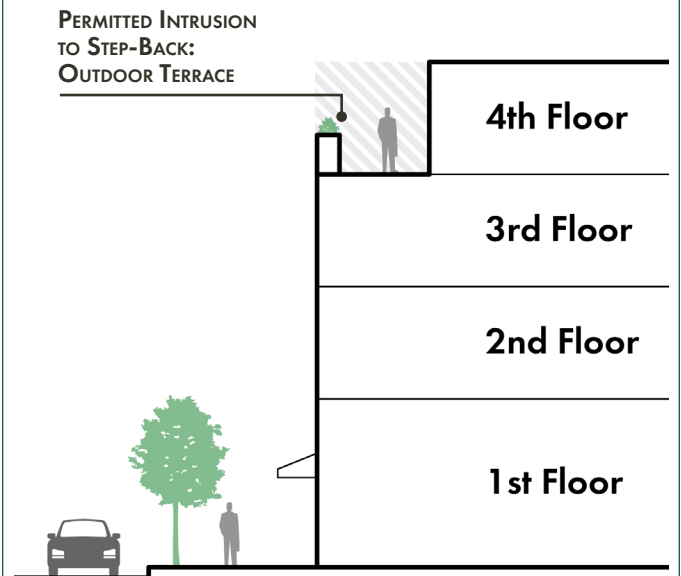
11. **Maximum Stories without Step-back.** No building shall be erected within the SPA which has 3 or more of stories without providing a floor step-back at all stories above the third story.
12. **Minimum Required Step-back Depths.** Building stories above the maximum number of permitted stories without a step-back shall apply the following minimum step-back depths along the respective frontages as measured from the outermost edge of the building façade associated with the topmost story without street step-back:

Table 4.9 - Minimum Required Step-back Depths

Street Frontage	Minimum Step-back Depth	Minimum % of Building Façade
Paramount Boulevard	10 ft min	85%
Rosecrans Avenue	10 ft min	85%
Other Roadways	10 ft min	100%

13. **Permitted Intrusions into Step-Back Areas.** The following are permitted intrusions into step-back areas:
 - e. Step-back areas may be used to provide occupiable outdoor terraces. Open-air and shaded outdoor terraces are encouraged for larger developments.
 - f. Masonry planters not exceeding 42 inches in height.
 - g. Eaves may intrude up to 18 inches into a step-back area.
 - h. Shading devices (i.e. awnings, trellises, pergolas, etc.) may intrude no more than 5 feet into the step-back area.

FIGURE 4.2 - ILLUSTRATION OF UPPER STORY STEP-BACKS



Source: Gruen Associates



Example building with occupiable terrace in an upper-story step-back. Source: Gruen Associates

B. **Modulation of Building Façades.** No building wall or façade shall have a contiguous span greater than 75 feet in width without a modulation of at least 24 inches deep and 4 feet in width.

14. Larger developments are encouraged to provide larger modulation depths and widths to create plazas, courtyards, or other attractive open spaces.

15. Passages into or between buildings or other forms of building separation that are at least 15 feet wide are encouraged in developments with walls facing a public street spanning 150 feet or more to break up large physical massing at the ground plane and to improve pedestrian circulation.

4.3.2 BUILDING FAÇADES

A. **Materials.** Use of all color and material selected for projects is subject to the City review and approval prior to construction.

16. To avoid monotonous façades, developments are encouraged to use varied exterior building materials and textures, including details such as doors, windows, palladium windows, balconies, porches, arches, columns, hand rails, metal louvers, and other decorative treatments and architectural details.

17. Mixed-use and multi-family projects shall use at least two building materials along facades facing roadways.

18. Stucco material shall be smooth texture.

B. **Fenestration.**

19. **Transparency for Ground Floor Frontages in Mixed-use Zones.** At least 50 percent of the ground floor façade as measured from the from the finished floor level of the ground floor to the finished floor of the second level shall be devoted to transparent wall openings, such as storefront windows and doors, with clear glass. Such openings shall be located between two feet and eight feet from the finished floor level of the ground floor.

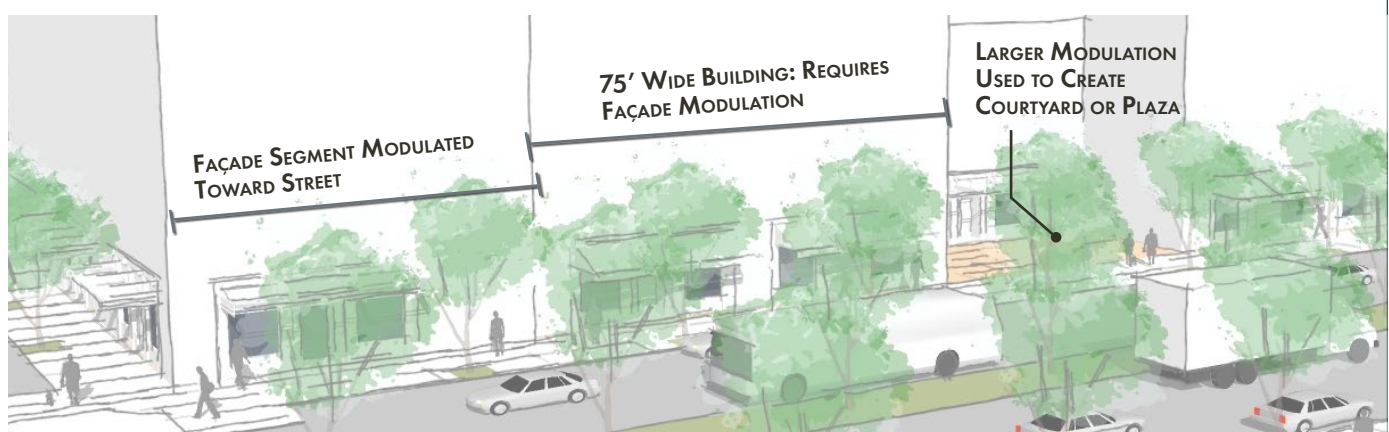
- i. All ground-floor windows must have an external reflectance of less than 15%, and a transparency higher than 80%.

C. **Visual Interest and Visual Separation of Ground Floor from Upper Floors.** Ground level floors shall be visually separated from floors above through the use of at least three of the architectural elements listed in [Table 4.13](#) to provide visual interest from the street.

D. **Variation of Building Façade and Height.** To avoid monotonous building layouts, developments that have a building frontage on streets of at least 60' measured from exterior building edges should have at least three of the forms of modulation listed in [Table 4.13](#) for the upper floors.

E. **Window Security Bars.** The instillation of window security bars is prohibited.

FIGURE 4.3 - ILLUSTRATION OF FAÇADE MODULATION



Source: Gruen Associates



Breaks between buildings are an excellent opportunity to connect to parking located in the rear and to shorten superblocks



Example residential building with the communal gym placed at the ground floor and visible to the street.

4.3.3 GROUND FLOOR USES AND PEDESTRIAN ACCESS

A. **Ground Floor Uses.** At the ground floor in mixed-use zones, retail, restaurants, and other pedestrian-friendly neighborhood serving uses are preferable along the pedestrian realm, however residential uses are permitted along the primary frontage under the following conditions:

20. The more public uses of residential developments such as lobbies, exercise rooms, living rooms, or dining areas should face the street and more private spaces such as bedrooms should be located in the rear of the building, facing a side yard, or on upper floors where building configurations allow.
21. Where shared or common indoor amenity spaces such as lobbies, exercise rooms, lounges, or indoor common rooms are located on the ground floor, these spaces shall be directly accessible from the sidewalk and shall have windows facing the street.
22. Residential uses located on the ground floor facing the pedestrian realm should be treated with no less than three of the architectural elements listed in [Table 4.13](#).

B. **Residential Units Accessible from a Street.** Residential dwelling units with primary pedestrian access from a public or private street must incorporate at least all of the elements listed in [Table 4.14](#) to ensure adequate visibility of the entrance.



Example mixed-use building that places balconies at the corner and varied roof slopes to define the building edge, and modulates the building facades to provide visual interest.



Example building using architectural details to visually separate the bottom floor from the upper floors, awnings to provide shade and highlight openings, and outdoor dining along the sidewalk.

Table 4.13 - Architectural Elements

Element	Applicable Building Floors		Standards
	Ground Floor	Upper Floors	
Recessed balconies for sun protection and modulation		X	<ul style="list-style-type: none"> A minimum of 50% of the dwelling units facing streets Minimum dimension: 5' depth and 10' width
Partially uncovered projecting balconies forming an architectural pattern		X	<ul style="list-style-type: none"> A minimum of 50% of the dwelling units facing streets Minimum dimension: 5' depth and 10' width
Raised stoops, covered or partially covered porches, patios, or arcades		X	<ul style="list-style-type: none"> A minimum of 50% of the dwelling units facing streets
Column articulation	X	X	<ul style="list-style-type: none"> Minimum column spacing: 1 per 20'
Recessed or projected ground-floor level from floors above and use of a difference in material(s) from floors above	X		<ul style="list-style-type: none"> Minimum Depth: 3' Maximum Depth: 10'
Canopy, awning, or marquee marking the pedestrian entrance to a building	X		
Articulated corner treatment	X	X	<ul style="list-style-type: none"> A corner setback to form a publicly accessible open space with a minimum dimension of 10' x 10'; or An architectural treatment differing from surrounding façades such as a rounded or angled form at the corner
Roof modulation such as a sloped roof, change in height of the parapet, or a green roof with vegetation		X	<ul style="list-style-type: none"> Building height is measured from the roof of the top floor. Sloped roof or roof modulation not included in height if less than 8' as measured from the roof of the top floor to the peak
Vertical or Horizontal bands or cornices	X	X	<ul style="list-style-type: none"> Use of contrasting color, material, or arrangement pattern of brick masonry or tiled surface Minimum dimension: 8 inches for the width (horizontal bands) or height (vertical bands)
Setback for outdoor dining	X		<ul style="list-style-type: none"> Minimum Dimensions: 10' depth and 20' width Must be directly adjacent to the street
Mural or other permanent wall-affixed artwork (see PMC 17.112)	X	X	<ul style="list-style-type: none"> Minimum Dimensions: 10' depth and 20' width Must be directly adjacent to the street

Table 4.14 - Visibility of Entrances

Element	Standards
Porch or Stoop facing the street	<ul style="list-style-type: none"> Each residential unit facing the street shall have a porch or stoop at the entrance The porch or stoop shall have minimum elevation of 2' to provide privacy
Lighting fixture which illuminates the entrance	<ul style="list-style-type: none"> Location: affixed to the wall no more than 5 feet from the door or located above the door
Design feature to make door prominent on the façade	<ul style="list-style-type: none"> Awnings, entrance recesses, and/or canopies



Clear pedestrian pathways



Covered dining patio



Stoops at residential entries for privacy



Porches



Building material variation



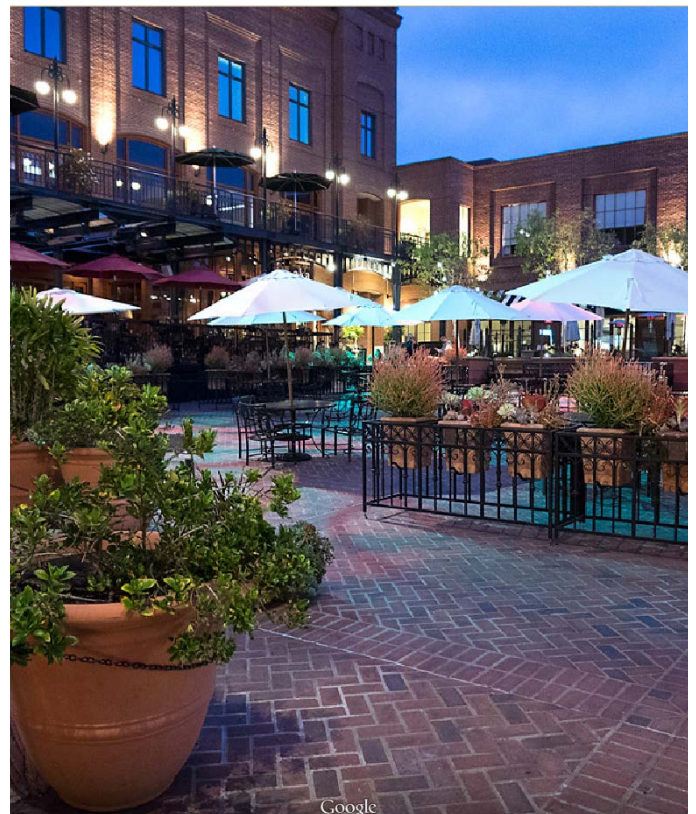
Awnings enhance entries and provide weather protection



Horizontal Cornices



Uncovered Balconies



Entrance recesses create a public forecourt

4.4 OPEN SPACE

4.4.1 PUBLIC RIGHT-OF-WAY

A. **Maintenance of the Parkway.** Property owners shall be required to maintain the parkways and tree wells along adjacent right-of-ways in accordance to the provisions of PMC 12.32.050 (Drought tolerant planting).

1. **Mixed-use Zones.** Parkway in all mixed-use zones shall comply with the Model Water Efficient Landscape Ordinance (MWELO) of the State of California and Chapter 17.96 of the PMC.

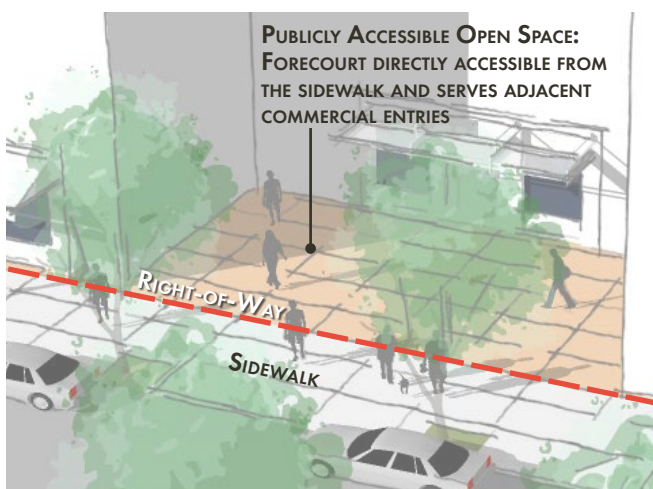
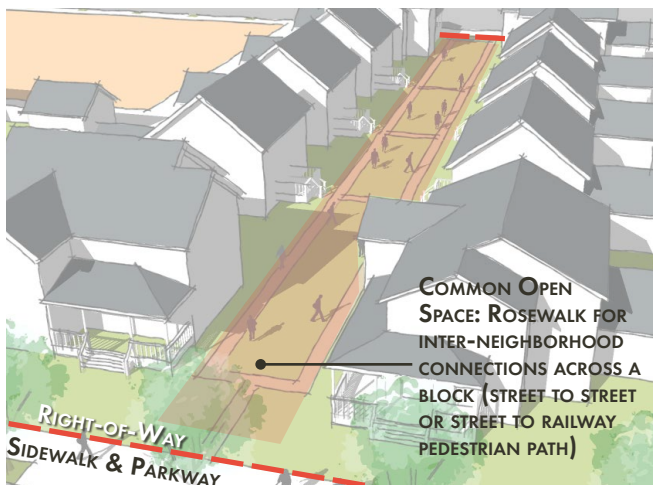
4.4.2 ONSITE OPEN SPACE

A. **Required Open Space.** Developments shall provide at minimum the following amount of usable open space:

Table 4.10 - Minimum Required Outdoor Areas		
Zone	Type of Open Space	
	Private	Common
Residential Uses	minimum 50% of all units shall provide at least 50 sq ft each	300 sq ft per dwelling unit
Nonresidential Uses	n/a	10% of gross floor area

1. Mixed-use projects shall separately comply with the associated open space requirements of each type of use.
2. Except as provided in this chapter, every required yard and open space shall be open and unobstructed from the ground to the sky except for recessed balconies and areas under shade structures within open space areas.
3. Open space may be provided on upper floors in the form of habitable balconies, terraces, or rooftop areas provided no more than 50% of the

FIGURE 4.4 - ILLUSTRATION OF COMMON & PUBLICLY ACCESSIBLE OPEN SPACE



Source: Gruen Associates

required common open space is be provided on the upper floors.

B. **Minimum Outdoor Area Dimensions.**

Table 4.11 - Minimum Outdoor Area Dimensions		
Land Use	Type of Open Space	
	Private	Common
Residential Uses	5 ft x 8ft	20 ft x 10 ft
Nonresidential Uses	5 ft x 8 ft	10 ft x 10 ft

C. **Private Open Space.** Any private open space provided shall abut and provide direct access to the assigned unit.

- D. **Common Open Space.** Common outdoor open space may be publicly accessible or may restrict access to only the tenants or residents of the development.
23. Driveways and parking areas may not be counted as common open space.
 24. Common outdoor areas may extend into required side and rear yards.
 25. Common outdoor areas may only extend into a required front setback provided that the outdoor area within the front setback is publicly accessible.
 26. Common outdoor areas may include sitting areas, landscaped gardens, swimming pools, putting greens, court or field outdoor game facilities and any other recreation-leisure facilities necessary to meet the requirements of residents and guests.
- E. **Publicly Accessible Open Space.** For common outdoor space to be considered publicly accessible, the area must meet the following provisions:
27. **Location.** The area must be level with and directly accessible from the sidewalk. The area shall abut the primary street's sidewalk for a minimum width of 15 feet, or if located toward the middle of the site or development the area must be directly accessible by a pedestrian pathway with a minimum width of 10 feet that connects directly from a public sidewalk.
 - j. An area located on the roof of an upper story, such as an occupiable rooftop deck or terrace or an amenity space atop a parking structure, may also qualify as "publicly accessible" if it can be directly accessed from a public staircase and/or elevator.
 28. **Access and Hours of Operation.** Access to the area must be free of cost to the public and must not be restricted to the lot's tenants or residents at minimum between the periods of sunrise to sunset daily.
 29. **Openness.** Publicly accessible open space shall not be fenced, walled, or gated from pedestrian entry during the hours of operation, but may include vertical barriers less than 36" in height to prevent vehicular access. Publicly accessible open space must be open and unobstructed from the ground to the sky excluding permitted shade structures.



Example development with a rooftop garden amenity space

- F. **Required Publicly Accessible Open Space.** New developments or major renovations with lot areas in excess of 15,000 square feet and which front either Paramount Boulevard or Rosecrans Avenue must provide at least 500 square feet of publicly accessible open space. Any required publicly accessible open space area may be used to satisfy all or a portion of required common open space area.
- G. **Properties Adjacent to the planned WSAB Rail Corridor Bike Trail.** New developments in which border the proposed bike trail along the WSAB right-of-way are encouraged to provide a pedestrian pathway connecting to the WSAB rail corridor that adheres to the following provisions:
30. The pathway shall be continuous, unobstructed pedestrian pathway which connects from a public sidewalk to the rail corridor.
 31. The pathway must have a total width of not less than 10 feet. The pathway shall include a landscaped area including planters on both or either sides within the 10 feet so long as no portion of the walkable area has a dimension of less than 7 feet in width.

4.5 LANDSCAPING

The purpose of the landscape design standards and guidelines is to develop planting zones and parameters that will establish a solid framework for designing and implementing future landscapes that not only complement and enhance the quality of the surrounding urban environment, but also meet the ecological and conservation standards set forth by the City of Paramount, Landscaping Standards.

This section encourages low water use landscaping. To ensure long term and consistent results, one should consider the following:

- Water Conservation and Management
- Plant materials, size and variation
- Trees
- Planting layout

These standards and guidelines also take into consideration the following planting zones for future development and enhancement:

- Front Setback Area
- Parkways and Medians
- Entry Landscape

A. **General.** All landscaped areas that are to be dedicated to the City of Paramount, as well as residential setbacks fronting a street should be designed to meet all the City standards and specifications. Planting should provide both aesthetic enhancement of the public right of way, as well as add ecological value to the surrounding environment.

1. **Required Landscaped Area.** A minimum of 20% of the development site shall be landscaped and improved in accordance with these provisions. A master landscape and irrigation plan shall be submitted and approved by the Planning Director. The plan shall contain designs for the following components: Primary and secondary entrances, roadways, intersections, open space/pedestrian paths, and parking areas. The design of these components shall contain architecturally consistent

wall materials, plant materials, and adequate lighting. All landscape improvement plans, including the Master Plan, developed pursuant to this requirement, will be prepared by a licensed landscape architect. Any changes to the approved master landscape plan must be approved by the Development Review Board.

2. **Compliance with Existing Standards.** All landscape designs shall at a minimum comply with and Chapter 17.96 of the Paramount Municipal Code. (Prior code § 38-158) or any City ordinance adopted to comply with the most recent California State Model Water Efficient Landscape Ordinance (MWEL0), whichever is more restrictive. In addition, all required landscaping areas shall be subject to, but not limited to, the following standards:

- a. Residential development area. See PMC Section 17.16.120 (B).
- b. Nonresidential development area. See PMC Section 17.24.080 (A).

B. **Water Conservation Techniques.** Water conservation techniques to consider should include:

1. Limit the use of high and moderate water use plantings.
2. Low flow, efficient irrigation heads should be used to apply water to plants and lawns for water conservation.
3. Irrigation heads should be adjustable to minimize overspray.
4. Subsurface irrigation systems should be used as an alternative to overhead sprinklers.
5. Weather based irrigation controllers for residential and non-residential projects should be implemented pursuant to Cal Green measures.
6. Trees should be individually irrigated and zoned separately.

C. **Plant Materials.**

32. Pertaining to residential, commercial, and manufacturing zones, all front setback areas, parkways and medians shall be landscaped with California native, and/or California adapted plant species that are considered drought tolerant and must comply with the Model Water Efficient Landscape Ordinance (MWELo) of the State of California, and fall under the low water use designation. Plants that are adapted to long, dry summers and short, rainy winters are considered "California adapted" plants. These include plants that are native to California, as well as those that originated in southern Europe, South America, and other "Mediterranean" climates. These plants don't need much water in the summer and can thrive in water-scarce conditions.
33. Medium water use plant species should only be used in special circumstances as accent specimens, or when utility and trash screening measures are needed and low water use specimens cannot provide adequate coverage.
34. The landscape design should consider the appropriate plant spacing and long-term maintenance for each plant species. Plantings should be grouped by similar water use and micro-climate requirements.
35. Vines or Green walls could be utilized in areas where space does not allow the planting of trees
36. The landscape design should consider the full growth of each plant in the desired placement and arrangement. Consider the specific plant's coverage and spread in order to adequately achieve full coverage within the desired planting area.
37. Also ensure that planting spread and height does not conflict or encroach upon any and all City setback requirements, including overhead power lines and above and below ground utilities, as well as City sightline visibility requirements along public roadways.
38. Plant materials should reflect the approved architectural aesthetic of a project while giving consideration to the transitioning of the proposed planting with the surrounding landscape.
39. The proposed landscape design should include a diverse mixture of plant types and sizes. Landscape

materials that are considered invasive to the area as determined by the California Invasive Plant Council (www.cal-ipc.org) are not allowed. Refer to **Table 8.1** in the Appendix for a list of appropriate plant species to select from for all conditions described here within.

D. Trees.

40. Trees should be considered an important part of any development project and play a critical role in creating a sustainable community with lasting benefits.
41. Trees should be selected to provide shade, visual consistency or visual interest. Existing shade trees should be preserved if possible, and if removed should closely match the size of the tree adjacent up to a maximum of 48" box.
42. Trees of the same species in formal plantings should be the same size and form.
43. Pertaining to residential, commercial, and manufacturing zones, tree selections shall be drought tolerant, native species. One 24-inch box tree and three 15-gallon trees shall be required for every 50 lineal feet of landscaping, adjacent to any public right-of-way. All trees shall be a minimum 15-gallon size.
44. No trees can be planted within sightline visibility zones along public roadways. Trees shall be located no greater than 20 feet the beginning of curb returns at any street intersection, 20 feet from lamp standards and poles, 10 feet from fire hydrants, and 5 feet from service walks and driveways.
45. Trees must also be appropriately setback from overhead power lines and above and below ground utilities, which may vary depending on utility type and power pole category.
46. Trees planned within five feet (5') of hardscape elements should be installed with root barriers to prevent root encroachment and damage to paving.

E. Planting Layout:

47. Plants need adequate space to grow healthy canopies and supporting root structure. Trees should be spaced to ensure that no more than 1/3 of the plant's mature canopy will overlap into another

tree's canopy. Give careful consideration to the following plant spacing issues when preparing the preliminary landscape plan:

- k. The proximity of the plants to surrounding structures, trees and existing landscape areas
- l. The spacing, grouping or massing of plants
- m. The plant's growth rate and coverage specifications

48. Planting should be used to screen service areas from public view, such as parking areas, storage areas, trash enclosures and utility equipment.

- n. A buffer hedge planted in a line, closely enough to form a uniform texture can be an effective screening device. Hedges shall be shockproof, tough and preferably evergreen.
- o. Provide larger container sizes for material or fast-growing species to adequately screen elements by 50% within the second year of plant establishment.

49. Plantings should be grouped into zones of plants that have similar water use and microclimate growing requirements.

50. Shrub plantings should be spaced to fill in up to 100% of the proposed planting area within three (3) years after planting. All groundcover plantings should be spaced to fill in up to 80% of the proposed planting area within one (1) year after planting. It is understood that xeriscape and other low water use designs may not completely meet these standards; such plans may be approved if coordinated with the overall site design.

F. Front Setback Area:

51. Pertaining to residential, commercial, and manufacturing zones, plant density shall cover at least 65% of the available front setback area. The designated planting areas shall be covered with drought tolerant, native or adapted plant species, and should be evenly blanketed with locally sourced mulch. Mulch shall be provided at three inches deep in all landscape areas except for ground-cover zones.

52. The remaining 35% of the front setback area shall include pavers or brick set on a bed of sand where no mortar or grout has been used, a three-inch

layer of mulch, decomposed granite, or artificial turf.

53. Ensure that planting spread and height does not conflict or encroach upon overhead power lines and above and below ground utilities.

G. Parkways and Medians.

54. Pertaining to residential, commercial, and manufacturing zones, plant density shall cover at least 80% of the available parkway and median areas. The designated planting areas shall be covered with drought tolerant, native plant species, and should be evenly blanketed with locally sourced mulch. Mulch shall be provided at three inches deep in all landscape areas except for ground-cover zones. The remaining 20% of the parkways shall include mulch or decomposed granite.

55. Planting spread and height must follow all City setback requirements, including overhead power lines, curb returns, driveways, light poles, sightline visibility zones, and above and below ground utilities.

56. In parkways, shrub and ground cover species should be limited to a maximum 24-inch height, and should be setback from the curb so as not to encroach beyond the roadway curb limits. In medians, shrubs and ground covers can be allowed to reach up to 48-inches in height, but must not encroach beyond the roadway curb limits.

H. Entry Landscaping.

57. Entry landscaping is encouraged and should include design elements which are common to the proposed development. Design elements may include, but not be limited to: entry walls, lighting, raised planters, public art, and enhanced plantings with larger specimen trees.

I. **Paved Areas.** Paved areas, excluding parking, driveway, and sidewalk areas, shall consist of enhanced paving materials such as stamped concrete, integral colored concrete, permeable paved surfaces, tile, and/or brick pavers.

4.6 SITE DESIGN

4.6.1 SERVICE AND LOADING AREAS

- A. **Utilities.** All utility lines shall be underground. No pipe, conduit, cable, line for water, gas, sewage, drainage, electricity or any other energy or service component shall be installed or maintained upon any lot (outside of any building) above the surface of the ground, except for hoses, movable pipes used for irrigation, or other purposes during construction or transformers.
- B. **Mechanical Equipment.** Plans shall substantiate that all mechanical equipment at all levels of the development including rooftop equipment is screened from view (including ground-mounted, wall-mounted, and roof-mounted air conditioning, duct work, utility meters, back-flow preventers, transformers, etc.).
- C. **Trash and Recyclables.** All developments shall be in compliance with State laws relating to organic waste disposal requirements in addition to the following:
 - 1. **Residential Zones.** All parcels within a residential zone shall be subject to the trash provisions applicable to the R-M zone as defined in PMC Section 17.16.120 (G).
 - 2. **Mixed-use Zones.** All parcels within a mixed-use zone shall be subject to the trash provisions applicable to the C-3 zone as defined in PMC Section 17.24.080 (E) for the nonresidential components and to the R-M zone as defined in PMC Section 17.16.120 (G) for the residential component.

- B. **Art in Public Places.** A mandatory one percent (1%) of construction cost assessment is to be contributed to the general “Art in Public Places” fund of the City of Paramount by the developer of projects within the SPA. See PMC Chapter 17.112.

- C. **Signs.**

- 1. **Residential Zones.** All parcels within a residential zone shall be subject to the sign provisions applicable to the R-M zone as defined in Section 17.16.120 (F).
- 2. **Mixed-use Zones.** All parcels within a mixed-use zone shall be subject to the sign provisions applicable to the C-3 zone as defined in PMC Section 17.24.080 (D) for the nonresidential components and to the R-M zone as defined in PMC Section 17.16.120 (F) for the residential component.

- D. **Walls and Hedges.**

- 1. The maximum height of walls, fences, or gates between a building with housing and a public street is 42 inches.
- 2. Walls, fences, and gates finish materials shall be reviewed and approved by the Planning Director. No barbed wire, concertina wire, razor wire or cut glass shall be used as a fence or part of a fence, wall or hedge along any property line or within any required side, rear or front yard.

4.6.2 SITE AMENITIES AND ACCESSORY USES

- A. **Amenities.** Developments with greater than 20 dwelling units shall incorporate a number of amenities to be made available to all residents of the development as described in PMC Section 17.16.120 (A).

4.7 CIRCULATION AND PARKING

4.7.1 ACCESS

A. Pedestrian Access.

1. Building Entries and Service Access.

- a. Developments on lots or parcels with frontage along Paramount Boulevard or Rosecrans Avenue shall locate the primary pedestrian building entrance(s) along these streets.
- b. Ground floor (nonresidential) tenant spaces not located on the street or sidewalk shall have their primary entrance located adjacent to a pedestrian paseo, courtyard, or plaza that is connected to a public street. A primary entry to a building shall not be provided from a drive aisle, fire lane, alley, or parking area.
- c. Buildings shall provide a clear pedestrian pathway leading to the primary and secondary pedestrian entrances to the building.
 - i. The pathways must lead directly from the entryway to the sidewalk and shall have a minimum width of 5'.
 - ii. The pathway shall use a contrasting color, material, or arrangement pattern than surrounding hardscape elements.

B. Vehicular Access.

1. Driveways.

- a. Driveway widths shall conform to the following:

Table 4.12 - Driveway Standards		
Dwelling Units	Ingress/Egress	Driveway Width
0 - 4	one- or two-way	10 ft. minimum
5 or more	one-way	12 ft. minimum
5 or more	two-way	16 ft. minimum, 20 ft. maximum

- b. Parcels shall have no greater than one driveway per 200 linear feet of primary street frontage.

2. Required Improvement and Maintenance of Parking Areas.

No motor vehicle, recreational vehicle, boat, or trailer of any kind may be parked or stored in any required yard or open space other than on a paved driveway on one side of the lot to the rear of the required front yard.

3. **Paramount Boulevard.** To minimize curb cuts across sidewalks, developments with primary frontage on Paramount Boulevard shall provide vehicular access from an adjacent side street if available. Shared driveway access between parcels with access easements is permitted to further reduce driveways within the public realm so long as the parcels are no greater than 750 linear feet apart.

4.7.2 PARKING

A. Off-street parking requirements.

1. Every building shall be provided with parking as required in this chapter. Such parking shall be permanently available and maintained for the parking of automobiles only.
2. The development plan shall clearly indicate the proposed parking plan, including location, size, shape, design, materials, entrances, walls, lighting, signs, screening, paving specifications, drainage, landscaping and such other data and features as the Planning Director may deem necessary to show compliance with this chapter.
3. All off-street parking shall be screened from the street and surrounding property by landscaped mounds, solid walls with vines or other vertical landscaping, or such screening as approved by the Planning Director. Such screening shall be a minimum of 42 inches in height.

Table 4.15 - Minimum Off-Street Vehicular Parking Requirements

Use	R-M-HD	MU-1	MU-2	Notes
Residential				
0-1 bedroom	1.0	0.75		per unit
2 bedrooms	1.5	1.0		per unit
3 or more bedrooms	2.0	1.5		per unit
Special group residence, assisted living, congregate care	0.75			per 3 bedrooms
Senior Housing	0.5			per unit
Guest parking	1.0	0.5		per 4 units
Nonresidential				
All	2.0			per 1,000 sq ft

58. Number of Off-Street Vehicular Parking Spaces Required.

- p. The minimum number of off-street parking spaces required are detailed in **Table 4.15**. If different land uses are part of the same project, the parking requirements for each land use are applicable and shall be added together to determine the total parking requirements for the project.
- q. In the calculation of parking requirements, fractional numbers of parking spaces shall be rounded up to the nearest whole number.
- r. All new developments shall comply with Tier 1 requirements of the California Green Building Standards Code ("CALGreen", Title 24, Part 11) provisions for required "EV Capable" parking spaces (15% of provided spaces).
- s. Required parking for dwelling units shall be covered, with the exception of guest spaces which may be uncovered.
- t. 50% of the required guest spaces may be compact spaces. Guest spaces shall not be located behind security gates.
- u. Tandem parking is permitted with minimum total depths of 36 feet to allow two adjacent 18 foot parking stalls.

59. Number of Off-Street Bicycle Parking Spaces Required.

Properties that redevelop to add an additional five or more dwelling units and/or substantially remodel or redevelop a commercial

property shall provide at minimum the following secured bicycle parking facilities:

- v. 1 bicycle per 4 dwelling units and
- w. 4 bicycles per the first 20,000 square feet of nonresidential development and 1 bicycle per each additional 10,000 square feet of nonresidential development.

B. Location of parking areas.

60. Developments which share parking facilities may locate parking structures or lots on adjacent or nearby lots within 750 feet pending approval by the Planning Director.

61. Surface Parking Lots.

- x. In new development, above-ground parking lots or facilities may not be located between the public right-of-way and the primary building. Surface parking lots shall adhere to a minimum 40-foot setback from the primary street frontage.
- y. In rehabilitation of existing developments, existing surface parking lots shall be screened by a wall or fence covered in vines or other vegetation or by a hedge. The wall, fence, or hedge shall be 3 feet in height as measured from the finished grade of the nearest sidewalk.

62. **Structured Parking Facilities.** Developments are permitted to locate all or a portion of onsite parking spaces in an underground structure or an

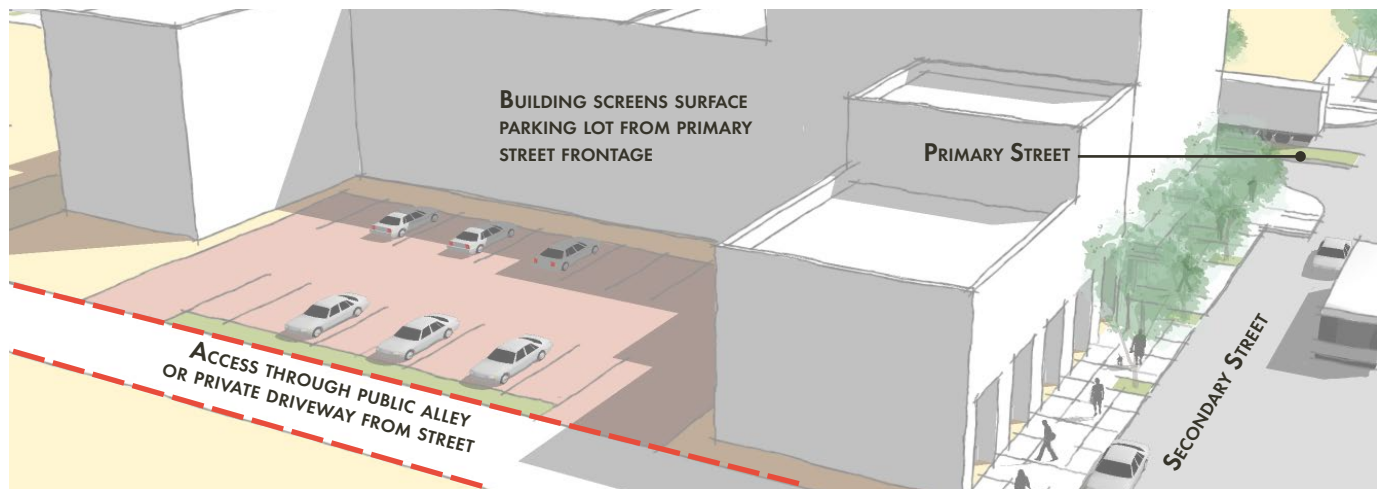
above-ground parking structure.

- z. An above-grade parking structure shall not have a sloping floor visible from adjacent streets.
- aa. A private parking structure shared with the public shall not front on major streets such as Paramount Boulevard and Rosecrans Avenue unless there is no feasible alternative due to site constraints. If located fronting on the street:
 - i. 100% of the frontage on the ground floor of the structure excluding entries and vertical transportation shall be devoted to approved commercial or office uses to provide pedestrian interest along the sidewalk.
 - ii. All upper floors shall be designed to entirely screen parked cars from view.

C. Design of parking areas and facilities.

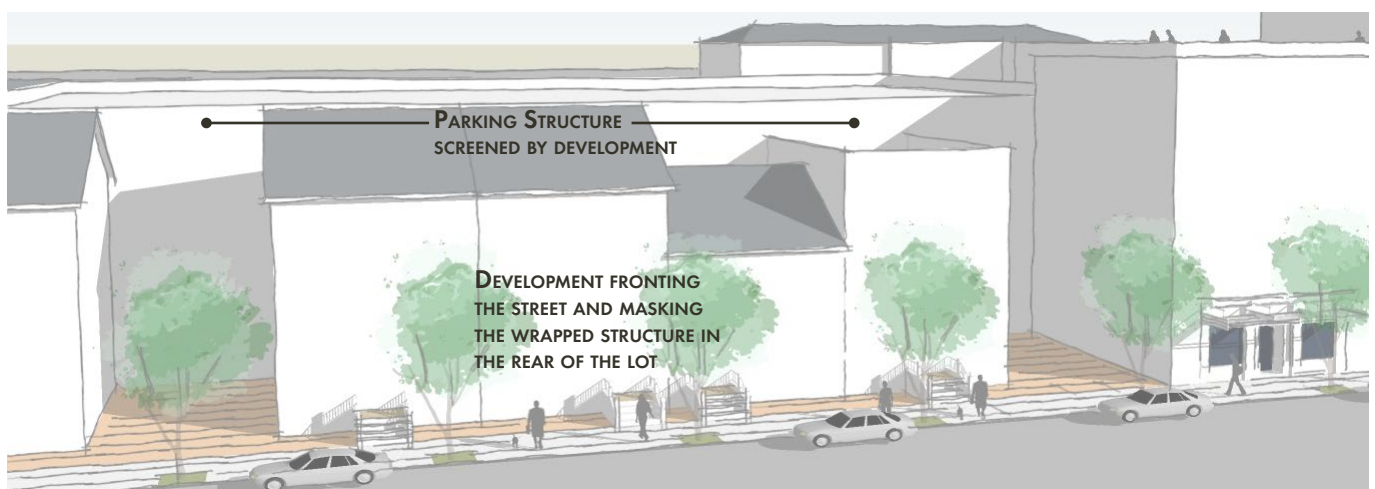
- 63. **Surface Parking Lots.** Surface parking facilities shall adhere to parking lot design standards as specified in PMC 17.24.080 (C)(5).
- 64. **Structured Parking Facilities.** Structured parking facilities shall adhere to parking lot design standards as specified in PMC 17.24.080 (C)(5) in addition to the following:
 - ab. The design of an above-ground parking structure shall have a similar design aesthetic with the design of the primary building of the site and shall not exceed the height of the primary building on the site it serves.

FIGURE 4.6 - ILLUSTRATION OF SURFACE PARKING LOT DESIGN



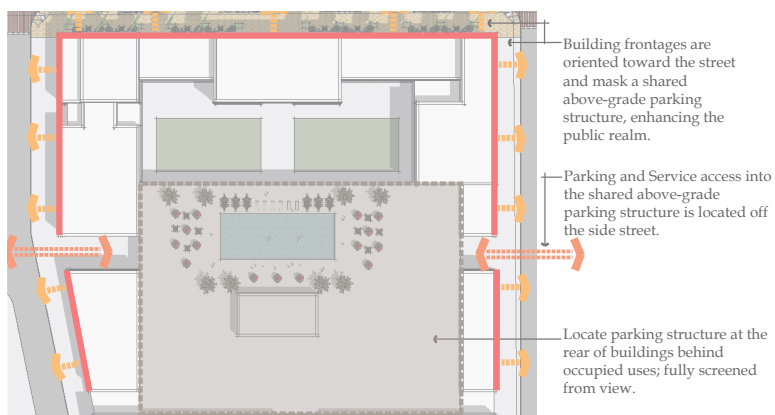
Source: Gruen Associates

FIGURE 4.7 - ILLUSTRATION OF A WRAPPED PARKING STRUCTURE



Source: Gruen Associates

FIGURE 4.5 - ILLUSTRATION OF A WRAPPED PARKING LOCATION



Source: Gruen Associates

4.8 SUSTAINABLE DESIGN

A. **Appliances and Lighting Fixtures.** New and substantially renovated residential development shall use high energy efficiency appliances as well as interior and exterior lighting fixtures.

1. Solar powered alarms and exterior lighting fixtures are encouraged.
2. Gas-powered stoves, ovens, and heating equipment are discouraged in favor of equipment powered by electricity or other green energies.

B. **Building Orientation for Solar Efficiency.** The majority of existing buildings within the SPA shall orient most windows in the north-south direction which is ideal for solar orientation. New and substantially renovated developments shall orient not less than 65% of windows and glazing in the north-south direction.

C. **Solar Panels.** The use of solar panels for the generation of electricity and water heating is encouraged, provided that the location and design of panels is consistent with other standards set forth in this chapter.

D. **Sustainable Stormwater.** Low impact sustainable design mimics the natural hydrologic process by controlling stormwater at the source and allowing it to slowly infiltrate and filter through plants and soils. Appropriate infiltration techniques and mitigation measures for public realm sustainable stormwater facilities are described below:

1. **Swales.** Swales are long, narrow landscaped depressions that are gently sloped along their length. They are primarily used to collect and convey stormwater while slowing down and filtering runoff. Swales provide natural treatment to stormwater and add landscaping to streets. The most common form of swales are vegetated, depressed linear features with appropriate plantings and amended soils. Swales should be 5 to 11 feet wide, where possible. Swales should also be kept fairly shallow, generally less than 6 inches deep. Soil stabilization measures should be applied to the full length of the swale. Drought tolerant ground cover should be planted along

side slopes, and drought/wet tolerant grasses, shrubs, and trees should be planted in the bottom channel. Swales are ideal for long, uninterrupted linear spaces, such as along streets, in parking lots, between buildings, in parkways, and in medians.

2. **Infiltration Trenches.** Infiltration trenches are subsurface facilities designed to provide onsite stormwater retention in areas of good infiltration by collecting and recharging stormwater runoff into the ground. Trenches are generally 2 to 5 feet deep, located underneath swales, backfilled with sand or coarse drain rock, and lined with filter fabric. The surface can be planted, covered with grates or boardwalks, or consist of the exposed drainage material. Trenches are effective at volume reduction and may retain the majority of minor storm events. Major storm events should be directed toward a storm drain network once the infiltration trench is at capacity. Trenches filter pollutants to improve water quality and contribute toward groundwater recharge. Infiltration trenches are relatively low maintenance and can be easily retrofitted into existing sidewalk areas and medians. Infiltration trenches should be located a minimum of 5 to 10 feet from a building. The slope of the trench should be as close to level as possible, not to exceed 1%.

3. **Rain Gardens.** Rain gardens are landscaped detention or bio-retention facilities designed to slow down and treat stormwater. Runoff is directed to shallow, landscaped depressions which retain minor storm events, allowing stormwater to infiltrate through soil for groundwater recharge. Pollutants are filtered out by soil and plant material. Uncompacted soils and good infiltration rates are ideal for rain gardens; however they can be incorporated in areas with moderate to low infiltration rates with the addition of an underdrain. Within 10 feet of a building foundation soils should be lined and drained by an underdrain. A distributed network of smaller facilities is preferred to one large centralized facility, and the recommended ratio of impervious area to infiltration area is 5:1, dependent upon soil conditions. Plantings should

be deep rooted and drought/wet tolerant. Rain gardens are often used in conjunction with other stormwater facilities, such as swales, channels, parkways, and infiltration trenches. Maintenance can be reduced by incorporating swales or similar facilities to filter out coarse sediments prior to runoff reaching the rain garden. Rain gardens can be implemented in many different geometries and are easily integrated into the left over landscape design. Rain gardens are often found in the public realm located within curb extensions, medians, and parking lane planters. Rain gardens can also be used in front of homes or buildings to capture rooftop runoff from disconnected downspouts.

65. **Permeable Paving.** Permeable paving systems can provide the structural integrity necessary for cars, trucks, and pedestrian areas while reducing direct runoff by absorbing rainfall and providing temporary storage. These systems are designed to allow rain water to pass through them and be stored temporarily in a rock base before being discharged through subdrains or soaking into the soil. Pervious paving is best suited for parking lots and parking lanes, low-traffic and low-speed streets, alleys, patios, driveways and emergency access roadways; however, under the right conditions it can also be applied to roadways with higher traffic and speeds. Permeable surfaces require routine street sweeping using vacuum sweepers every 6 months as well as scheduled vacuum removal of gap pea-stones and joint re-filling every 5 to 10 years.
66. **Runnels.** Runnels are concrete or stone lined rainwater conveyance systems, and reduces the need for buried drain pipe by conveying surface water to other stormwater facilities. Runnels can be constructed of any durable, impermeable material and are appropriate for most street and open space types. Runnels are typically 10 to 36 inches wide with depths less than 2 to 2-1/2 inches. Runnels can be used across pedestrian paths by installing a smooth ADA-compliant cover.
67. **Flow-through and Infiltration Planters.** Flow-through and infiltration planters are landscape features that also provide stormwater runoff control and treatment. Flow-through planters are sealed on all sides and fitted with an under-drain. They only absorb as much water as soil and plants in the planter can accommodate. Once the planter is at capacity, water is then discharged through the under-drain. Flow-through planters slow down stormwater discharge and provide bio-filtration. They are ideal for receiving roof runoff from downspouts and can be incorporated into foundation walls. Infiltration planters are similar to flow-through planters except they are open on the bottom, allowing runoff to soak into the native soil. Infiltration planters are used to collect, filter, and infiltrate runoff from roofs, streets, sidewalks, driveways and patios. Planters should be designed to have standing water for a maximum of 48 hours and should be at least 2 feet wide to accommodate under-drain systems.
68. **Curb Extensions.** Curb extensions are an extension of the street edge into the street. They are often used to promote traffic calming but can provide stormwater benefits as well. Stormwater flowing along the street is slowed, filtered, and allowed to infiltrate before reaching storm drain networks. Curb extensions should generally limit ponding water to depths less than 6 inches and include drought/wet tolerant landscaping. Curb extensions come in many different shapes and sizes and can take on the characteristics of bio-retention areas, swales, or planters depending on the application.
69. **Cisterns.** Cisterns are a rainwater harvesting technique that collect stormwater and stores it for reuse on a larger scale. Cisterns can be stored above ground, buried below ground, or located inside of buildings. They typically store rainwater for reuse in irrigation, mechanical uses, toilet flushing, and fire prevention.
70. **Rain Barrels.** Rain barrels are connected directly to downspouts to capture and store runoff for future use. Stormwater discharge is slowed down and water can be reused for irrigation. 50 gallons of storage is suggested as a minimum. Barrels must also have a cover to prevent insect and debris collection.



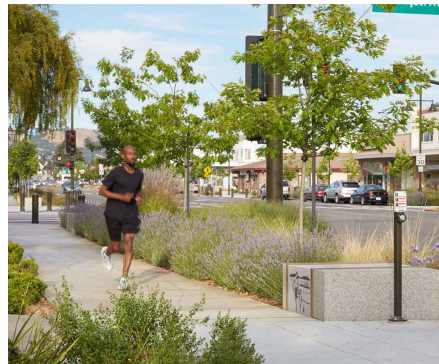
Curb extensions as opportunities for sustainable applications



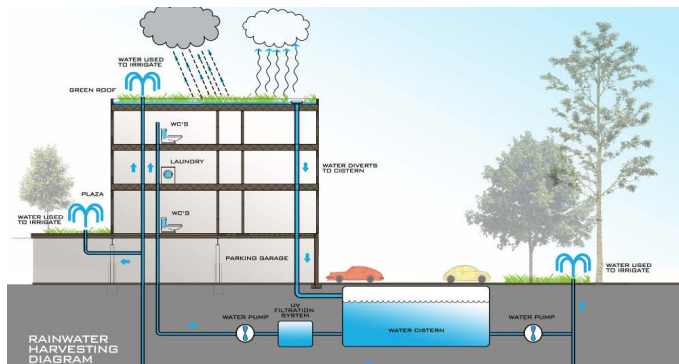
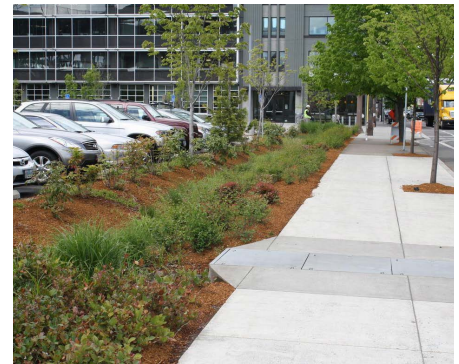
Rain gardens/infiltration planters improve the public realm



Bioswales in neighborhood conditions



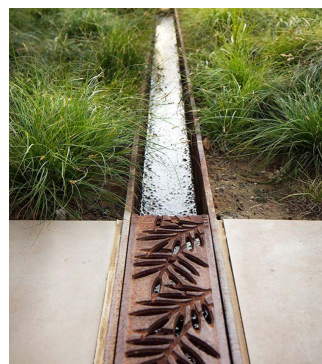
Bioswales in urban conditions



Basic components of cisterns



Runnels in public spaces



Solar panels utilized creatively to enhance streetscapes/shade



5.0 Mobility Plan

5.1 BACKGROUND

This chapter describes the Mobility and Parking Plan for the North Paramount Gateway Specific Plan Area (NPG SPA), which includes recommendations for improving pedestrian, bicycle, transit, and vehicular circulation as well as parking management. The plan focuses on opportunities to enhance connectivity, including safe, efficient, and accessible first/last mile solutions, to major destinations within and outside the SPA.

The mobility and parking plan puts connectivity and parking considerations at the center of the analysis recognizing their importance for meeting land use, economic development, and quality of life goals. This is especially true given the opportunities presented by upcoming West Santa Ana Branch (WSAB) light rail station at Paramount/Rosecrans.

The plan underlined in this chapter presents strategies that support reductions in greenhouse gas (GHG) emissions and vehicle miles traveled (VMT) by (i) creating a quality walking experience through improving pedestrian connectivity to support new development, (ii) encouraging the use of active transportation and public transit including the future WSAB light rail, and (iii) establishing an effective parking management plan.

- **Rosecrans Avenue:** an east-west major arterial with a typical cross-section of two travel lanes and a parking lane per direction. The corridor is a designated truck route in the City of Paramount and serves various commercial establishments including Swap Meet and the Paramount High School.

The intersection of Paramount Boulevard and Rosecrans Avenue is a key junction as it serves two major arterials and allows for railroad service. High visibility crosswalks and pedestrian signals exist at the junction. The WSAB railroad tracks run diagonally through the intersection with cargo rail cars accessing the right-of-way for transport to and from the refinery to the southeast of the project area. High-voltage power lines run overhead. The importance of this intersection is amplified with its proximity to the proposed WSAB light rail station.

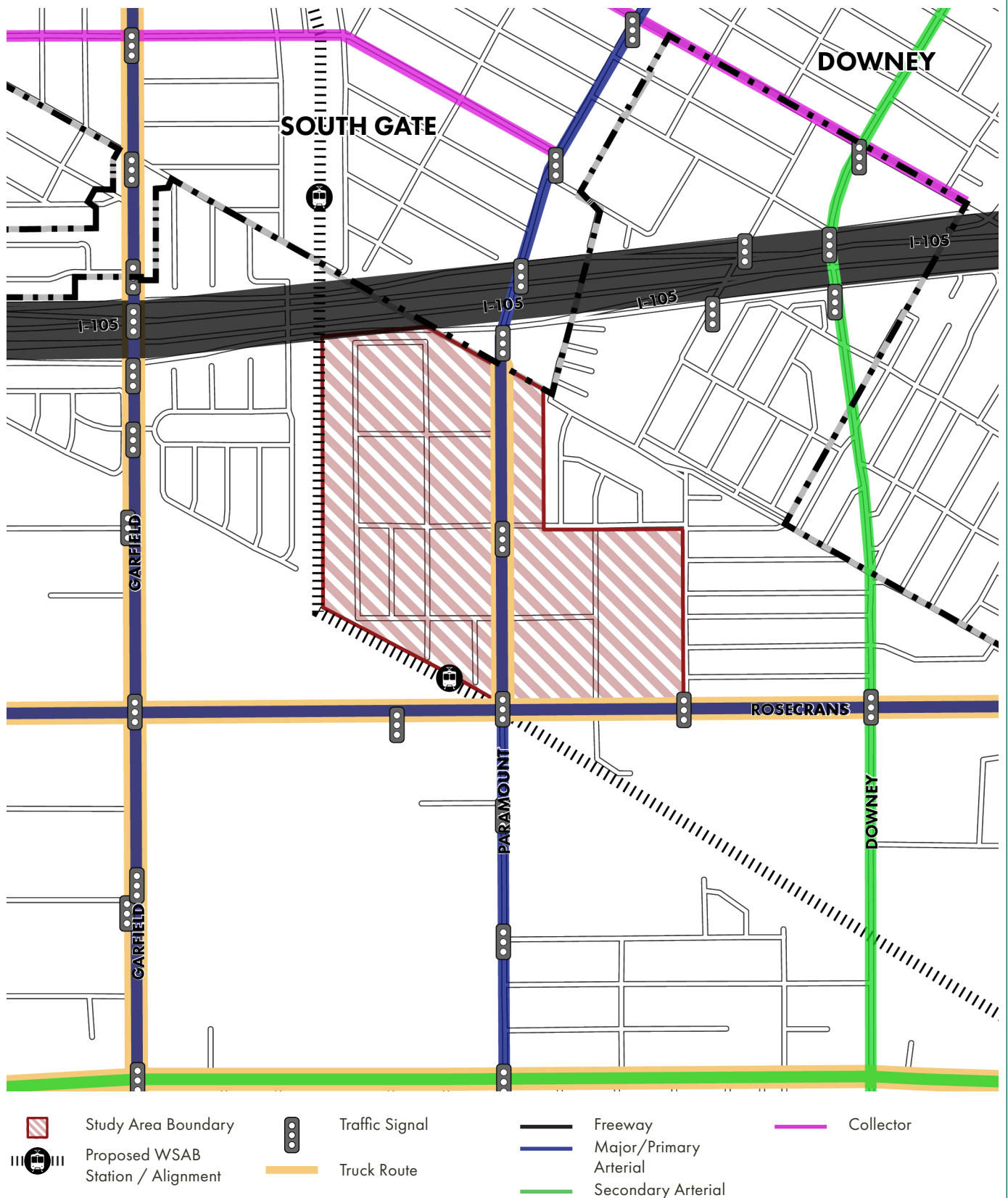
Other streets in the SPA are classified as local streets serving individual parcels as shown in [Figure 5.1](#).

5.1.1 EXISTING STREET SYSTEM

Streets are the backbone of the circulation system for all transportation modes in the NPG SPA. The key streets serving the SPA are:

- **Paramount Boulevard:** a north-south major arterial with two travel lanes and a parking lane per direction. The corridor enjoys a landscaped median (with turn lanes at intersections) and trees in the sidewalks providing for a pleasant walking environment. North of Rosecrans Avenue, Paramount Boulevard is also designated as a truck route up to the City limits. Portions of Paramount Boulevard south of the SPA in Downtown have been recently received streetscape improvements; the portion of Paramount Boulevard within the SPA could benefit from similar streetscape improvements especially if it is no longer classified as a truck route.

FIGURE 5.1 - EXISTING SPECIFIC PLAN STREET SYSTEM



Map by: Gruen Associates; Data Sources: City of Paramount, SCAG

5.2 TRANSIT

5.2.1 BACKGROUND

The 2019 American Community Survey 5-year estimates show that the percentage of Paramount workers (16 years old and over) commuting to work by transit is about 2.3% less than half of the California average.

The SPA is presently served by Los Angeles Metro (Metro) and Long Beach Transit buses that provide connectivity to several regional destinations and rail stations albeit with low frequencies ranging from 30 to 90 minutes ([Figure 5.2](#)). The NextGen Bus Plan, which was developed by Metro to reimagine the bus system and better meet the needs of current and future riders, proposes more frequent bus services especially during midday periods.

The City of Paramount also partners with various local transit agencies to improve transit programming in Paramount and provide improved regional mobility to support students, mobility impaired and senior citizens.

5.2.2 WEST SANTA ANA BRANCH (WSAB)

Metro is planning for a new light rail transit (LRT) line that will connect southeast LA County to downtown Los Angeles. The WSAB station in Paramount will be northwest of the Paramount Boulevard and Rosecrans Avenue junction. Another station (I-105 station) is planned just north of the 105 Freeway between Garfield Avenue and Paramount Boulevard which will serve as a transfer point to the C Line (Green).

Metro has carried out a “Transit Oriented Development Strategic Implementation Plan,” which provides guidelines for land use and active transportation improvements surrounding each station. For the Rosecrans/Paramount station the recommendations included lining the WSAB right-of-way with an active transportation path, implementing pedestrian safety improvements at Rosecrans Avenue and Paramount Boulevard, pursuing strategies such as shared parking or reduced parking requirements,

creating a network of open spaces centered on the station, and building a mobility hub at the station among others.

At the time of this Specific Plan, Metro released (in early August of 2021) the Draft Environmental Impact Report (DEIR) of the WSAB for public review. While the DEIR evaluated four build alternatives in addition to the no-build alternative, all four build-alternatives provide the same alignment in the NPG SPA as shown in [Figure 5.3](#). The build alternatives forecast total daily boardings at Paramount/Rosecrans station ranging between 1,400 and 2,400.

The Paramount/Rosecrans station of the WSAB is envisioned as an aerial (grade separated) station within the Pacific Electric Right of Way (PEROW) northwest of the intersection of Paramount Boulevard and Rosecrans Avenue, as shown in [Figure 5.4](#).

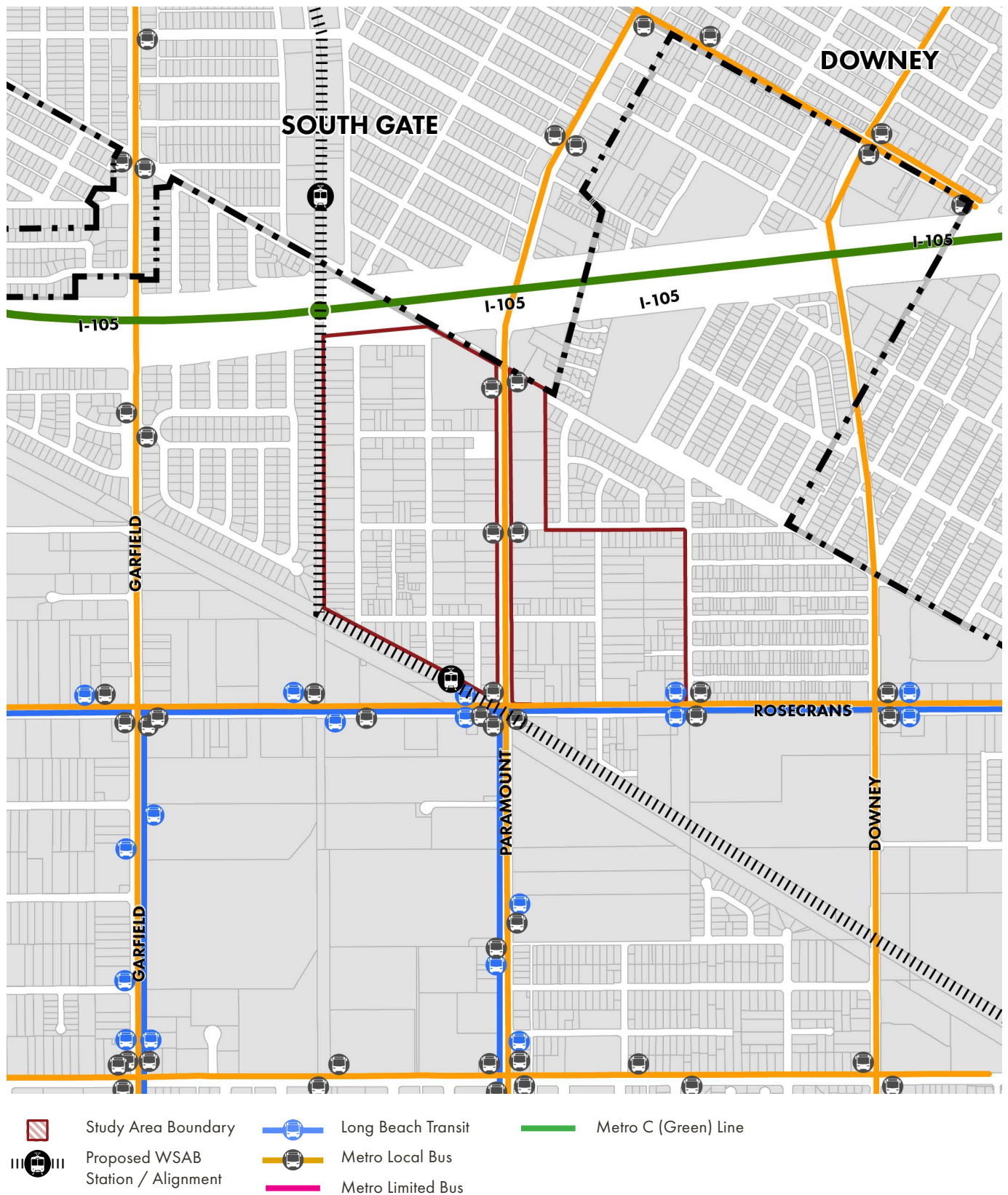
Street-level station access would be provided via a pedestrian walkway along the north side of Rosecrans Avenue. The DEIR also identifies a 490-space parking facility that would be located southwest of the Paramount/Rosecrans station and on the north side of Rosecrans Avenue. Vehicular access to the parking facility would be via Rosecrans Avenue, and pedestrian access between the parking facility and station platform would be via a dedicated pedestrian pathway.

Of relevance also to this Specific Plan is the I-105/C Line Station across the I-105 freeway. The I-105/C Line Station would provide a connection with the Metro C (Green) Line via a new station platform in the Metro C Line alignment within the I-105 freeway median as depicted in [Figure 5.5](#). A pedestrian link from Arthur Avenue would provide access to the station’s platforms, such as reopening the existing pedestrian bridge as suggested by the WSAB Draft Environmental Impact Report (DEIR).

5.2.3 TRANSIT IMPROVEMENTS

The WSAB presents the SPA with a revitalization opportunity by providing high-quality reliable transit service thereby

FIGURE 5.2 - TRANSIT MAP



Map by: Gruen Associates; Data Sources: Metro, Long Beach Transit, City of Paramount, and City of South Gate

FIGURE 5.3 - WSAB DEIR BUILD ALTERNATIVES



Source: LA Metro WSAB Draft EIR, August 2021

FIGURE 5.4 - WSAB PARAMOUNT/ROSECRANS STATION



Source: LA Metro WSAB Draft EIR, August 2021

FIGURE 5.5 - WSAB I-105 / C LINE STATION



Source: LA Metro WSAB Draft EIR, August 2021

increasing the mobility and connectivity for historically underserved communities and accommodating substantial future employment and population growth.

In addition to the Paramount/Rosecrans station, the SPA will also benefit from enhanced connectivity to the C Line via a pedestrian connection at Arthur Avenue to the new station platform. The WSAB also envisions various parking, pedestrian, and bicycle opportunities which are presented in the following sections of this document.

As development or redevelopment takes place, the following transit interventions are recommended:

- Relocating the Paramount Boulevard bus stops just south of Rosecrans to the north of Rosecrans Avenue to provide for easier transfers from/to the LRT station.
- Implementing transit priority such as queue-jumper lanes and bus-priority at the traffic signals that reduce delay to transit vehicles.
- Reallocating road space to transit, biking, and walking. This includes implementing pedestrian and cycling improvements that improve access around transit stops as discussed in the following sections of this document.
- Improving stops and stations by including shade, seating, wayfinding, and other convenience and comfort features.
- Improving rider information and marketing programs, including real-time information on transit vehicle arrival.
- Improving coordination, transfers, and connections among various transit modes and operators (Metro, City of Paramount, Long Beach Transit, etc).
- Promoting transit-oriented development which result in land use patterns more suitable for transit transportation.
- Integrating bike and transit modes through bike racks on buses/rail cars, bike routes and bicycle parking near transit stops, etc.
- Implementing universal design of transit and pedestrian facilities to accommodate people with disabilities and other special needs.
- Improving security for transit users and pedestrians.
- Promoting multi-modal access guides, which includes maps, schedules, contact numbers and other information on how to reach a particular destination by public transit.
- Introducing public art and other placemaking features to improve links between the Paramount/Rosecrans

station and Paramount history and people.

5.3 PEDESTRIAN CIRCULATION

5.3.1 BACKGROUND

Within the SPA, there is a relatively complete network of sidewalks; however, the width and condition of sidewalks varies from 8 feet to 15 feet wide (including the parkway) along major streets. Along most corridors, there are often sidewalk obstructions including power poles, signs, fire hydrants, and other miscellaneous items. Many of the sidewalks within residential areas include a parkway area of two to four feet-wide that includes street trees. Parkway areas are also located along major arterials. In many locations the sidewalks do not have ADA-compliant curb ramps, and in a few locations curb ramps are missing altogether.

The 2019 American Community Survey 5-year estimates put the percentages of workers 16 years and over who walk to work in the City of Paramount at 1.9%. The same percentage was found for pedestrians at the intersection of Paramount Boulevard and Rosecrans Avenue (via by 24-hour multi-modal survey on July 8, 2021) which showed close to 900 pedestrian crossings at the intersection.

However, the percentage of the walking population is significantly disproportionate to the percentage of pedestrian collisions which stands at about 14% of the overall collisions in the SPA. The collision data (which does not include near-misses that typically go unreported) revealed 25 pedestrian injuries in the 5-year period between 2015 and 2019. This implies there is a major need for enhancing pedestrian safety within the SPA.

As previously noted, the WSAB Draft Environmental Impact Report (DEIR) envisions (in addition to the station area connections) linking the SPA at Arthur Avenue to the infill Metro C (Green) Line Station. This link will connect the SPA to the C Line Station, the I-105 WSAB station, and other destinations in the City of South Gate.

5.3.2 PEDESTRIAN IMPROVEMENTS

A safe, direct, and comfortable pedestrian environment is essential to a transit-supportive station area. There are a wide range of approaches to addressing pedestrian safety and first/last mile challenges, ranging from high level policies to specific infrastructure investments underlined in this section. This section identifies several treatments to calm traffic, facilitate safer crossings, and generally make pedestrians of all abilities more visible to drivers and cyclists.

SIDEWALK WIDTHS

Per ADA standards, sidewalks need to, by law, provide at least four feet of clear space to allow pedestrians and those in wheelchairs to pass comfortably. However, this is the absolute minimum specification, and most corridors would benefit from at least eight feet of clear space.

For highly trafficked areas, such as the Paramount Boulevard and Rosecrans Avenue, 10 feet of clear space with a 5-foot wide parkway for a total of 15 feet should be provided in order to support high pedestrian volumes and to accommodate the street trees, benches, outdoor seating, and other amenities. Sidewalks along these streets should provide adequate passing space between pedestrians and accommodate for storefront amenities such as outdoor seating within commercial or mixed-use zones.

For other streets within the SPA, sidewalks can be slightly narrower in width (a minimum width of 7 feet) to accommodate moderate levels of pedestrian activity and some pedestrian amenities. The specific plan recommends widening the existing 8-foot sidewalks and parkways along Paramount Boulevard and Rosecrans Avenue to 15 feet wide. This can be accomplished through either a road reconfiguration that narrows the pavement width to accommodate wider sidewalks or through requiring new development to dedicate 7 feet to the public realm that can be used to widen the sidewalks which could permit and bicycle facilities within the existing right-of-way.

CURB RAMPS

While most intersections already include curb ramps, almost all curb ramps should be updated to meet the Americans with Disabilities Act (ADA) guidelines. Updated curb ramps will include tactile warning strips and oriented to align with the pedestrian travel path that is perpendicular to crossing streets, which in many instances leads to dual-curb ramps at each corner. This is preferable to the existing condition of a single curb ramp at the corner of an intersection that opens to the diagonally opposite corner.

PEDESTRIAN VISIBILITY

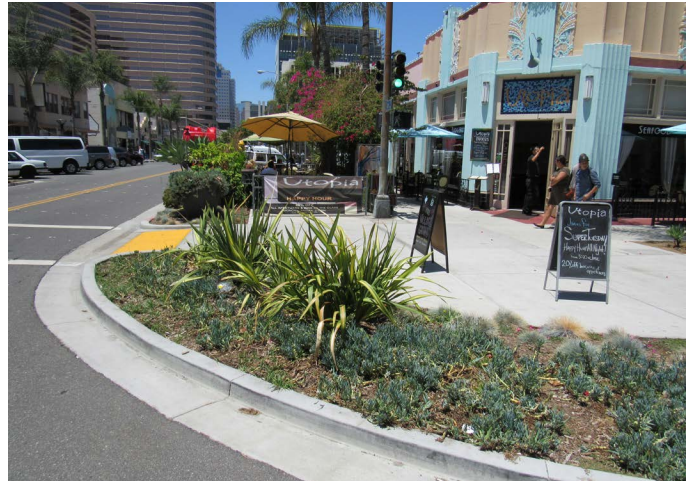
Maintaining high-visibility crossings creates an intuitive and safe environment for all users. Continental crosswalks use striped bands to mark the crossing area in order to provide the highest visibility for both pedestrians and motorists. They indicate where pedestrians should cross streets and indicate to motorists where pedestrians have the right-of-way. This is especially true for those junctions along Paramount Boulevard and Rosecrans Avenue.

Visibility also applies to sight distance. Pedestrians should be clearly visible by motorists up to 250 feet away which is enhanced by curb extensions as noted below.

CURB EXTENSIONS (BULB-OUT) AND PARKLETS

A curb extension is a portion of the sidewalk that is extended into the parking lane, typically at intersections. Where there is on-street parking approaching an intersection along Paramount Boulevard or Rosecrans Avenue, a curb extension should be created (Figure 5.6). Curb extensions reduce the distance that pedestrians need to walk to cross the street, make pedestrians more visible to motor vehicles, cause drivers to reduce speed by narrowing the roadway, and provide space for pedestrian amenities (e.g., street furniture, bike racks, etc.) and environmental elements (e.g., bioswales).

Parklets are a type of curb extension which also extend the sidewalk into the parking lane, typically in place of one or two parking spaces, and are typically used to provide areas for outdoor seating and dining as well as additional greenery. Unlike typical curb extensions, parklets are often temporary installations designed by adjacent property owners and are more flexible in appearance and location. Parklets are encouraged along major streets in front of restaurants, cafes, and other similar uses.



Landscaped curb extension

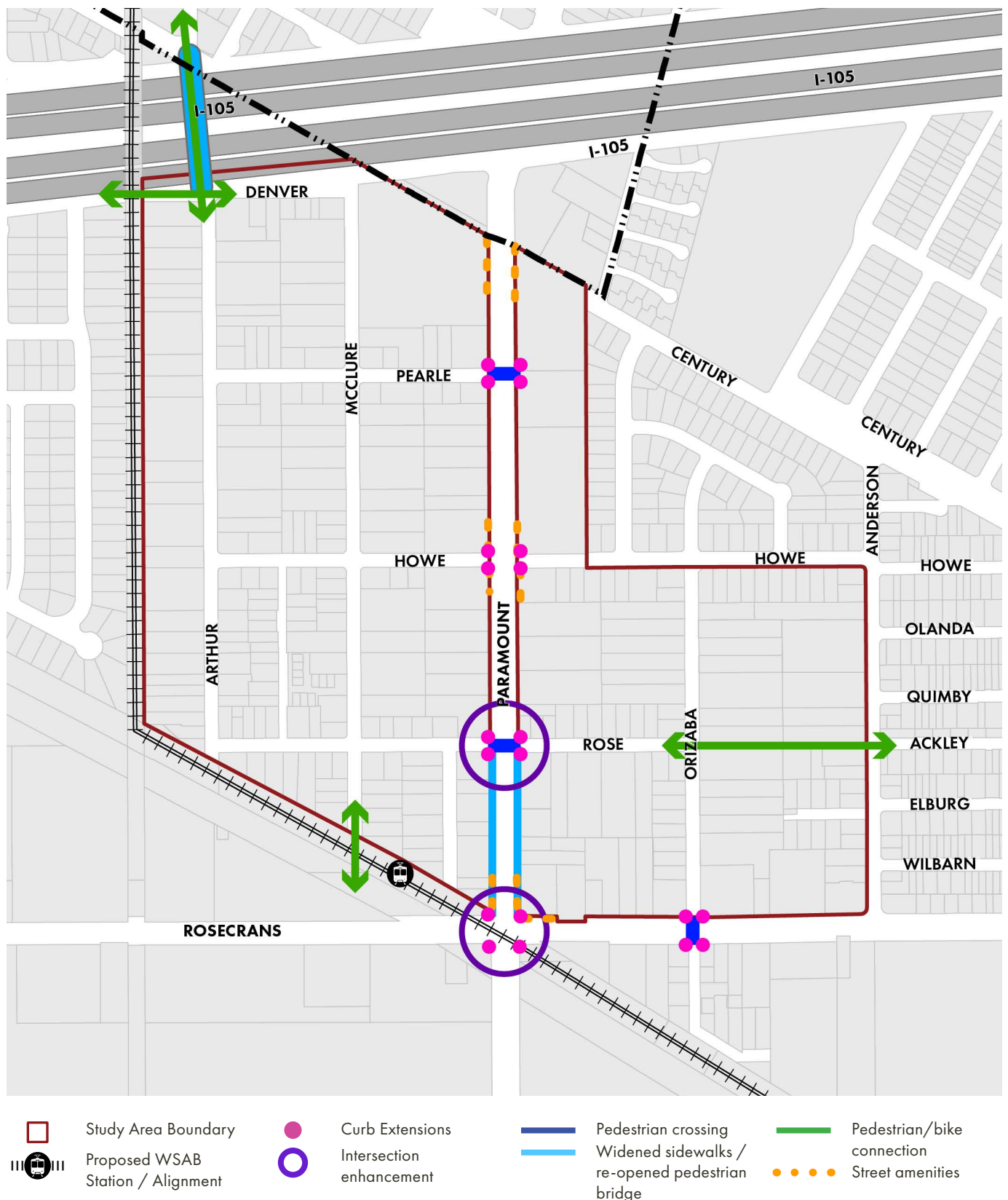


Parklet curb extension used to provide shaded outdoor dining areas in conditions where the building setback would not allow seating adjacent to the sidewalk



Continental crosswalks enhance pedestrian visibility by clearly demarcating the pedestrian crossing area. Additionally, pedestrian refuge islands break up raised center roadway medians to create a safe stopping point for pedestrians.

FIGURE 5.6 - PROPOSED CURB EXTENSIONS AND CROSSINGS



Map by: Gruen Associates; Data Sources: Metro, Long Beach Transit, City of Paramount, and City of South Gate

Curb extensions must be installed in locations where they won't interfere with bicycle lanes or separated bikeways. If both treatments are needed, then additional design features such as ramps, or half-sized curb extensions should be considered.

PEDESTRIAN LIGHTING

A dark, unlit sidewalk is a deterrent to many when considering a short walk to or from a station after dark, and can be improved by providing pedestrian scale lighting to create a more aesthetically pleasing and comfortable environment to walk in. Street lighting improves streetscapes by improving security and visibility for pedestrians and rolling modes. As the SPA is developed and redeveloped, streetlights (including pedestrian scale lighting) should be installed to ensure lighting uniformity within the SPA. The WSAB multi-use path, Arthur Avenue crossings, and areas where thick trees block street lighting can all benefit from pedestrian-scale lighting. Intersections often require additional lighting to allow motorists to see pedestrians crossing. Future lighting should also be integrated with potential smart city infrastructure.

STREET AMENITIES

Street furniture should be utilized to promote a walkable corridor and enhance a sense of place. Benches, water fountains, trash receptacles, and bicycle parking racks are recommended types of street furniture because they address needs that a pedestrian may have, such as a place to rest. Street furniture should be placed outside of the walking zone as to not create a hazard to pedestrians. In constrained sidewalk conditions, street furniture should be placed on curb extensions.

In addition, transit stop amenities such as shelters with overhead protection, seating, and lighting are essential for encouraging people to make use of public transit.

STREET TREES

The City of Paramount has been named a Tree City USA in honor of its commitment to effective urban forest management. Street trees serve a variety of urban design functions such as acting as a pedestrian buffer from vehicular traffic, accentuating spaces, creating a sense of enclosure, improving air quality, reduction of heat island effect by providing shade and filtered light, and improving visual aesthetics along corridors. Street trees shall be incorporated whenever possible in accordance with the



Durable street amenities using compatible materials and colors placed along parkway landscaping

landscape standards (see for [Table 8.1](#) a list of acceptable tree species). The selected tree species list was refined to provide some consistency with the recent streetscape improvements to the southernly portion of Paramount Boulevard in the downtown, while also providing some

variety to set the North Paramount Gateway apart as its own neighborhood.

The preservation of mature, healthy trees is a goal for the SPA. Some portions of sidewalk parkways include mature trees which narrow the sidewalk area for pedestrians. It is preferred that in these cases the trees be moved to curb extensions where conditions permit, and/or increasing the width of the sidewalk by dedicating a portion of adjacent property setbacks.

PEDESTRIAN SIGNALS

Pedestrian push buttons, countdown signals, and signal timing modifications provide additional control and information for pedestrian crossing decisions. Pedestrian push buttons shall be ADA accessible. Pedestrian signal heads should be countdown signals as they improve pedestrian safety by displaying the amount of time available to finish crossing before the end of the signal phase.

Traffic signal timing modifications which adjust the time needed to cross high-volume and wide streets provides additional safety and comfort for pedestrians and bicyclists. Leading pedestrian intervals (LPIs) typically give pedestrians a 3 to 7-second head start when entering an intersection with a corresponding green signal in the same direction of travel. LPIs enhance the visibility of pedestrians in the intersection and reinforce their right-of-way over turning vehicles, especially in locations with a history of conflict. These should be considered at Paramount Boulevard and Rosecrans Avenue junction as well as the other signalized intersections in the SPA.

WAYFINDING

Key intersections such as the Paramount Boulevard and Rosecrans Avenue junction and the SPA gateways require greater attention to detail due to their prominent locations and sensitive relationship to the public realm.

Wayfinding improvements can help visitors navigate to major destinations and transit connections. Special wayfinding signage can mark the entrance or direction to a particular destination. Wayfinding signage can be divided into three categories. Identification signs mark important destinations, while informational signage provides more background information on a point of interest. Directional signage shows the optimal route between key destinations. A successful strategy will incorporate all three types.



Existing Paramount City monument signage located in the Paramount Boulevard median should serve as the basis of other wayfinding signage added throughout the SPA in terms of design character

In addition, the treatment of buildings and the public realm at key locations create a landmark and establish a unique sense of identity.

SMART CITY INFRASTRUCTURE

There are many emerging technologies that could be implemented in a way to help improve the pedestrian environment and livability of places. These range from smart lighting to parking occupancy, multi-modal data collection, WIFI access points, and traffic safety monitoring solutions. These technologies can enable the City to make proactive decisions on corrective measures.

CONNECTIVITY ENHANCEMENTS

While crosswalks are provided at all major intersections, the spacing of the crosswalks in some instances is over 1,200 feet along Paramount Boulevard and Rosecrans Avenue north and east of their intersection, respectively. The lack of safe crossings reduces the overall connectivity and hence walkability of the area. With over 20,000 vehicles per day along each of Paramount Boulevard and Rosecrans Avenue, crossings at Rose Street, Pearl Street, and Orizaba Avenue as shown in [Figure 5.6](#) are recommended to enhance connectivity and pedestrian safety in the SPA.

These crossings should be paired with additional traffic-

control devices such as signals, Pedestrian Hybrid Beacons (PHBs), Rectangular Rapid Flashing Beacons (RRFBs), or LED enhanced flashing signs as appropriate to assist pedestrians in crossing a street via a marked crosswalk. Signals and warning devices should in turn be paired with additional pedestrian improvements, where appropriate, such as curb extensions, lighting, median refuge islands, and corresponding signage. The Orizaba Avenue crossing at Rosecrans Avenue can also be used by bicyclists to access the planned WSAB bike trail along the WSAB alignment.

Furthermore, as redevelopment or new development allows, a mid-block pedestrian and bicycle connection between Orizaba Avenue and Anderson Street (connecting Rose Street to Auckley Street) could further enhance the area connectivity by dividing the superblock into two smaller blocks.

As the WSAB station is developed, first/last mile connections from the station to the SPA will go a long way in enhancing transit ridership and providing alternatives to vehicular modes. Removing current barriers that are present along the WSAB bike trail where fencing prevents residents from easily accessing the multi-purpose trail should be addressed. This element will have to factor in the proposed freight rail line realignment, the WSAB bike trail, as well as the grade separation considerations for the light rail transit.

The WSAB DEIR notes the need to demolish and reconstruct the Arthur Avenue pedestrian crossing in order to construct the I-105/C Line Station platform and the two new bridges (for freight rail and LRT) over the freeway. The new Arthur Ave bridge should accommodate both pedestrian and bicycle movements across the I-105 Freeway thereby promoting active transportation modes between the SPA and South Gate.

DRIVEWAYS

Driveway curb cuts that extend into the through passage zone can create major inconveniences to people on foot or in wheelchairs. Driveways expose pedestrians on the sidewalk to motor vehicle cross traffic and cars parked in driveways often block sidewalks. Driveways can also reduce the available space for street trees, lighting, and street furniture.

As redevelopment or new development allows, minimum driveway widths and frequencies should be promoted as permitted by the City's zoning ordinance. Wherever

possible, entrances should be consolidated such that multiple users share a common curb cut for vehicular access. The ramp portion of a drive entrance should be located within the utility zone where possible. Driveways should also be spaced at a minimum of 200 feet to reduce the amount of curbside parking eliminated.

PARAMOUNT / ROSECRANS JUNCTION ENHANCEMENTS

While the WSAB LRT will be grade separated at the intersection of Paramount Boulevard and Rosecrans Avenue, the freight railroad tracks are expected to keep running diagonally through the intersection. No railroad gates are currently present but crossing guards are deployed when freight trains are crossings (aided by blank out signs at the intersection). It is recommended to redesign this crossing to bring it up to modern safety standards which include pedestrian crossing gates and exploring prioritized pedestrian safety.

5.4 BICYCLE CIRCULATION

5.4.1 BACKGROUND

In the SPA as well as the larger Paramount area there are no existing bicycle lanes despite the presence of bicycle users in the City. A 24-hour multi-modal traffic survey (carried on July 8, 2021) showed about 200 bicyclists at the Paramount/Rosecrans intersection. However, despite being less than 1% of the overall traffic, bicycle collisions in the SPA account for about 10% of the overall collisions for the 5-year period of 2015 to 2019.

The Bellflower-Paramount Active Transportation Plan proposes several facilities to help improve the bicycling and walking environment. In the SPA vicinity these include (i) a bicycle path along the WSAB rail corridor, (ii) Class III bicycle routes along Anderson Street, McClure Avenue, Orizaba Avenue (south of Rosecrans) and Howe Street with bike boulevard markings, wayfinding signage, and high-visibility crosswalks at major intersections, and (iii) exploring the possibility of converting the sidewalk on south side of Rosecrans Avenue between Orizaba and Anderson to a multi-use path for bikeway connection between Anderson Avenue and WSAB multi-use path as shown in Figure 5.7.

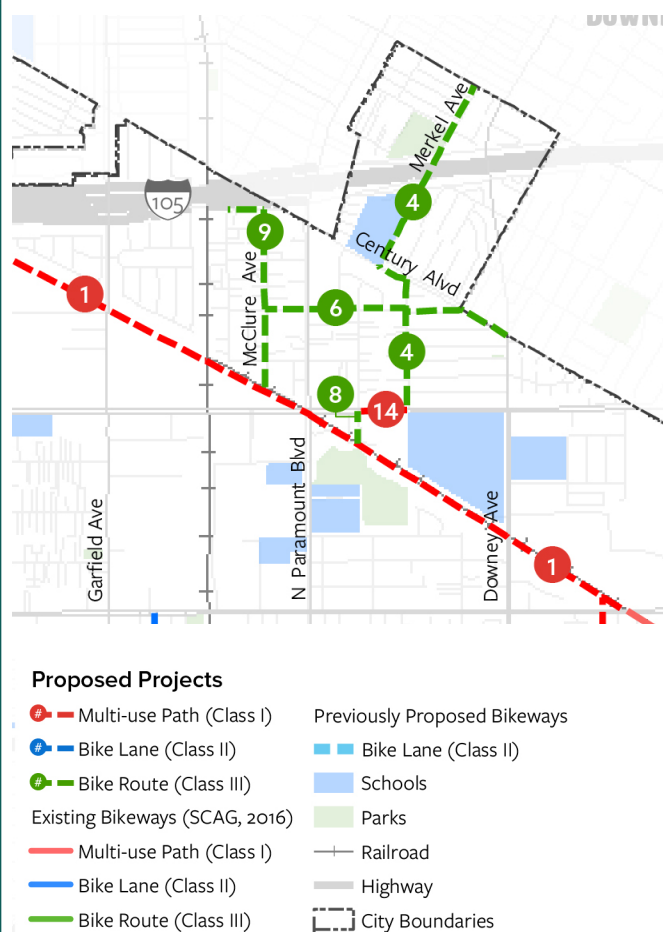
In addition to the connectivity enhancements noted earlier (the WSAB bike path and the Arthur Avenue connection to the I-105/C Line Station), the WSAB DEIR proposes bike hubs at the WSAB station locations for access to and from local destinations based on the demand. The Paramount/Rosecrans bike hub may include bicycle racks, lockers, and secure bike parking in addition to on-call mechanics and access to onsite Metro staff.

5.4.2 BICYCLE IMPROVEMENTS

The Specific Plan implements a bicycle network in the area that builds on the Bellflower-Paramount Active Transportation Plan, the WSAB plans for bike hubs at the station, as well as the Station Area Vision Plan (see Figure 5.8).

The City of Paramount should continue to invest locally

FIGURE 5.7 - BELLFLOWER-PARAMOUNT ACTIVE TRANSPORTATION PLAN IMPROVEMENTS MAP



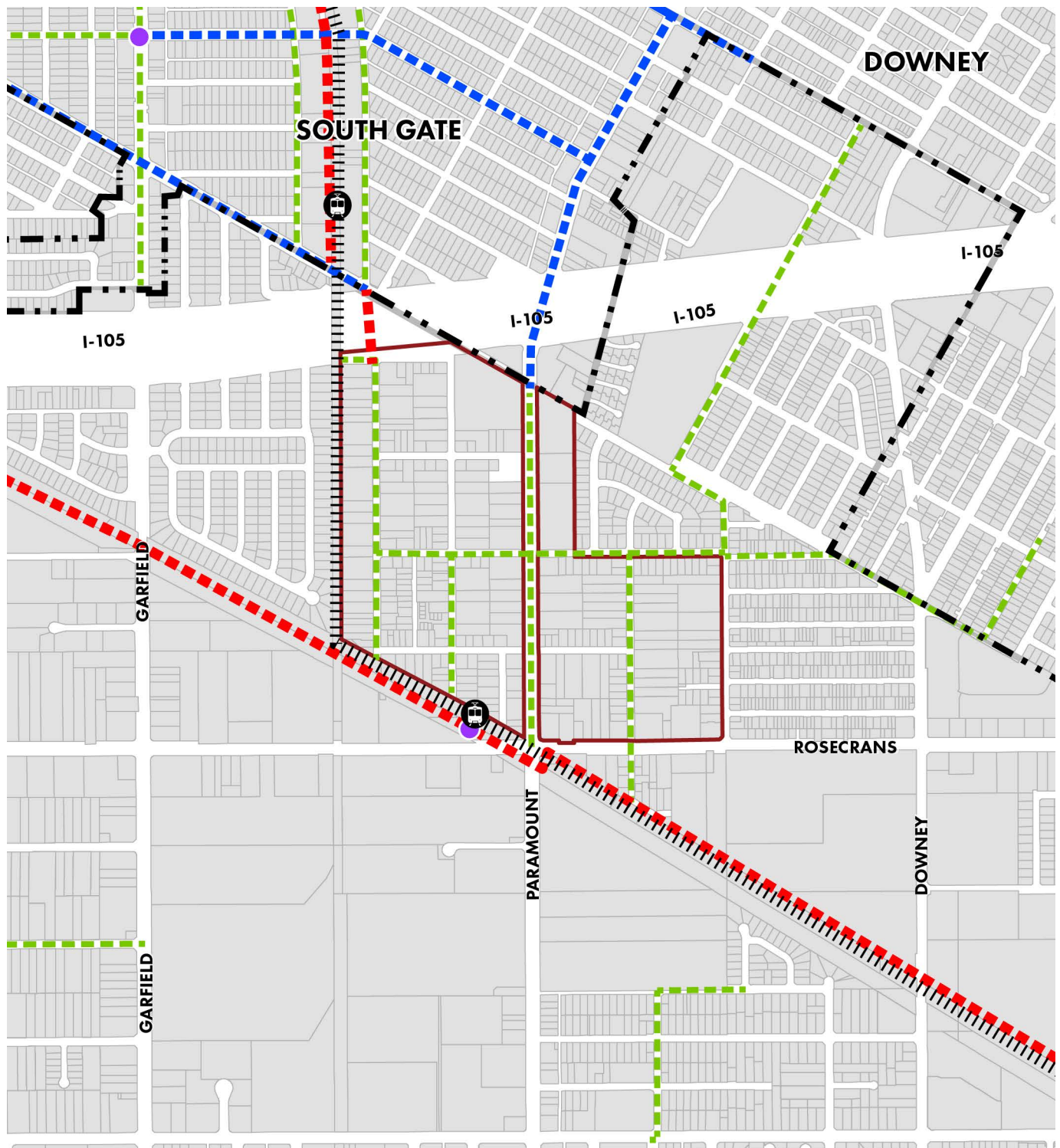
Source: Bellflower-Paramount Active Transportation Plan








in bicycle infrastructure leveraging state and federal funding sources. This section presents the recommended bicycle improvements to be considered as part of the SPA redevelopment.

BIKE LANES

Paramount Bike Trail: The City of Paramount has recently received a grant to extend the Paramount/Bellflower Trail in

FIGURE 5.8 - BICYCLE IMPROVEMENTS MAP



- | | | | | | |
|---|-----------------------------------|---|---------------------|---|----------------------|
|  | Study Area Boundary |  | Class I - Proposed |  | Class III - Proposed |
|  | Proposed WSAB Station / Alignment |  | Class II - Proposed |  | Bicycle Hub |
| | |  | Class II - Existing | | |

Map by: Gruen Associates; Data Sources: Metro, City of Paramount, and City of South Gate

FIGURE 5.9 - PARAMOUNT BLVD. NORTH OF ROSE ST. – EXISTING CROSS SECTION

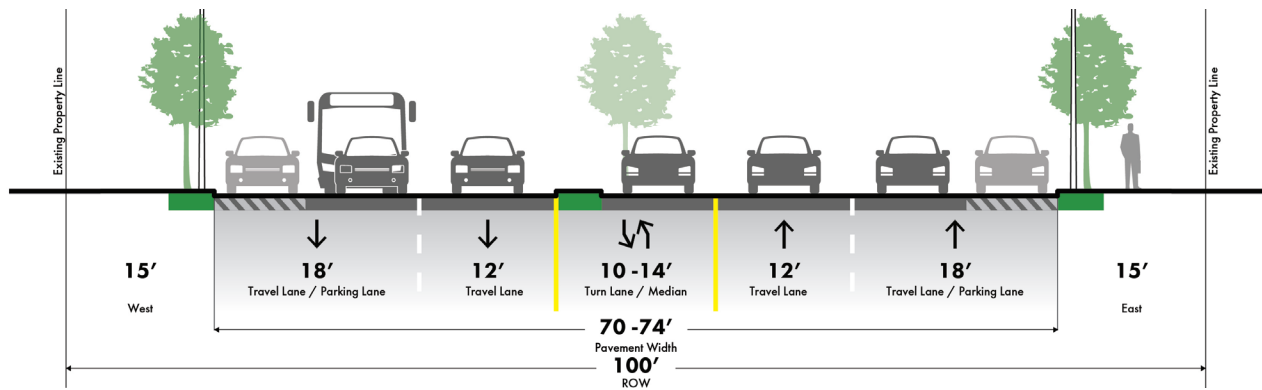
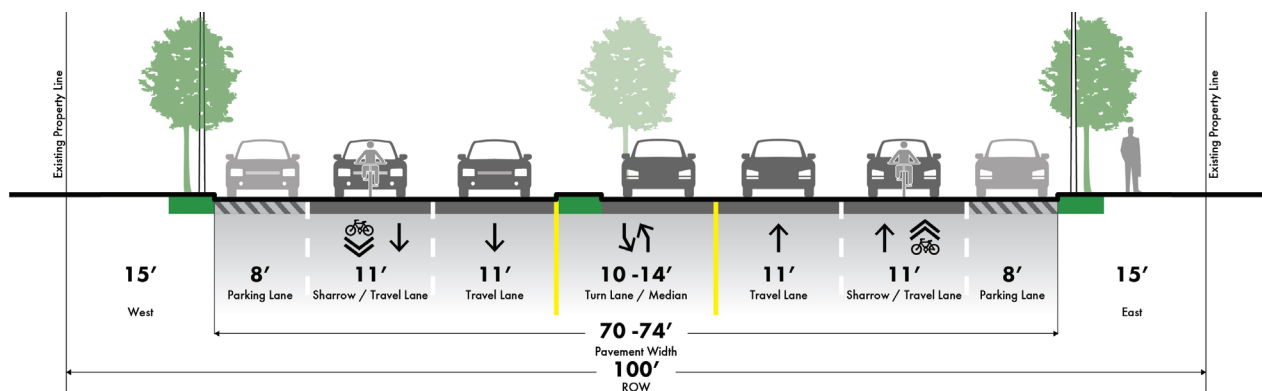


FIGURE 5.10 - PARAMOUNT BLVD. NORTH OF ROSE ST. – PROPOSED CROSS SECTION



Source: Gruen Associates & GTS

the WSAB corridor from Somerset Boulevard to Rosecrans Avenue, which will help link the city to the Los Angeles River trail. The trail, which passes along the WSAB Transit Corridor before it continues north, will merge with the future WSAB corridor trail near the Paramount/Rosecrans station. These two regional trails, once completed, will provide critical connections for residents of the neighborhood who will have the option to commute, shop, and recreate by bike.

The bike connection at Orizaba was also recommended in previous plans including the Bellflower Paramount ATP as it is critical to provide connection between the area north of Rosecrans and the Paramount Bike Trail. Now with the Paramount/Rosecrans WSAB station being elevated, it might be the case that a retaining wall is constructed that may impact this connection. However, the DEIR (as part of Mitigation Measure LU-1 / Consistency with Bike Plans) proposes realigning the Paramount Bike Trail between Downey and Rosecrans to the north side but within the Pacific Electric ROW. If the Paramount Bike Trail is not realigned to be north of the rail line then other alternatives will need to be investigated for connectivity.

Paramount Blvd Improvements: Paramount Boulevard is identified as a truck route in the Paramount General Plan, which could be an obstacle to implementing bicycle routes along this corridor. However, it is highly recommended the City remove the “truck route” designation from Paramount Boulevard given (i) the low truck volumes, (ii) the City of South Gate has removed the truck designation of Paramount Boulevard north of the SPA, and (iii) an alternate corridor is present in the City of Paramount along Garfield Avenue.

Removing the designation will support the residential and mixed-use character of the corridor and its connection to the future Paramount/Rosecrans station. It should be noted that a recent count (July 2021) showed only 130 trucks on Paramount Boulevard during the 24-hour period of the survey with most of the trucks going between Paramount Boulevard and west side of Rosecrans Avenue which could easily be re-routed to Garfield Avenue.

Removing the truck designation also allows for traffic calming measures on Paramount Boulevard which include reduced lane widths and bicycle lanes for segments north and south of Rosecrans Avenue. Wide sidewalks coupled

with consistent street trees further reinforce a multi-modal pedestrian friendly environment.

The improvements are illustrated in two typical cross sections on the following pages (Figure 5.9 through Figure 5.13). In particular, Paramount Boulevard between Rose Street and Rosecrans Avenue could benefit from wider sidewalks. Two options exist as noted earlier. Option 1 (Figure 5.12) would include requiring new development to dedicate space in the front setback that can be used to widen the sidewalks and reconfiguring the roadway to include bicycle lanes. Option 2 (Figure 5.13) would require reconfiguration of the roadway to reduce the pavement width in order to accommodate wider sidewalks. Option 1 is preferred for new development where existing or new building setbacks permit. Where existing buildings lack the necessary setback area, Option 2 is preferred.

BICYCLE DETECTION AND BOXES

Bicycle detection is used at intersections with traffic signals to alert the signal controller that a bicycle crossing event has been requested. Bicycle detection occurs either through the use of push buttons or by automated means (video detection).

A bicycle box is a designated area at the head of a traffic lane at a signalized intersection that provides bicyclists a safe and visible way to wait ahead of queuing traffic during the red signal phase. This positioning helps encourage bicyclists traveling straight through not to wait against the curb for the signal change.

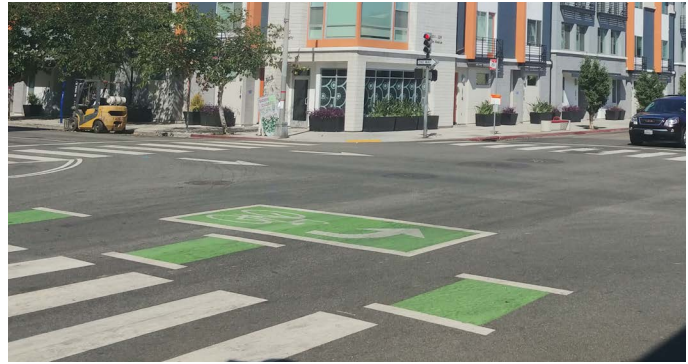
Both bicycle detection and bicycle boxes should be utilized at the signalized intersections as the North Paramount Gateway streets are being rehabilitated.

SIGNAGE AND WAYFINDING

The SPA will benefit from signage and wayfinding on all streets and bicycle routes to identify routes for users of rolling modes, provide destination information and branding, and to inform all users of changes in roadway conditions.

BICYCLE PARKING

Additional bike parking facilities should be provided at numerous locations in North Paramount Gateway to provide safe opportunities for cyclists to park and leave their bikes while they walk along key streets, which will further encourage and facilitate the use of bicycles.



Bicycle box at intersection to improve bicyclist visibility



Bicycle parking located near transit shelter to encourage intermodal connectivity

Bicycle spaces are required as part of the development standards and should be provided in readily accessible locations that are highly visible in order to ensure personal safety and protect against theft. Bicycle parking is especially encouraged near major activity centers, commercial hubs, and Paramount Park.

BICYCLE HUBS

Bicycle hubs, which would include Bike Share Stations, have been recommended as part of the WSAB DEIR and may take the form of full-service Metro Bike Hubs (similar to those at Union Station and El Monte) or simple fix-it stations with outdoor bicycle storage. Ultimately, the goal is to provide amenities that will encourage more people to use bicycles as a first/last mile connection to the station.

ELECTRIC BIKES AND SCOOTERS

The City may want to consider adopting policies to regulate and provide infrastructure for the emerging micro-mobility

FIGURE 5.11 - PARAMOUNT BLVD BETWEEN ROSE STREET TO ROSECRANS AVENUE – EXISTING CROSS SECTION

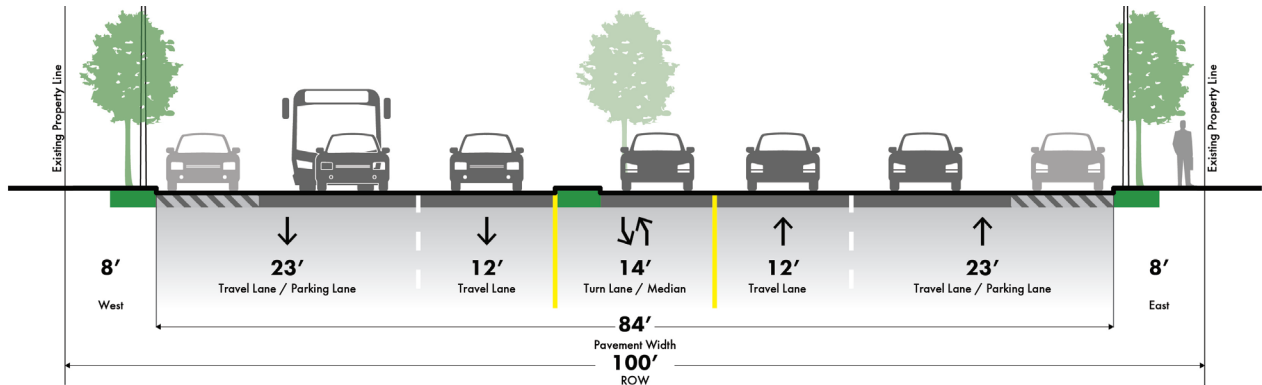


FIGURE 5.12 - PARAMOUNT BOULEVARD BETWEEN ROSE STREET TO ROSECRANS AVENUE – PROPOSED CROSS SECTION (OPTION 1)

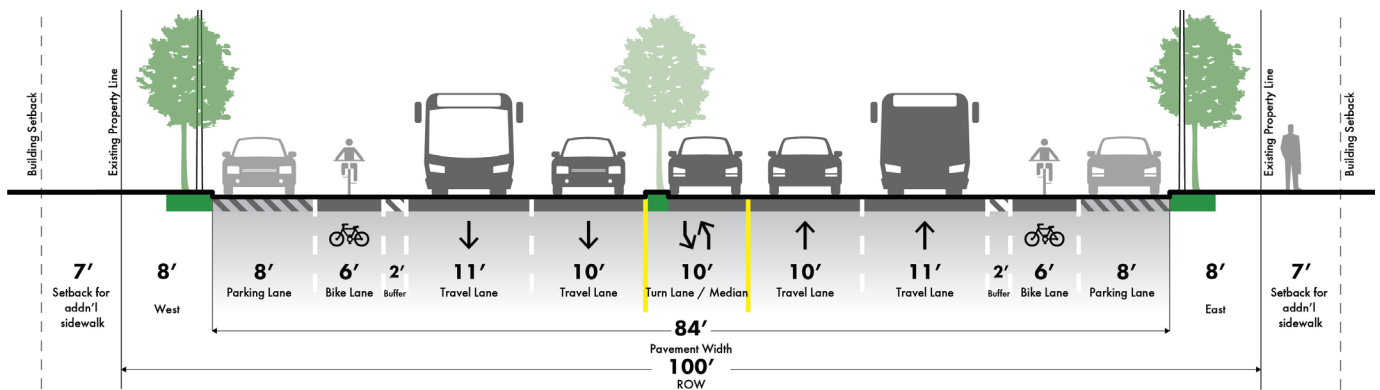
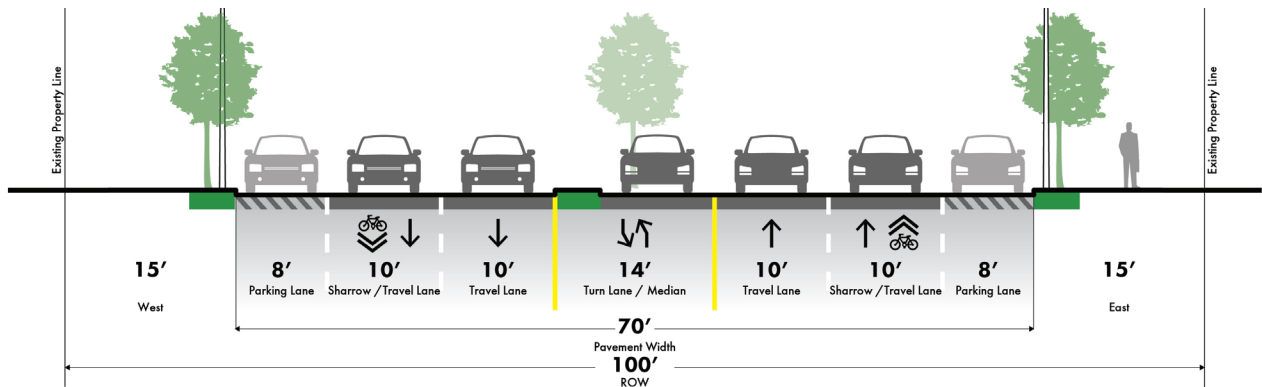


FIGURE 5.13 - PARAMOUNT BOULEVARD BETWEEN ROSE STREET TO ROSECRANS AVENUE – PROPOSED CROSS SECTION (OPTION 2)



Source: Gruen Associates & GTS

modes that has recently taken root in other cities across the County. These modes, whether privately-owned or managed by a company for public use, could provide a new, attractive first/last mile connection to transit, if properly regulated and implemented. New bicycle facilities throughout the station area could double as key routes for electric scooters as well into the future.

PROGRAMS

A variety of programs can enhance the overall cycling environment by: educating and encouraging residents, employees and visitors; enforcing laws that protect bicyclists; increasing transportation options; and maintaining the safety levels of the roadways to help establish a bicycling “culture” in Paramount. Examples of beneficial programs include educational programs; encouragement and promotional programs such as Safe Routes to School programs, “Bike to Work” weeks, shared bicycle programs, and recognition awards; and enforcement programs.

TRANSIT INTERFACE

Enhancing the interface with transit, whether buses or the future light rail, can increase the reach of any bicycle trip. This ranges from ensuring bike racks on buses and rail transit to bicycle parking (and other accommodations) at primary transit stops and stations.

5.5 VEHICULAR MOBILITY

Daily traffic volumes on Paramount Boulevard were found to be about 21,800 vehicles and those of Rosecrans Avenue are about 24,800 vehicles in July 2021 with through-traffic comprising the bulk of traffic volumes on both arterials. These volumes are comparable to 2017 numbers reported in the WSAB DEIR.

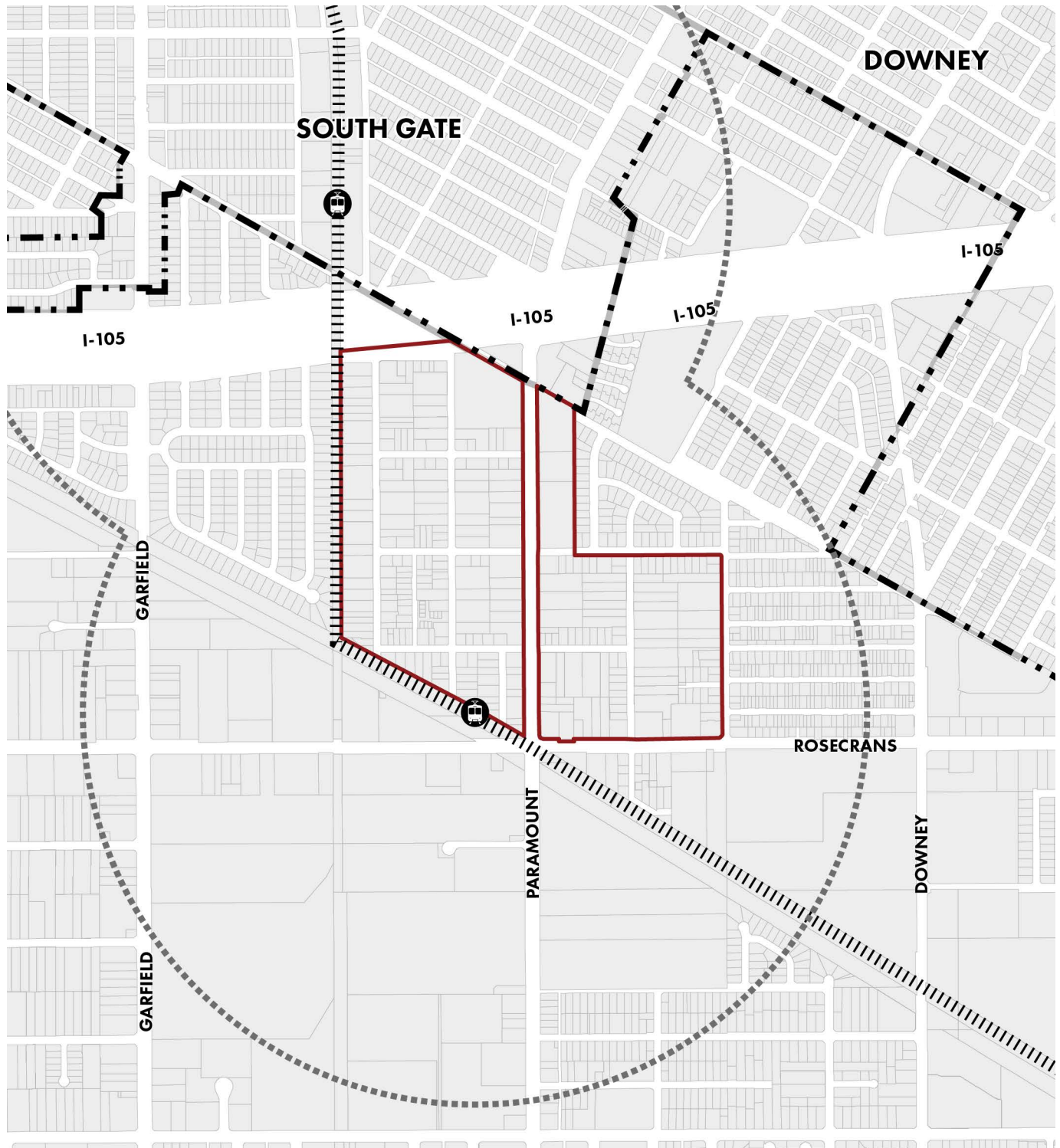
The WSAB DEIR evaluated delays and levels of service (LOS) at the Rosecrans/Paramount intersection (based on 2017 count data) and reported delays of about 55 seconds (LOS D) under existing peak hour conditions that raise to about 69 seconds (LOS E) under year 2042 peak hour conditions with and without WSAB (note that the WSAB Paramount/ Rosecrans station is grade separated). As such the DEIR does not recommend any vehicular-related improvements within the SPA.




However, starting July 1, 2020, analysis of the transportation impacts of new projects must look at vehicle miles traveled (VMT) as the metric for analyzing impacts under CEQA per the provisions of Senate Bill 743 (SB 743). Unlike LOS, with VMT the traffic impacts of projects must now be measured based on total travel rather than congestion at specific points such as intersections. VMT can be measured on a ratio basis (e.g., VMT per resident or per employee of a project) or total VMT generated by all project users. Therefore, reducing the vehicle miles driven by project users (whether through higher transit use, more walking and biking, reducing trip lengths, or promoting infill development) reduces greenhouse gas emissions.

Of relevance to this specific plan, is that a proposed land development project is presumed to have a less than significant VMT impact if the project is located within a half mile of a transit priority area (which is an area within one-half mile of a major transit stop) unless the project is inconsistent with the Regional Transportation Plan/ Sustainable Transportation Communities plan, has a floor-to-area ratio (FAR) less than 0.75, provides parking in excess of the City Municipal Code requirements, or reduces the number of affordable residential units. As the North Paramount Gateway SPA is wholly located within the half mile radius of the WSAB transit station ([Figure 5.14](#)), it is presumed that the specific plan will be able to exercise this exemption.

Moreover, residential, mixed-use residential, or employment center projects located within a transit priority area are exempt from evaluating the aesthetic and parking impacts of a project if they are consistent with the specific plan.

FIGURE 5.14 - WSAB STATION AREAS



-  Study Area Boundary
-  Proposed WSAB Station / Alignment
-  Half-mile radius

Map by: Gruen Associates; Data Sources: Metro

5.6 PARKING

5.6.1 BACKGROUND

Within the SPA, most of the public parking takes place on-street. On-street parking is free and mostly without time restrictions except for street sweeping. The off-street parking spaces are associated with commercial uses and are reserved for the business patrons and/or employees. Limited bicycle parking facilities were observed in the SPA.

There are parking availability shortages in the SPA which were also verified by various site visits as well as available data. These shortages are mostly expressed during evening and nighttime hours when residents return home from work. Parking issues are attributed to various reasons including, among others, multi-generational households in the SPA, residents using on-street parking rather than garages to store their vehicles, multiple car-ownership where seldom-used cars are stored on the streets, insufficient parking code enforcement, limited access to alternative modes, and apartment units not providing enough parking for tenants leading to on-street parking.

The WSAB DEIR proposes a parking facility with 490 parking spaces (illustrated earlier in [Figure 5.4](#)) to be located southwest of the Paramount/Rosecrans Station. The DEIR also proposes monitoring transit impacts on parking demand and proposing parking management strategies.

5.6.2 PARKING IMPROVEMENTS

Parking is undoubtedly a major concern in the NPG SPA and parking management is key to improving parking conditions and supporting the economic and land use objectives. Parking Management refers to the tools that help address and ameliorate parking issues and their unintended consequences such as traffic congestion, land use impacts, and economic development impediments. The following are the recommended parking management interventions.

RIGHT-SIZE PARKING REQUIREMENTS

This specific plan recommends right-sizing parking standards given the mixed-use zones, where commercial uses are located close together and people can visit by walking to more than one destination from one parking location, rather than being standalone uses. The parking requirements are presented in [Chapter 4.0](#) of the specific plan. In the SPA, right-sizing parking supports more efficient transportation options such as transit use and active transportation.

IMPLEMENT DEMAND STRATEGIES

The specific plan should require developments to implement travel demand management interventions, promote alternative modes, unbundle parking, among other considerations that impact the demand for parking. Parking demand management can provide various tools to reduce and manage the impact of on-street parking in the SPA by promoting a walkable and well-connected environment which features alternative means of travel.

There are various efforts going underway that can ultimately contribute to parking demand management, such as the active transportation projects, higher bus frequencies (Metro Next-Gen Bus Plan), and the upcoming WSAB LRT among others.

IMPLEMENT LOCATION-BASED STRATEGIES & SHARED PARKING

These are strategies that address “who parks where” with the premise of spreading the demand over a larger area such as utilizing remote parking facilities, signage strategies, etc. For example, in the context of the NPG SPA, underutilized off-street parking south of Rosecrans Avenue or the proposed WSAB station, parking might provide opportunities for joint use of parking.

While the current zoning code allows for shared parking, it requires developments requiring less than fifty off-street parking spaces to provide these spaces within one hundred fifty feet of the development. In order to facilitate the provision of parking supply, the parking requirements in the SPA may be met within 750 feet of the specified land use.

IMPLEMENT TIME-BASED STRATEGIES

These are strategies that use parking frequency, turnover, and time stays as part of a parking management toolbox. Currently no time limits exist in the SPA even along commercial corridors. This implies there is no consideration of the priority parker (business patron, employee, resident, etc.) in different locations at different times of the day. It is recommended to establish 2-hour time limits starting along Rosecrans Ave and Paramount Boulevard that can be adjusted guided by occupancy and turnover data. Key to successful time-based strategies is ensuring parking compliance through proper enforcement of established time limits.

Given the residential uses of the SPA, these parking strategies might need to be coupled with establishing residential parking permit zones that will exempt permanent residents from the established time limits.

Parking demand, location, and time strategies are typically easier to implement than pricing and supply strategies illustrated next.

IMPLEMENT PRICING STRATEGIES

These are strategies that consider paid parking programs and demand-based pricing. At this point the City has not considered pricing as a means of managing parking. Parking is free throughout NPG SPA.

As the SPA is redeveloped, pricing strategies can be considered to manage parking and ensure proper turn-over of on-street parking.

IMPLEMENT SUPPLY STRATEGIES

These include maximizing the number of available parking spaces typically by the provision of new parking spaces on-street and off-street. This is usually the more expensive (and sometimes least desirable) option for managing parking. The City may consider an in-lieu fee to address a development's fair share of the required parking in a facility, as and when parking supply is considered by the City.

As noted earlier the WSAB station proposes a 490-space parking garage that will serve the transit users and minimize the potential impacts to the nearby residential neighborhoods.

6.0 Infrastructure Plan



6.1 BACKGROUND

The purpose of the Infrastructure Plan is to provide an overview of existing and planned infrastructure facilities, and to outline recommended infrastructure upgrades for the NPG SPA. The recommended upgrades are based on analyses of the capabilities and capacities of existing facilities and projected infrastructure needs based on build-out of the SPA.

The City of Paramount is approximately 4.84 square miles located in the southeastern portion of the Greater Los Angeles Area. The City is bordered by Compton and Lynwood to the west, Bellflower to the east, Downey and South Gate to the north, and Long Beach to the south. The NPG SPA is bounded by Denver Street/Century Boulevard to the north, Rosecrans Avenue to the south, the Union Pacific heavy rail right-of-way to the west, and Anderson Street to the east. The City's population is 54,776 (2012), and over the last two decades the City has seen a steady growth in residential, commercial/retail, and industrial development.

In anticipation of future adoption of a community benefit incentive policy which could allow for higher development densities than otherwise permitted per this Specific Plan, this analysis of infrastructure capacity looked at two scenarios: Base Scenario and Community Benefits. Since the Community Benefits Scenario would require more infrastructure than the Base Scenario, the Community Benefit Scenario build out rates were used for the infrastructure plan. Since development could occur almost anywhere within the study area, the highest density demands for the densest zone (mixed-use, high density) were assumed at 50 du/acre for Community Benefits.

6.2 SEWER SYSTEM

6.2.1 EXISTING CONDITIONS

The existing sewer mains, pump station and components in the City of Paramount are maintained by the Los Angeles County Consolidated Sewer Maintenance District (SMD). The sewer system ties into the Orange County Sanitation District (OCSD) main at the Arthur Avenue Trunk which collects and transports sewage to the two reclamation plants owned and operated by the OCSD.

The sewer system generally flows in a southwesterly direction throughout the City. The existing sewer mains are 8-inch diameter and are predominantly vitrified clay pipes (VCP). The OCSD maintains the 18-inch Vitrified Clay Pipe (VCP) line from south of Denver Street that transitions to a 21-inch VCP that continues southbound to Rosecrans Avenue. Additionally, there is the Ruther Avenue P.P Emergency Bypass 8-inch VCP line on Century Boulevard.

- **Arthur Avenue.** The trunk is an 8-inch VCP line between Denver Street to Rose Street flowing southbound. The OCSD has a 21-inch VCP line that extends north of the Glen Anderson Freeway to Rosecrans Avenue flowing southwest.
- **Laredo Avenue.** The trunk is an 8-inch VCP line mid-block between Rose Street and flowing north to Howe Street.
- **McClure Avenue.** The trunk is an 8-inch VCP line between Denver Street to the end of the street flowing southbound.
- **Pearle Street.** The trunk is an 8-inch VCP line between Paramount Boulevard to Arthur Avenue flowing westbound.
- **Howe Street.** The west side of the SPA between Paramount Boulevard to Arthur Avenue flows westbound. At the east end of the specific plan boundary between Anderson Street to Paramount Boulevard there is a 8-inch VCP trunk line flowing to the west.
- **Rose Street.** The west side of the SPA between Paramount Boulevard to Arthur Avenue connects to the OCSD 21-inch VCP line and flows west. From Orizaba

Avenue to Paramount Boulevard there is a 8-inch VCP trunk line flowing to the west.

- **Paramount Boulevard.** The trunk is an 8-inch VCP line flowing southbound to Rosecrans Avenue.
- **Rosecrans Avenue.** Mid-block west of Orizaba Avenue there is a 12-inch VCP line that transitions to an 8-inch VCP trunk line flowing to the west. East of Orizaba Avenue
- **Orizaba Avenue.** Between Howe Street to Rosecrans Avenue there is an 8-inch trunk flowing southbound.
- **Anderson Street.** Between Howe Street to Rosecrans Avenue there is an 8-inch trunk line flowing southbound.

The cumulative sewage effluent by each Tributary Area has been calculated using the Zoning Coefficient for runoff provided for a typical sewer area study by the Los Angeles County Department of Public Works (LACDPW) Land Development Division. All existing sewer mains in the study area are 8-inch in diameter. Using the minimum allowable slope of 0.40%, the design capacity for the existing sewer mains are at least 0.38 cfs.

Sewer laterals are sewer pipes which connect with buildings with sewer mains that run in the street. In general, new or upgraded sewer laterals are required for new buildings, with the cost of the installation borne by the developers.

6.2.2 RECOMMENDATIONS

Based on the analysis on the capacity and capability to meet future demand (Community Benefits) of the Paramount study area, an assessment of the existing sewer line was re-evaluated for the increase demand and the outcome of the analysis are as follows:

- **Rose Street.** The west side of the SPA between McClure Avenue to Arthur Avenue, the existing 8-inch VCP should be upgraded to a minimum pipe size of 10-inch VCP.
- **Paramount Boulevard.** The existing 8-inch VCP line flowing southbound from Rose Street to Rosecrans

Avenue should be upgraded to a minimum pipe size of 10-inch VCP.

- **Rosecrans Avenue.** Existing 12-inch VCP line west of Paramount Boulevard is capable to carry the additional capacity of the future development.
- The rest of the existing 8-inch sewer mains are capable to carry the additional capacity of the future demand.

6.3 WATER SYSTEM

6.3.1 EXISTING CONDITIONS

Approximately 6,000 acre-feet of water is supplied by the City's three water wells, two imported water connections through the Metropolitan Water District, and recycled water from the Central Basin Municipal Water District (CBMWD). The City pumps from the Central Groundwater Basin which they own Water Rights allowing them to pump 5,883 Acre feet per Year (AFY) plus 20% carryover rights. The City's water department provides potable water services for landscape irrigation and industrial uses within the SPA. The City Water transmission and distribution system includes approximately 130 miles of water lines, 7,500 metered connections, 1,200 fire hydrants, and 2,750 isolation valves.

Per-and poly-fluoroalkyl substances (PFAS) are a larger group of human-made substances that include per flourooctane sulfonate (PFOS), perfluorooctanoate (PFOA) and other chemicals. PFOS are human-made chemicals such as Scotchgard, Teflon, fast food packaging, and fire-fighting foam and other materials developed to resist water, grease, or stains. PFAS are entering the Orange County Groundwater basin through the Santa Ana River which infiltrates into the basin. The original source of the PFAS chemical entering the basin stem from chemical manufacturers such as 3M and DuPont. The City's water Well #14 has high levels of perfluorooctane sulfonate (PFOS); testing at an average level of 7.9 parts per trillion (ppt) which is higher than the notification level (NL) of 6.5 ppt but far lower than the response level (RL) of 40 ppt which would require action be taken or further monitoring of the well. The unit part per trillion equates one drop of water in 42 million gallons of water. In abundance of caution, the City voluntarily closed Well #14 on February 20, 2020 to complete required preventative maintenance. Moving forward the City will be conducting quarterly PFOS testing at Well #14 for one year to monitor and create a plan for PFAS remediation.

In July 2020, the City broke ground and is constructing their fourth water well, #16 which is estimated to be pumping water by Fall 2021. Water well #16 will allow the City to

provide a more consistent water supply and reduce their demand on imported water. Also in the works is the City's revised Urban Water Management Plan for 2021.

- **Arthur Avenue.** The trunk main is a 12-inches cast iron line from Denver Street to Rose Street.
- **Laredo Avenue.** The trunk main is an 8-inch line from Howe Street to Rose Street.
- **McClure Avenue.** The trunk is an 8-inch line from Denver Street to the end of the street.
- **Denver Street.** The trunk main is a 4-inch line from McClure Avenue to Arthur Avenue.
- **Pearle Street.** The trunk main is an 8-inch line from Paramount Boulevard to Arthur Avenue.
- **Howe Street.** The trunk main is a 12-inch line from Orizaba Avenue to Paramount Boulevard and transitions to a 14-inch trunk past Arthur Avenue.
- **Rose Street.** The trunk main is an 8-inch line from Arthur Avenue to Paramount Boulevard.
- **Paramount Boulevard.** The trunk main is a 12-inch line from Century Boulevard to Rosecrans Avenue.
- **Rosecrans Avenue.** The trunk main is a 16-inch and 6-inch line from Anderson Street to west of Paramount Boulevard.
- **Orizaba Avenue.** The trunk main is a 6-inch line from Howe Street and transitions into a 16-inch line before Rosecrans Avenue.
- **Anderson Street.** The trunk main is a 12-inch and 8-inch line from Howe Street to Rosecrans Avenue.

6.3.2 RECOMMENDATIONS

Currently the City's water system can accommodate existing demands and they do not anticipate any issues with meeting future water demands.

6.4 STORM DRAIN SYSTEM

6.4.1 EXISTING CONDITIONS

Stormwater and urban runoff transfer sediments, airborne chemicals, pet waste, fertilizers, trash, oils, and automobile fluid flow into the storm drains which flow to local watersheds untreated. The Los Angeles County Flood Control District (LACFCD) owns and operates 2,800 miles of underground storm drains within the Los Angeles County. In 1984, The Flood Control District entered into an operational agreement with the Los Angeles County Department of Public Works transferring planning and operational activities to the Department of Public Works. Public Works Flood Maintenance and Water Resources Divisions, respectively, oversee its maintenance and operational efforts. The City of Paramount is part of the Lower Los Angeles River Watershed Management Group which drains to the Los Angeles River and the Los Cerritos Channel.

The LACFCD storm drainage system includes:

- **Line A.** 30-inch RCP main on Rosecrans Avenue
- **Line A.** 72-inch RCB on Paramount Boulevard
- **Line A.** 48-inch and 72-inch Reinforced Concrete Box (RCB) on Rosecrans Avenue
- **Line D.** 48-inch RCP on Racine Avenue
- **Line E.** 84-inch Reinforced Concrete Pipe (RCP) main on Paramount Boulevard
- **Hollydale A Line.** 48-inch and 72-inch RCB on Rosecrans Avenue
- **Hollydale A Line.** 81-inch RCP on Arthur Avenue
- 30-inch RCP line on Century Boulevard east of Paramount Boulevard

6.4.2 RECOMMENDATIONS:

There are no recommendations to upgrade the existing storm drain system within the Paramount Study Area.

6.5 ELECTRICAL SYSTEM

6.5.1 EXISTING CONDITIONS

The Southern California Edison (SCE) Company is the electrical purveyor for the City of Paramount. Edison's existing electrical facilities are mostly overhead and underground conductors. The overhead conductors share poles with telecommunications and cable TV facilities.

- **Arthur Avenue.** There are high voltage overhead conductors from Denver Street to Rose Street.
- **Laredo Avenue.** There are high and low voltage overhead conductors from Howe Street to Rose Street.
- **McClure Avenue.** There are high voltage overhead conductors from Denver Street to end of the street.
- **Pearle Street.** There are high and low voltage overhead conductors from Paramount Boulevard to Arthur Avenue.
- **Howe Street.** There are high and low voltage overhead conductors between Orizaba Avenue to Arthur Avenue. East and west of Paramount Boulevard there are high voltage underground conductors.
- **Rose Street.** There are high and low voltage overhead conductors from Orizaba Avenue to Arthur Avenue.
- **Paramount Boulevard.** There are high voltage underground conductors running from above Century Boulevard through to Rose Street.
- **Rosecrans Avenue.** There are high and low voltage overhead conductors from Orizaba Avenue through past the Union Pacific Railroad. Also, there are high voltage underground conductors on the south side of Rosecrans Avenue east and west of Paramount Boulevard.
- **Anderson Street.** There are high voltage overhead conductors between Howe Street to Rosecrans Avenue.

6.5.2 RECOMMENDATIONS

The decision to upgrade the power supply facilities and the number of upgrades to meet the demand of future

development will be determined by SCE in coordination with the City after developers have submitted their building plans. Demand for services and the ability to serve new developments are generally determined on a case-by-case basis.

Most of the electrical distribution facilities in the Paramount study area are aerial facilities. It is recommended that existing aerial electrical facilities be placed underground whenever funding is available. Underground electricity provides higher reliability, is safer in general and is also less unsightly. One of the potential funding mechanisms is CPUC Rule 20. CPUC Rule 20 is a set of policies and procedures established by the CPUC to regulate the conversion of overhead electric equipment to underground facilities, a process often referred to "undergrounding." Rule 20 determines the level of ratepayer funding for different undergrounding arrangements.

CPUC RULE 20

Under Rule 20, undergrounding projects are financed by utility rate money, combined rate funds and local tax proceeds, or private funds, depending on whether Rule 20A, Rule 20B or Rule 20C provisions apply.

- **Rule 20A.** Rule 20A projects are paid for by all SCE customers and ratepayers, not just those who live in locations where facilities will be undergrounded. To qualify for full funding through utility rate proceeds, projects must produce a benefit to the general public, not just customers in the affected area, by satisfying one or more of these criteria:
 - » The location has an unusually heavy concentration of overhead facilities.
 - » The location is heavily traveled.
 - » The location qualifies as an arterial or major collector road in a local government's general plan.
 - » The overhead equipment must be located within or pass through a civic, recreational or scenic area.

Using CPUC formulas, SCE allocates rate funds to communities for undergrounding based on previous allocations, the ratio of customers served by overhead facilities to all the customers in the community, and the fraction that customers in the community represent of all SCE customers. Local governments use these formulas to project allocations, which allow them to prioritize projects and develop project schedules. Because funds are limited, local governments sometimes must wait and accumulate their allocations before starting an undergrounding project.

- **Rule 20B.** If an area is not eligible for Rule 20A, or if local government cannot or chooses not to rely on the Rule 20A allocation process, Rule 20B allows rate funds to subsidize an undergrounding project. The subsidy includes an amount equal to about 5-20% of the total cost. The remaining cost is funded by local governments or through neighborhood special assessment districts.
- **Rule 20C.** Rule 20C enables property owners to pay for undergrounding electric lines and equipment if neither Rule 20A nor 20B applies.

It is also worth noting that, prior to any undergrounding process, SCE will take the lead in contacting the other low voltage utilities that might be sharing the power poles with SCE aerial facilities, such as the telecommunication providers (AT&T and Spectrum) and cable TV provider (Spectrum) to coordinate and execute a joint trench. During this process, SCE will also reach out to the City's Public Service Counter for their assistance in contacting and coordinating with the aforementioned utility providers.

It is recommended that prior to approving new development, the City should contact SCE regional manager for the Paramount study area and set up an inspection at the new development site in order to determine whether the existing aerial SCE facilities in the area qualify for Rule 20A funding.

6.6 NATURAL GAS SYSTEM

6.6.1 EXISTING CONDITIONS

The Southern California Gas Company (SoCalGas) is the only natural gas purveyor for the residents and businesses in the City of Paramount. The entire SPA has an extensive natural gas network with sufficient and comprehensive coverage. All the parcels within the SPA have access to natural gas. The existing pressurized gas lines within the project area range from 1-inch to 4-inch lines. Lateral connections to residential and commercial customers range from ½-inch to ¾-inch plastic lines.

The SoCalGas existing infrastructure has no reported system deficiencies and can accommodate new residential and commercial services.

- **Anderson Street.** There is a 2-inch trunk line from Howe Street to Rosecrans Avenue.
- **Arthur Avenue.** There is a 2-inch trunk line from Denver Street to Rose Street.
- **Laredo Avenue.** There is a 2-inch trunk line from Howe Street to Rose Street.
- **McClure Avenue.** There is a 2-inch trunk line from Denver Street to Rose Street.
- **Pearle Street.** There is a 2-inch trunk line from Arthur Avenue to Paramount Boulevard.
- **Howe Street.** There is a 2-inch trunk line from Arthur Avenue to Paramount Boulevard. East of Paramount Boulevard there is a 2-inch trunk line to Anderson Street.
- **Rose Street.** There is a 2-inch trunk line from Arthur Avenue to Paramount Boulevard. East of Paramount Boulevard there is a 2-inch trunk line to Orizaba Avenue.
- **Paramount Boulevard.** There is a 4-inch trunk line from north of Century Boulevard to Rosecrans Avenue.
- **Rosecrans Avenue.** East of Paramount Boulevard there is a 4-inch trunk line that transitions to a 3-inch line to Orizaba Avenue and transitions back to a 4-inch trunk line past Anderson Street.
- **Ruther Avenue.** There is a 2-inch trunk line south of Century Boulevard to Howe Street.

6.6.2 RECOMMENDATIONS

The analysis on the capacity and capability to meet future demand will be conducted by The Southern California Gas Company (SoCalGas) in coordination with the County upon submittal of building plans by developers.

6.7 TELECOMMUNICATIONS SYSTEM

6.7.1 EXISTING CONDITIONS

The Paramount study area is within the service area of AT&T and Spectrum, both of which are private utility companies. The current local telecommunications network lacks the high speed internet service that will be in demand by future businesses and residents in the area.

AT&T fiber offers technology that powers their fastest internet service with fast upload and download speeds. Distance is a major factor that limits the availability of internet speeds on copper-based networks because they use electrical signals which weaken as they travel over a distance. The farther from a network node, the slower the maximum speed is available. Fiber technology uses light waves to transmit data at high speeds, regardless of their distance from a network node. AT&T fiber is available to 12.5 million homes by 2019.

AT&T has aerial, buried, underground, and conduit assets within the project purview. AT&T aerial lines are either cable or fiber optic and are attached to utility poles on the streets that service residential and commercial customers. Buried lines are copper cables that are straight buried without conduit. Underground lines are copper cables inside conduit. Conduit lines are fiber optic cable inside conduit. The normal size of all these conduits are 4 inches and are placed 30—36 inches underground.

AT&T has conduit lines running along Paramount Boulevard from Denver Street to Rosecrans Avenue and along Rosecrans Avenue between Arthur Avenue to Anderson Street. There are also sparse conduit assets along Howe Street and Rose Street from Paramount Boulevard to Anderson Street.

Spectrum offers internet, TV, home phone service, and mobile over its broadband network to 44 states to an estimated 102.7 customers. Spectrum currently only offers cable internet within the City of Paramount. Plans and internet speeds vary greatly between areas, all cable service is provided through coaxial cable to deliver fast and reliable internet connections.

Spectrum has underground facilities along Paramount Boulevard from Denver Street southbound to Rosecrans Avenue. There are also a few underground lateral connections on McClure Avenue between Denver Street to Rose Street and Orizaba Avenue between Howe Street to Rosecrans Avenue.

6.7.2 RECOMMENDATIONS

The local telecommunication system providers will assess the demand for services and the ability to serve new developments on a case-by-case basis. The capacity and capability analysis for meeting future demands within the study area will be conducted after building plans are submitted by developers.

If there is “undergrounding” of existing aerial telecommunication facilities, SCE will reach out to AT&T or Spectrum and coordinate a joint trench. To save on costs, the telecommunication company is likely to participate in the joint trench operation. SCE will dictate the layout of the trench, and the telecommunication lines would follow.

7.0 Implementation Plan

A photograph of a city street scene, likely in a warm climate, featuring palm trees and lush greenery. Several vehicles, including a white sedan and a dark SUV, are visible on the road. The image is overlaid with a semi-transparent red filter, which serves as a background for the title text.

7.1 BACKGROUND

With the future arrival of the proposed West Santa Ana Branch transit line (WSAB), the North Paramount Gateway Specific Plan is primed for revitalization as a node of inclusive, sustainable, and mixed-use transit-oriented development. Grounded in the market realities of residential, retail, and office land uses, this implementation plan offers strategies to address existing challenges in the Specific Plan Area (SPA), prepare the SPA for inclusive growth, and help the SPA capitalize on an incoming transit amenity.

(see [Table 7.1](#)). Despite the area's multi-family zoning, almost 38% of housing units in the SPA are single-family, 56% of which are occupied by renters. In the Gateway Cities, there is unmet demand for an estimated 31,800 housing units based on 2045 SCAG projections, 200-350 of which could realistically be captured by the SPA. Importantly, around 50-70% of these new units would need to be affordable at moderate and low-income levels to avoid displacement.⁽¹⁾

7.1.1 SUMMARY OF EXISTING CONDITIONS AND MARKET STUDY

URBAN DESIGN

The SPA is largely comprised of 1- to 2-story buildings, most of which are multi-family residential along tree-lined streets. Street tree gaps exist primarily in the residential area east of Paramount Boulevard, but wide parkways and sidewalks do exist. Paramount Boulevard includes a tree-lined landscaped median and wide sidewalks with mature street trees on the northern end, creating a comfortable walking environment, but has more constrained sidewalks near the Rosecrans intersection. The average development along the major corridors (Paramount Boulevard and Rosecrans Avenue), primarily of 1- to 2-story buildings with a mix of auto-oriented retail and commercial uses and some multi-family residential interspersed in between, are either setback from the sidewalk with parking at the front or are walled off from the street. This diminishes the pedestrian experience, and together with an inconsistent pattern for sidewalks and/or parkways makes the pedestrian conditions challenging for walkability, multimodal accessibility, and safety. Implementation of the Specific Plan land use regulations and development and design standards will improve walkability, accessibility, and safety within the SPA and foster transit-oriented development.

RESIDENTIAL

The North Paramount Gateway SPA is largely residential, and nearly 79% of dwelling units are occupied by renters

Tenure	SPA	City of Paramount	Los Angeles County
Owner	366	5,569	1,514,629
Single-Family	282	4,847	1,376,271
Multi-Family	84	722	138,358
Renter	1,341	8,883	1,791,480
Single-Family	361	4,111	530,430
Multi-Family	980	4,772	1,261,050
Total	1,707	14,452	3,306,109

Source: 2018 ACS 5 Year Estimates

RETAIL

With only nine dedicated retail buildings, the North Paramount Gateway SPA is not a major retail hub. Projected future unmet retail demand is small in the SPA, ranging from 16,000-22,000 SF—or about three to five stores—by 2045 (see [Table 7.2](#)). That said, there is leakage in the SPA's 1-mile retail market and significant retail services that are lacking, like financial and grocery as shown in [Figure 7.1](#). Redevelopment of the 46-acre swap meet site may add commercial space that recaptures some of this leaked retail demand and/or can draw informal retail into the SPA.⁽¹⁾

OFFICE

Office is the least prevalent land use in the SPA with just three dedicated buildings. All of this office is resident serving, specifically dental and realty, rather than employment-

(1) HR&A Advisors, July 2021. North Paramount Gateway Specific Plan Market Study.

FIGURE 7.1 - 1-MILE RETAIL GAP

Source: ESRI

Table 7.2 - Local-Serving Office Demand

Estimated Study Area Office Demand from Projected Local Resident Growth	Change 2020-2045	
	Low	High
Projected Population Change in Paramount ⁽¹⁾	3,937	6,472
Demand for Financial Institution Branch Space	5,117	8,413
Demand for Other Local-Serving Office	14,959	24,592
Total Resident-Based Office Demand	20,076	33,005
Total Study Area Capture	4,692	7,713

Source: HR&A Advisors

based. Based on population growth, the SPA could absorb between 4,700-7,700 SF of resident-serving office by 2045. Importantly, there are specific services that could benefit the area, like medical and financial services.⁽¹⁾

7.2 IMPLEMENTATION FRAMEWORK

These current market conditions illustrate the SPA's land-use challenges and inform the North Paramount Gateway Specific Plan's Visions, Goals, and Objectives. In order to organize these visions and goals into a set of actionable strategies, this Implementation Plan addresses the following overarching implementation objectives that support the broader land use vision and associated strategies:

A. Attract focused mixed-use and residential development

To accommodate the projected 2045 population growth and the potentially accelerated growth that could accompany the WSAB, the SPA needs new residential and mixed-use development. Through land use policy that allows for streamlined development, location-appropriate density, and shared parking, the SPA can reduce barriers to development and make the area more attractive to developers.

B. Preserve and create affordable housing

Beyond the existing unmet demand for affordable housing in the SPA, new development can create displacement risk. Affordable housing production and feasible inclusionary housing policy are crucial to prevent displacement.

C. Invest in public realm and civic infrastructure

To facilitate catalytic development, the City must invest in supporting infrastructure. Streetscapes, public space, and shared parking not only help attract potential developers and increase real estate values to make development more feasible, but they can also help achieve several tenets of transit-oriented design, like walkability and varied curbside uses.

D. Improve retail offerings and attract missing services

The quality and diversity of retail offerings impact real estate values, developer interest, and residents', employees' and visitors' interactions with the neighborhood. By improving retail offerings in key locations and attracting missing services like financial,

medical, and grocery, the SPA could become more desirable to new residents and businesses, and more livable for current residents.

Using these goals as a guide, the following strategies leverage land use policy, affordable housing incentives, value creation and capture, and investment in the public realm to address the administration and implementation of key elements of the North Paramount Gateway Specific Plan.

Table 7.3 - Implementation Strategies

Term	Strategy
Land Use Policy - Jumpstart flexible, inclusive development	
Short-term	<p>Differentiate moderate- and high-density residential and mixed-use areas along Paramount and Rosecrans</p> <p>Allowing a combination of moderate- and high-density development will reduce barriers to redevelopment while aligning with supportable levels of residential, retail, and commercial space. Under current conditions, blanket zoning for high density mixed-use along Paramount Blvd. and Rosecrans Ave. might create a surplus of retail and commercial entitlements that exceed demand and may also create a disconnect between land values/land speculation and financial feasibility of new development, making short- to mid-term redevelopment less likely. Focused moderate-density entitlements will help to support the redevelopment of these areas in the short term as higher density development becomes viable with the release of Proposition FF and developments in the SPA begin to achieve higher rents.</p> <p>Streamline development approvals framework and prepare clear public-facing documentation of entitlement processes and other tools available to support development</p> <p>Streamlining approvals helps encourage development by reducing the timeline for development. Initial land and entitlement costs are challenging to finance, and the sooner that a developer can receive permits and complete construction, the greater their financial rate of return; this makes projects more attractive compared to other locations or investment types. Marketing the relevant funding and financing tools from the sources included at the end of this implementation plan could be the first step to increasing developer interest.</p>
	<p>Engage businesses to determine interest in establishing a BID around the study area and redeveloped swap meet site to support capture of retail demand</p> <p>Funded by a special levy on businesses, a business improvement district (BID) can help promote and improve existing retail as well as attract new high-quality retail by using marketing, programming, streetscape enhancements, and more. Since businesses will have to agree to the implementation of a BID, it is best to gauge interest as the corridor begins to attract more commercial uses.</p> <p>Identify sites for shared parking lots to shift parking away from individual properties on the main retail and transit corridors and into shared facilities</p> <p>Shared parking lots will help incentivize development by lowering the cost of providing parking. Identifying and developing a strategy for City acquisition of ideal sites can help align parking supply with transit goals and development goals, and as shared parking comes online, the study area could transition to more transit-oriented and pedestrian friendly curbside uses.</p>
Affordable Housing - Support the development of mixed-income and 100% affordable housing	
Short-term	<p>Explore grant funding programs for a feasibility study to establish an inclusionary housing policy that applies to projects of an appropriate size</p> <p>Mandating set-aside affordable units in larger developments will help combat the displacement that can accompany redevelopment. By commissioning a feasibility study, the City can determine an appropriate project size threshold for the application of this policy, to ensure the creation of affordable units without undermining feasibility. Funding may be available from the California Department of Housing and Community Development, the Southern California Association of Governments, and others.</p> <p>Encourage use of the State of California's Density Bonus to support mixed-income development</p> <p>Encouraging the use of the State Density Bonus by developers could facilitate the development of affordable units and ensure that higher density residential development is feasible. This can help developers by creating additional value that offsets the cost of affordable units.</p>

Table 7.3 - Implementation Strategies

Term	Strategy
Short/Mid/Long-term	Market opportunities for the creation of 100% affordable housing along Paramount Boulevard By marketing opportunities to potential non-profits, affordable housing developers, and brokers, the City can attract prospective affordable housing developers to the area, particularly as transit comes online which will make it easier to secure affordable housing funding. With relative advantages in terms of how these projects are funded, affordable housing developments could be important first movers that bring residential density, foster inclusivity, and support new retail.
	Value Creation and Capture - Create funding streams for future improvements
Short-term	Explore the potential of a tax increment financing tool, such as an EIFD, around the study area to support broader infrastructure needs and affordable housing While a community financing district (CFD) can be effective in the short- to mid-term to support individual development projects, an enhanced infrastructure financing district (EIFD) will increase funds over time by capturing the tax increment gained from increased property values. This tax increment will be separately allocated from the general fund to be used toward a specific set of capital investments that support long-term goals. Ideally, this boundary would be drawn around the swap meet site as well.
Mid/Long-term	Perform financial analysis/nexus study to determine reasonable/feasible development fees that could be used to support plan goals and implement accordingly Along with tax-based value capture mechanisms, development fees can also help raise revenue to fund project goals. That said, it is important to ensure that these fees do not unduly impede development that might otherwise occur. Performing these financial analyses early will provide a benchmark for feasible fees under both current and projected economic conditions, allowing the City to balance increasing revenues for project goals and enabling development. Ease development requirements in exchange for specific community benefits that support plan goals In addition to tax tools and development fees, developers may be willing to contribute community benefits if certain development requirements are relaxed allowing them to build larger buildings or receive more certainty for larger, phased development projects. If the City prepares an internal list of community benefit interests, potentially negotiable development standards and fixed requirements, they may be able to streamline the negotiation process. Explore the potential of a CFD for the redeveloped swap meet site in coordination with ownership to support infrastructure for more dense mixed-use development Higher-density mixed-use development will be helpful to meet the goals of the plan but may require infrastructure and associated low-cost financing to be financially feasible. A community financing district (CFD) could finance infrastructure investments by levying a special tax on property owners but will require buy-in from either 2/3 of voters, or if the boundaries do not have enough voters, property owners to assess themselves in coordination with a redevelopment plan. Due to this 2/3 vote requirement, CFD boundaries are best drawn immediately around larger scale commercial redevelopment projects that have infrastructure needs.

Table 7.3 - Implementation Strategies

Term	Strategy
Investment - Incentivize catalytic development by supporting infrastructure investments	
Short-term	<p>Inventory and market opportunity sites that offer potential for catalytic development, helping with acquisition where possible</p> <p>Attracting interest to underutilized sites in key locations can be crucial to generate momentum and “first movers” that help revitalize the study area. Working with partners to develop these strategic catalyst sites in alignment with the goals of this plan can encourage new complimentary development nearby and can jumpstart economic growth. The Urban Land Institute and/or other architectural groups may be willing to bring together experts on a pro-bono or discounted bases to envision development programs for key sites for marketing use by the City.</p>
	<p>Seek local, Metro, state, and federal funding to invest in streetscape and public open space improvements</p> <p>Streetscapes and open spaces can be powerful economic and place-making tools. Streetscape and open space improvements can increase real estate values, increase walkability, promote active transportation, and make the City more attractive to prospective developers. In addition to ongoing programs at the local and state level, the City should position for potential funding through COVID recovery programs, such as the Infrastructure Investment and Jobs Act.</p>
	<p>Work closely with Metro as they develop the WSAB Line and prepare first/last mile plan(s) for the Paramount / Rosecrans station area and to secure funding for these improvements</p> <p>As Metro continues their planning process for the areas around the Paramount / Rosecrans station, the City of Paramount should be proactively involved in seeking partnerships and funding opportunities with Metro and other regional and transit agencies to help fund the anticipated public realm and infrastructure improvements. Adjustments may need to be made to accommodate the improvements identified in first/last mile plans produced by Metro.</p>
Short/Mid/Long-term	<p>Identify public/private partnership opportunities for the City to support the upfront cost of a shared parking structure that is built, operated, and maintained by a private developer</p> <p>Parking is a significant cost associated with new development. By supporting the upfront costs or financing of shared parking structures, the City can use those structures to ease the parking requirements associated with development without sacrificing parking capacity, which will make development more feasible.</p> <p>Explore partnerships with community development organizations that can help attract services that are missing in the study area, like grocery, financial, medical, and educational facilities</p> <p>Non-profit partners, community developers, and community development finance organizations can help attract and build important services that the study area needs. Attracting these services will increase quality of life in the study area. Consider opportunities to build and support local entrepreneurs, such as incubators that can help swap meet vendors expand their businesses permanently in Paramount.</p>
Long-term	<p>Reclaim street parking spaces for retail seating, public space, bike lanes, bike share, and more</p> <p>With parking diverted into shared structures, the City can reclaim a significant portion of public right-of-way for uses that align with the plan’s goals. Transforming curbside space to incorporate retail seating, public seating, open space, bike share, and more can contribute to the study area’s sense of place and create active transportation nodes.</p>

7.3 SPECIFIC PLAN PROJECTS

The previous sections of the NPG Specific Plan recommend a variety of projects which, if completed, will enhance the SPA and will help to achieve the Specific Plan's vision and goals. These improvements have been summarized below in [Table 7.4](#). The improvements are organized by these timescales:

- **Short Term.** 0 - 5 years
- **Medium Term.** 5 - 15 years
- **Long Term.** over 15 years (WSAB is assumed to take place in this period)

Table 7.4 - Specific Plan Projects

Name	Term	Location
Pedestrian Improvements		
Widening sidewalks in highly trafficked areas to be 10 feet to 15 feet	Medium to Long Term (as development occurs)	<ul style="list-style-type: none"> • Rosecrans Ave • Paramount Blvd
Constructing curb extensions at major intersections	Medium Term	<ul style="list-style-type: none"> • Paramount Blvd / Pearle St intersection • Paramount Blvd / Howe St intersection • Paramount Blvd / Rose St intersection • Paramount Blvd / Rosecrans Ave intersection • Rosecrans Ave / Orizaba Ave intersection
Adding new pedestrian crossings along with signalization improvements	Short Term	<ul style="list-style-type: none"> • Paramount Blvd / Pearle St intersection • Paramount Blvd / Rose St intersection • Rosecrans Ave / Orizaba Ave intersection
Enhancing Intersection Safety of Paramount / Rosecrans (rail gates)	Short Term	<ul style="list-style-type: none"> • Paramount Blvd / Rosecrans
Upgrading curb ramps in compliance with ADA guidelines	Short to Medium Term (along with Road rehabilitation Projects)	<ul style="list-style-type: none"> • All intersections and pedestrian crossing points
Implementing connectivity Enhancements	Long Term	<ul style="list-style-type: none"> • McClure Ave to WSAB Station • Rose St (Orizaba Ave and Anderson St) • Arthur Avenue Bridge Connections north and west

Table 7.4 - Specific Plan Projects

Name	Term	Location
Enhancing street lighting to improve security and visibility of non-motorized modes	Short Term	<ul style="list-style-type: none"> Throughout the specific plan area
Establishing wayfinding and area gateways	Long Term	<ul style="list-style-type: none"> Throughout the specific plan area
Bicycle Improvements		
Installing bike lanes	Short to Medium Term	<ul style="list-style-type: none"> Paramount Blvd Rosecrans Ave
Installing bicycle detection	Short to Medium Term (along with Road Rehabilitation Projects)	<ul style="list-style-type: none"> Signalized Intersections
Adding bicycle parking	Short to Medium Term	<ul style="list-style-type: none"> Paramount Blvd Rosecrans Ave
Creating a bicycle hub	Long Term	<ul style="list-style-type: none"> WSAB Station
De-classifying Paramount Boulevard as a designated truck route	Short Term	<ul style="list-style-type: none"> Paramount Blvd
Establishing programs that educate and encourage biking (such as Safe Routes to School, Bike to Work weeks, etc.)	Short to Medium Term	<ul style="list-style-type: none"> Throughout the specific plan area
Transit Improvements		
Relocating the Paramount Boulevard bus stops	Long Term (by WSAB Opening)	<ul style="list-style-type: none"> Paramount Blvd / Rosecrans Ave intersection
Implementing transit priority lanes and bus-priority at the traffic signals	Medium Term	<ul style="list-style-type: none"> Rosecrans Ave Paramount Blvd
Improving stops and stations to enhance rider convenience and comfort features	Short to Medium Term	<ul style="list-style-type: none"> Rosecrans Ave Paramount Blvd
Implementing transit marketing programs and promoting multi-modal access guides on how to reach a particular destination by public transit.	Medium Term	<ul style="list-style-type: none"> Throughout the specific plan area
Integrating bike and transit modes (through bike racks on buses/rail cars) and improving transfers/connections among various transit modes	Short to Medium Term	<ul style="list-style-type: none"> Throughout the specific plan area
Implementing universal design of transit and pedestrian facilities	Short Term (along with Road Rehabilitation Projects)	<ul style="list-style-type: none"> Throughout the specific plan area
Improving security for transit users and pedestrians.	Short Term	<ul style="list-style-type: none"> Throughout the specific plan area

7.4 FUNDING OPPORTUNITIES

To supplement the value creation strategies outlined above, and to help secure immediate and substantial funding toward plan goals, the following funding sources may be useful to support specific strategies and projects included in this plan.

Table 7.5 - Funding Sources

Funding Source	Allocation Authority	Applicant	Funding Type	Potential Applications
Federal Funding Sources⁽¹⁾				
Open Space, Streetscapes, and Active Transportation				
Surface Transportation Block Grant (FAST Act)⁽²⁾	FHWA	MPOs	Grant	Bicycle and pedestrian facilities, recreational trails, safe routes to schools, and community improvements
Surface Transportation Block Grant Program - 23 USC 133	FTA	State and Cities	Grant	Flexible surface transportation funding, including transit, bicycle, and pedestrian projects
Parking, Transit Oriented Development, and Economic Development				
New Markets Tax Credit	US-Treasury	CDEs	Financing	Projects that will increase community development and economic growth
EB-5 Immigration Visa Investment	Local Jurisdiction	Developers	Financing	Projects that will create at least 10 jobs
CDBG - Section 108 Loan Guarantee Program	US-HUD	Cities and Counties	Guarantee	Large scale physical and economic revitalization projects
Capital Investment Grant (Small Starts) - 5309	USDOT	Transit Agencies	Grant	Park-n-ride or other transit-related capital investments
Better Utilizing Investments to Leverage Development (BUILD) Transportation Grants	USDOT	Cities and Transit Agencies	Grant	Flexible transportation needs with special focus on public/private partnerships

(1) On August 10, 2021, the Senate passed the INVEST in America Act. Should this bill pass the House and be signed into law, it would provide billions in new federal funding for transportation projects.

(2) Subject to congressional reauthorization of the FAST Act, which is set to expire in September 2021. The INVEST in America Act is set to reauthorize at least portions of FAST Act spending, although exact apportionment of funds is subject to reconciliation with the House.

Table 7.5 - Funding Sources

Funding Source	Allocation Authority	Applicant	Funding Type	Potential Applications
Affordable Housing and Infill Development				
Community Development Block Grant (CDBG)	US-HUD	Cities and Counties	Grant	Flexible community development needs with a focus on affordable housing and business expansion/retention
HOME Investments Partnerships Program	US-HUD	Participating Jurisdictions	Grant	Creation and retention of affordable housing
Choice Neighborhood	US-HUD	Joint Application with local govt.	Grant	Community revitalization through replacement of distressed public housing and investment in employment, health, education, and neighborhood amenities
State Funding Sources				
Open Space, Streetscapes, and Active Transportation				
Active Transportation Program (ATP)	CalTrans	MPOs, urban and rural areas	Grant	Pedestrian and bicycle infrastructure investments
Sustainable Transportation Planning Grant Program	CalTrans	Several	Grant	Investments that foster a safe, sustainable, and efficient transportation system
Housing-Related Parks Program	CAHCD	Cities	Grant	New parks or rehabilitation to existing parks
Parking, Transit Oriented Development, and Economic Development				
California Organized Investment Network (COIN)	CA -Insurance	Non-profits, local govt., businesses	Financing	Projects that benefit the environment and/or low- to mid-income communities
CDBG - Community Development	CAHCD	Participating jurisdictions	Grant	Flexible community development needs with a focus on affordable housing and business expansion/retention
Cap and Trade - Transit and Intercity Rail Capital Program	CalTrans	MPOs, municipalities, counties	Grant	Projects that will modernize rail
California Infrastructure State Revolving Loan Fund (I-Bank)	State of Cal	Several	Financing	Flexible infrastructure and economic development projects, excluding housing
Local Transit Funds (LTF) Transportation Development Act (TDA) SB 325	CalTrans	Cities and counties	Grant	Transit capital expenditures

Table 7.5 - Funding Sources

Funding Source	Allocation Authority	Applicant	Funding Type	Potential Applications
Affordable Housing and Infill Development				
CalHome Program	CAHCD	Local agencies, non-profit developer	Grant	Assistance to first-time homebuyers and assistance to development projects offering multifamily ownership units
Affordable Housing and Sustainable Communities (AHSC) Program	CAHCD	Private developers w public ag.	Grant/Loan	Land-use, housing, transportation, and land preservation projects to support infill and compact development
HOME Investment Partnerships Program	CAHCD	Cities and counties, developers.	Grant/Loan	Creation and retention of affordable housing
Infill Infrastructure Grant Program (IIG)	CAHCD	Developers with housing authority	Grant	Infill development and affordable housing projects
Low Income Housing Tax Credit (LIHTC) Program	CTCAC	Developers	Financing	Affordable housing development
National Housing Trust Fund	CAHCD	Several	Financing	Extremely low-income affordable housing construction
Multifamily Housing Program (MHP)	CAHCD	Cities, non-profits, developers	Financing	Creation, rehabilitation, or preservation of rental housing
SB 2 Planning Grants	CAHCD	Cities and counties	Grant	Funding to streamline the housing approvals process
Transit-Oriented Development (TOD) Housing Program	CAHCD	Local agencies, developers	Financing	Creation of rental housing near transit (must include affordable units)
Permanent Local Housing Allocation (PLHA)	CAHCD	Metropolitan cities and urban counties	Grant	Affordable housing development
No Place Like Home	CAHCD	Counties	Financing	Permanent Supportive Housing
Local Housing Trust Fund Program (LHTF)	CAHCD	Local agencies, non-profit developer	Financing	Affordable housing development
Local Funding Sources				
Open Space, Streetscapes, and Active Transportation				
Transportation Development Act (Article 3)	LA Metro	Local transit agencies and cities	Grant	Pedestrian and bicycle infrastructure

Table 7.5 - Funding Sources

Funding Source	Allocation Authority	Applicant	Funding Type	Potential Applications
Parking, Transit Oriented Development, and Economic Development				
Proposition C - Transit Centers, Park-n-Ride	LA Metro	Developers	Grant	Park-n-rides and other transit center investments
FTA Section - 5310, 5316, 5317 Programs	LA Metro	Several	Grant	Projects that enhance mobility of people with disabilities and seniors and projects that increase access to jobs
Joint Development Program	LA Metro	Developers	Financing	Shared parking and other projects that contribute to transit facilities
Local Returns Program	LA Metro	Cities	Grant	Local public transit projects and programs
Affordable Housing and Infill Development				
Multifamily Bond Financing	LA County	Developers	Financing	Low- to moderate-income housing for families
Joint Development Program	LA Metro	Developers	Financing	Affordable housing projects on publicly owned land
Los Angeles County Housing Innovation Fund (LACHIF)	LACDC	Developers	Financing	Creation of low-income affordable housing
Federal Stimulus Sources ⁽³⁾				
Local fiscal recovery funds (\$45.6B)	US Dept of the Treasury	Cities, counties, and states	Grant	Replacement of lost public sector revenue and/or projects that address economic impacts of COVID-19, public health, or water, sewer, and broadband.
Capital Projects (\$10B+)	US Dept of the Treasury	States, territories, and tribal governments	Grant	Capital projects that enable work, education, and health monitoring
State Small Business Credit Initiative (\$10B)	US Dept of the Treasury	States and tribal governments	Grant	Financial support small businesses and businesses owned by socially and economically disadvantaged people

(3) Specific grant and funding programs are still being formulated based on these appropriations.

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8.0 Appendix



8.1 DROUGHT TOLERANT NATIVE PLANT LIST

Table 8.1 - Drought Tolerant Native Plant List

Common Name	Scientific Name	H x W	Attributes
Trees			
Marina Strawberry	Arbutus 'Marina' Tree	40' X 30'	Low water/ CA Native
Mexican Blue Palm	Brahea Armata	30' X 15'	Low water/ Evergreen/ CA Native
Monterey Cypress	Cupressus macrocarpa	35' X 35'	Low water/ CA Native
Tecate Cypress	Cupressus forbesii	35' X 35'	Low water/ Evergreen/ CA Native
Catalina Ironwood	Lyonothamnus floribundus	30' X 20'	Low water/ Evergreen/ CA Native
Wax Myrtle	Myrica californica Pacific	30' X 20'	Low water/ Evergreen/ CA Native
Desert Museum Palo Verde	Parkinsonia x 'Desert Museum'	25' X 25'	Low water/ Semi-deciduous/ CA Native
Torrey Pine	Pinus torreyana	40' X 40'	Low water/ CA Native
California Sycamore	Platanus racemosa	40' X 40'	Low water/ CA Native
Coast Live Oak	Quercus agrifolia	40' X 40'	Low water/ CA Native
Manzanita	Arctostaphylos spp.	Varies	Low to moderate water/ Full Sun/ CA Native
Western Redbud	Cercis Occidentalis	15' X 15'	Low water/ Sun or Shade/ CA Native
NCN	Chitalpa tashkentensis	20' X 15'	Low water/ CA Native
Toyon	Heteromeles arbutifolia	15' X 8'	Low water/ Sun or Shade/ CA Native
Shrubs			
California Sagebrush	Artemisia californica	8' X 5'	Low water/ Full Sun/ CA Native
Glory' Flannel Bush	Fremontodendron 'California	10' X 10'	Low water/ Full Sun/ CA Native
Narrow-leaf Willow	Salix exigua	15' X 10'	Low water/ Deciduous/ CA Native
Arroyo Willow	Salix lasiolepis	12' X 10'	Low water/ Deciduous/ CA Native
Jojoba	Simmondsia chinensis	5' X 5'	Low water/ Full Sun/ CA Native
Yarrow Varies	Achillea millifolium	36 inches	Low water/ Full Sun/ CA Native
Desert Agave	Agave deserti	2' X 2'	Low water/ Full Sun/ Succulent/ CA Native
Shaw agave	Agave shawii	2' X 3'	Low water/ Full Sun/ Succulent/ CA Native
Pacific Mist Manzanita	Arctostaphylos 'Pacific Mist'	2' X 8'	Low water/ Sun or Shade/ CA Native
Pigeon Point Coyote Brush	Baccharis pilularis 'Pigeon Point'	24 inches	Low water/ CA Native
Red Baja Fairy Duster	Calliandra californica	36 inches	Low water/ Full Sun/ CA Native
Yankee Point California Lilac	Ceanothus griseus horizontalis 'Yankee Point'	24-36 inches	Low water. Wide growth requires larger planter. CA Native
Ceanothus Varies	Ceanothus spp	(<36 inches)	Low water/ Sun or Shade/ CA Native
Dudleya	Dudleya spp.	12-18 inches	Low water/ Sun or Shade/ Succulent/ CA Native
California Coast Sunflower	Encelia californica	3' X 2'	Low water/ Full Sun/ CA Native

Table 8.1 - Drought Tolerant Native Plant List

Common Name	Scientific Name	H x W	Attributes
California fuchsia	Epilobium canum	3' X 5'	Low water/ Sun or Shade/ CA Native
Santa Barbara Daisy	Erigeron karvinskianus	2' X 2'	Low water/ Sun or Shade/ CA Native
Coast Buckwheat	Eriogonum parvifolium	2' X 2'	Low water/ Full Sun/ CA Native
'Warriner Lytle' California Buckwheat	Eriogonum fasciculatum	1' X 4'	Low water/ Full Sun/ CA Native
California Fescue	Festuca californica	2' X 2'	Low water/ Sun or Shade/ CA Native
Island Snapdragon	Galvezia speciosa	3' X 5'	Low water/ Full Sun/ CA Native
Red Yucca	Hesperaloe parviflora	3' X 3'	Low water/ Full Sun/ Succulent/ CA Native
Coralbells	Heuchera sanguinea	1' X 1'	Low water/ Filtered Sun/ CA Native
California Gray Rush	Juncus patens	1.5' X 1.5'	Low water/ CA Native
Canyon Prince Wild Rye	Leymus condensatus 'Canyon Prince'	2' X 4'	Low water/ Full Sun/ CA Native
Deer Grass	Muhlenbergia rigens	3' X 4'	Low water/ CA Native
Coffeeberry	Rhamnus californica 'Mound San Bruno'	3' X 6'	Low water/ Sun or Shade/ CA Native
Lemonade Berry	Rhus integrifolia	8' X 10'	Low water/ Full Sun/ CA Native
Catalina Currant	Ribes viburnifolium	2' X 5'	Low water/ Sun or Shade/ CA Native
White Sage	Salvia apiana	4' X 4'	Low water/ Full Sun/ CA Native
Cleveland Sage	Salvia clevelandii	4' X 4'	Low water/ Full Sun/ CA Native
Purple Sage	Salvia leucophylla	2' X 8'	Low water/ Full Sun/ CA Native
Black Sage	Salvia millifera	2' X 4'	Low water/ Full Sun/ CA Native
Cedros Island Verbena	Verbena lilacina 'De La Mina'	3' X 3'	Low water/ CA Native
Ground Cover & Vines			
Manzanita Varies	Arctostaphylos spp.	<36	Low to moderate water/ CA Native
Beach Saltbush	Atriplex leucophylla	1' X 1'	Low water/ Full Sun/ CA Native
Island Morning Glory	Calystegia macrostegia	Climbing	Low water/ Sun or Shade/ CA Native
Centennial Ceanothus	Ceanothus 'Centennial'	12 inches	Low water/ Use low growing species only/ CA Native
Clustered Field Sedge	Carex praegracilis	4-12 inches	Medium water/ Good turf substitute/ CA Native
Blood-red trumpet vine	Distictis buccinatoria	Climbing	Medium water/ CA Native
Red California Grape	Vitis 'Roger's Red' Rogers	Climbing	Low water/ Sun or Shade/ Deciduous/ CA Native

8.2 COMMUNITY BENEFIT INCENTIVES

The implementation strategies for the NPG Specific Plan include the development of a schedule of development incentives for the provision of the community benefits identified in the Land Use Plan as well as any relevant performance criteria for eligibility. In addition, Program 6 of the 2021 Housing Element Update stipulates that the Planning Department will permit certain modified development standards for mixed use projects. This schedule of development incentives may include bonuses to allowable dwelling unit densities, building heights, floor area ratio, and others. The following criteria and potential incentives are the result of an initial review of incentives which may encourage the provision of these community benefits, however further study including a financial analysis would be necessary to “right-size” the incentives for the SPA. Following the completion of a financial analysis, the City may adopt a Density Bonus Ordinance or general Community Incentive Ordinance to enact the provision of incentives as official policy.

8.2.1 GENERAL CRITERIA

- The criteria for each community benefit are in addition to all relevant development standards specified in the Specific Plan.
- To be eligible for one or more community benefit incentives, the project must meet all specified criteria for each community benefit for which the incentive applies.
- In granting an increase in building height and/or an increase in the FAR, the Planning Director shall find that such increase will not result in any adverse impacts to adjacent properties due to an encroachment of building elements that would substantially reduce such property’s access to light and air, the privacy enjoyed by the adjacent residents, or otherwise reduce the reasonable use of the property.
- Developments which intend to take advantage of one or more community development incentives shall require discretionary approval from the Development Review Board. Applicants utilizing the Community Benefit program will require a statutory development

agreement with the City or a covenant between the City and developer.

8.2.2 APPLICABLE COMMUNITY BENEFITS

AFFORDABLE RESIDENTIAL UNITS FOR LOW-INCOME OR SENIOR TENANTS

A. Criteria

1. All requirements as set forth in California Government Code Sections 65915 – 65918 (Density Bonus).

B. Potential Incentives

1. All minimum incentives as specified in California Government Code Sections 65915 – 65918, which include:
 - a. Dwelling unit density bonus of up to 50% above the base maximum density, depending on the mix of affordability levels.
 - b. A 100% affordable project shall be entitled to a dwelling unit density bonus of 80% above the base maximum density.
 - c. Concessions to development standards are also allowed by state law if they result in cost reductions.

YOUTH AND SENIOR CENTERS

A. Criteria

1. The youth center must provide targeted programs and/or services for either youths (persons 18 years old or younger) or seniors (persons 65 years old or older).

B. Potential Incentives

1. An increase in FAR over the base density equivalent to the floor area of the center.

PUBLICLY ACCESSIBLE OPEN SPACE

C. Criteria

1. The publicly accessible open space area must be no smaller than 2,000 square feet and be located adjacent to a public street.

D. Potential Incentives

2. The development may provide 4 dwelling units for every 2,000 square feet of publicly accessible open space up to 6,000 square feet in addition to the Base Maximum Density.
3. Increase to the Base Maximum Building Height
4. Increase to the Base Maximum FAR

PUBLICLY AVAILABLE ONSITE PARKING SPACES

E. Criteria

5. No fewer than 10 spaces shall be made available for public use, and shall be clearly marked by signage.
6. Parking spaces may be available for free or for at a cost of no greater than \$2 per hour or \$20 per day. The City may adjust the maximum per hour or per day prices over time.

F. Potential Incentives

7. Increase to the Base Maximum Density
8. Increase to the Base Maximum Building Height
9. Increase to the Base Maximum FAR

GROCERY STORE

G. Criteria

10. The grocery store must not have a floor area less than 10,000 square feet.

H. Potential Incentives

11. An increase in FAR over the base density equivalent to the floor area of the grocery store.

8.2.3 POTENTIAL DEVELOPMENT MAXIMUMS

- A. **Dwelling Units per Acre.** 50 du/ac for any zone.
- B. **Heights.** 55 feet for any zone.
- C. **FAR.** 3.0 for any zone.

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OCTOBER 19, 2021

REPORT

DEVELOPMENT ACTIVITY UPDATE



To: Honorable City Council

From: John Moreno, City Manager

By: John Carver, Planning Director
John King, AICP, Assistant Planning Director

Date: October 19, 2021

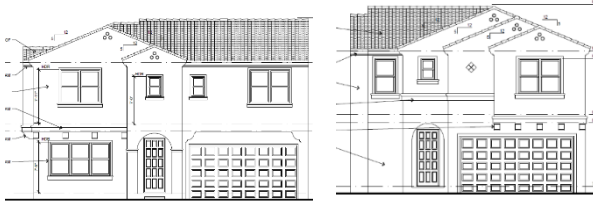
Subject: DEVELOPMENT ACTIVITY UPDATE

The Planning Department is pleased to report the following notable development activity in Paramount:

HOUSING

Gold Key Development Project (6500-6510 Alondra Boulevard)

The developer/contractor began wood framing last week for this 10-home project between Hunsaker Avenue and Home Depot.



Magnum Property Project (8321-35 Somerset Boulevard – northwest corner of Indiana Avenue and Somerset Boulevard)

The eight-unit residential project continues to make slow progress. The developer anticipates completing the project by January 2022.



Senior Housing Project (16675-83 Paramount Boulevard – northwest corner of Paramount Boulevard and 70th Street)

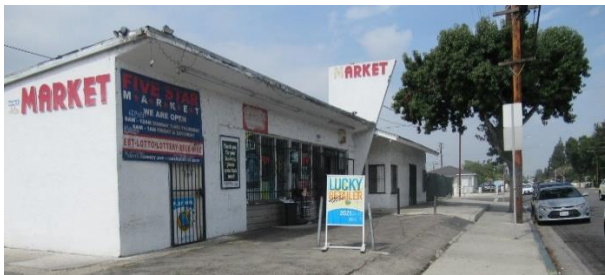
This project is a three-story mixed-use building with commercial and parking on the first floor and a senior assisted and independent living facility on the second and third floors. The City Council recently approved a housing grant agreement with the owners to assist with project costs and designate affordable units for a 55-year term. The Development Review Board has approved conceptual plans, and the developers will soon be submitting construction plans to Building and Safety plan check.



COMMERCIAL

Five Star Market (14107-13 Downey Avenue, between Elburg Street and Wilbarn Street)

Construction plans for a new development at the current site of the Five Star Market are close to approval upon submittal of minor corrections. A four-suite structure will replace the existing deteriorated market building. The elevations of the building will feature a combination of stucco and cultured stone, various wall projections, cornice, a prominent entry feature to the market to add architectural interest, a metal-clad sunshade, storefront windows, and decorative lights.



Lee Project (15004-08 Paramount Boulevard) – COMMERCIAL REHAB

The exterior remodel of this commercial building was completed in September.



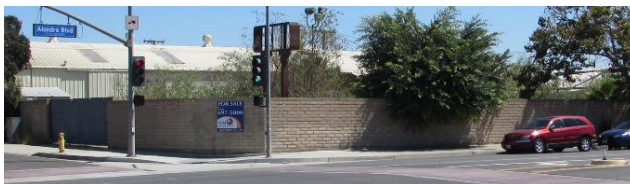
Tierra Mia Coffee (14318 Downey, near Rosecrans Avenue)

Site preparation continues for the Tierra Mia Coffee building with drive-through and outdoor patio.



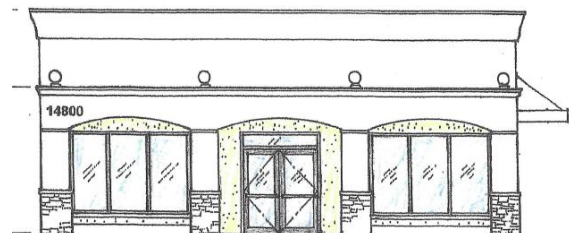
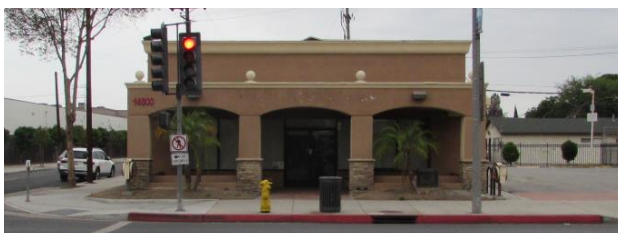
KFC (7803 Alondra Boulevard – northeast corner of Alondra Boulevard and Vermont Avenue)

The Planning Commission and Development Review Board approved the construction of a new KFC restaurant. The franchisee's designer is working on construction plans.



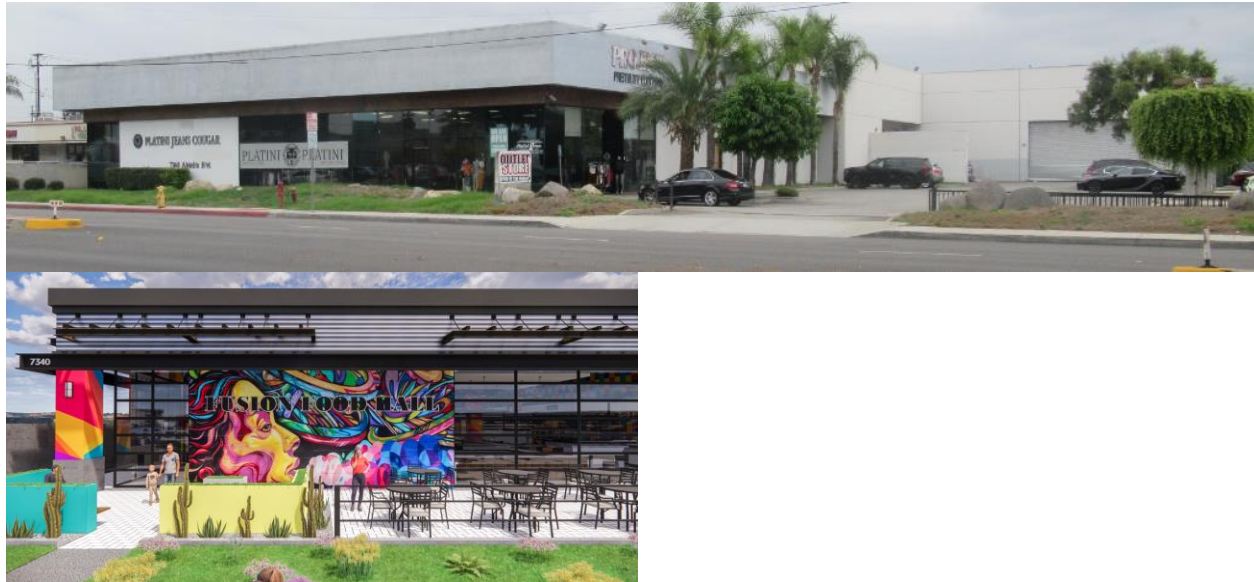
2000 Insurance Service (14800 Paramount Boulevard – southeast corner of Paramount Boulevard and 3rd Street)

Construction plans to convert a restaurant building to a professional office were approved in August. A contractor should be pulling permits shortly.



Fusion Food Hall (7340 Alondra Boulevard, near Garfield Avenue)

Construction plans to transform the retail portion of Platini Jeans into a food hall are in Building and Safety plan check process.



INDUSTRIAL

Carlton Forge Works (15135-47 Colorado Avenue – northwest corner of Colorado Avenue and Adams Street)

The project to demolish a 14,900 square foot building and construct a 76-stall parking lot is almost complete. Six electric vehicle (EV) charging spaces will be provided.



McBrawn USA Machinery (15359 Illinois Avenue – northwest corner of Illinois Avenue and Jefferson Street)

The project is on hold at least temporarily due to a private matter concerning the ownership.



AltAir/World Energy Renewable Fuels Project (14700 Downey Avenue)

The environmental impact report (EIR) will soon be released for public review for the project to complete the conversion of the Paramount Refinery to manufacture only renewable fuels.



Bousema Project (16223-29 Illinois Avenue)

The contractor pulled permits in June for this project to demolish a vacant, legal nonconforming house in the Central Industrial District and construct a 10,432 square foot five-suite building for industrial tenants. The demolition should begin in the coming months.



VISION, MISSION, VALUES, AND STRATEGIC OUTCOMES

The City's Vision, Mission, and Values set the standard for the organization; establish priorities, uniformity, and guidelines; and provide the framework for policy decisionmaking. The City Council implemented the Strategic Outcomes to provide a pathway to achieving the Vision of a city that is safe, healthy, and attractive. This item aligns with Strategic Outcomes No. 1: Safe Community; No. 3: Economic Health; and No. 4: Environmental Health.

RECOMMENDED ACTION

It is recommended that the City Council receive and file this report.

OCTOBER 19, 2021

REPORT

SENATE BILL 9 AND SENATE BILL 10



To: Honorable City Council
From: John Moreno, City Manager
By: John Carver, Planning Director
Date: October 19, 2021

Subject: SENATE BILL 9 AND SENATE BILL 10

BACKGROUND

This item is an informational summary regarding two housing bills – Senate Bill No. 9 (SB 9) and Senate Bill No. 10 (SB 10) that were recently signed into law by Governor Newsom. Both bills take effect on January 1, 2022.

SB 9 essentially eliminates single-family residential zoning in California, and requires cities to allow the division of single-family residential land parcels into two lots. This bill also states that a city must allow two units to be built on a single-family residential property, and that review of a project under the California Environmental Quality Act (CEQA) is prohibited.

SB 10 allows a city to adopt an ordinance that would permit up to ten residential units per property if located in a “transit rich” area or an “urban infill site.” A transit rich area is defined by the State as a land parcel within one-half mile of a major transit stop. An urban site is defined as a property zoned or designated in a General Plan for residential or residential mixed-use, adjoining developed properties, and within an urbanized area (as in most California cities).

SB 9

Below are the provisions of SB 9:

- SB 9 applies to properties zoned single-family residential.
- Two residential units are permitted per lot.
- No CEQA analysis can be performed.
- Review of a project is limited to objective standards in relation to the design and size of a housing unit.
- No more than a four-foot side and rear yard setback (the open space between property line and building) can be required.
- Onsite parking cannot be required.
- Lots may be subdivided, provided each lot contains a minimum of 1,200 square feet.

- A parcel map must be processed ministerially (cannot be processed through the Planning Commission or City Council).
- The property owner must occupy one of the housing units for three years.
- Each new unit must contain a minimum of 800 square feet.
- Short-term rentals (less than 30 days) are prohibited.

As you can see from the regulations above, the quality of life in a single-family residential zone could be severely impacted as a result of SB 9. From a lack of onsite parking, to minimal open space, to the allowance of restrictively small parcels, already crowded cities are likely to become even more burdened. Additionally, SB 9 could add to public safety issues and increase population in cities that have a lack of parks and other recreational opportunities. As SB 9 provisions are applicable to single-family zones citywide, there is no opportunity for a city to thoughtfully consider the most appropriate locations to allow for housing.

SB 10

Unlike SB 9, SB 10 is not a requirement by the State, but is an optional plan that a city may choose to implement. SB 10 allows for the construction of up to ten residential units on a single parcel of land in transit-rich areas. Single parcels may be rezoned to residential to allow for ten units. In addition to allowing 10 units on a single parcel, SB 10 allows two accessory dwelling units (ADUs) on that same property. SB 10 overrides all voter-enacted density limits approved on a local level. Projects constructed under SB 10 are required to undergo a CEQA analysis. Once a property has been rezoned to allow for ten units, the density may not be reduced.

While the State continues to usurp local control over land use decisions with the passage of SB 9, City residents can be grateful that SB 10 is optional and that adopting a housing plan based on SB 10 is completely elective. Given the definite intensification of density that would result in an already crowded community, staff recommends that the City exercise its option and not enact a housing plan based on SB 10 in the foreseeable future.

RECOMMENDED ACTION

It is recommended that the City Council receive and file this report.

OCTOBER 19, 2021

APPOINTMENT OF PUBLIC SAFETY COMMISSIONER

MOTION IN ORDER:

MAYOR OLMOS: MAKE AN APPOINTMENT TO THE PUBLIC SAFETY COMMISSION, WITH THE APPROVAL OF THE CITY COUNCIL, TO FILL THE VACANT POSITION FOR A TERM EXPIRING APRIL 2022.

MOTION:

MOVED BY: _____

SECONDED BY: _____

[] APPROVED

[] DENIED

ROLL CALL VOTE:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



To: Honorable City Council
From: John Moreno, City Manager
By: Heidi Luce, City Clerk
Date: October 19, 2021

Subject: APPOINTMENT OF PUBLIC SAFETY COMMISSIONER

The Public Safety Commission is composed of five members that serve one-year terms. As the result of the resignation of one commissioner, there is currently one vacancy on the commission. Appointments to the Public Safety Commission are made by the Mayor, with the approval of the City Council.

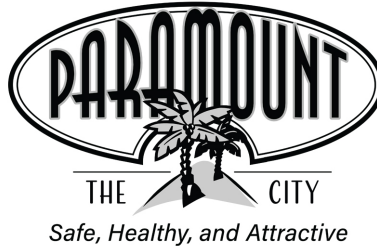
A "Special Vacancy Notice" was posted on October 1, 2021, pursuant to Government Code Section 54974. The vacant position on the Public Safety Commission is for a term expiring April 2022, and it would be appropriate to make an appointment to fill the vacancy. Upon appointment, the new Public Safety Commissioner's term will begin on October 26, 2021.

For reference, attached to this report are the following items: 1) Special Vacancy Notice, 2) Local Appointments List, and 3) Paramount Municipal Code Section 2.12.030 pertaining to appointment to the Public Safety Commission.

RECOMMENDED ACTION

It is recommended that the Mayor, with the approval of the City Council, make an appointment to the Public Safety Commission to fill the vacant position for a term expiring in April 2022.

SPECIAL VACANCY NOTICE



City of Paramount ❖ 16400 Colorado Avenue ❖ Paramount, CA 90723 ❖ (562) 220-2000
www.paramountcity.com

NOTICE IS HEREBY GIVEN, pursuant to Government Code Section 54974, that an unscheduled vacancy exists in the following City Commissions/Committees/Boards. Appointments to fill unscheduled vacancies shall be made no sooner than 10 days after posting of this notice.

Commission/ Committee/Board	No. of Vacant Positions	Date of Vacancy	Current Term Expires
Public Safety Commission	1	10-01-2021	04-2022

I, Heidi Luce City Clerk of the City of Paramount, California, hereby certify that I caused the foregoing notice to be posted on the Paramount City Hall, Paramount Library, Paramount Park Community Center and Paramount Sheriff's Station bulletin boards and City website this 1st day of October 2021.

/s/ Heidi Luce

Heidi Luce, City Clerk

City of Paramount

2021 LOCAL APPOINTMENTS LIST (Updated 10-01-2021)



In compliance with the requirements of Government Code Section 54972 (Maddy Act), the following is a list of all appointive offices, terms, and qualifications for City of Paramount commissions. Commissioners are appointed by the Mayor, with the approval of the City Council, and serve at the will and pleasure of the City Council.

Qualifications: Resident of the City of Paramount and not an employee or related to a member of the City Council or their spouse as set forth in the Paramount Municipal Code Section 2.16.020. Planning Commissioners must be qualified electors of the City of Paramount and not hold any paid office or employment in the city government. Senior Services Commissioners minimum age for eligibility for appointment is 55 years of age.

Commission	Appt. Date	Term Exp.
PLANNING COMMISSION Term of Office: 4 years		
Jaime Abrego (BO).....	07/2018	04/2025
Elizabeth Bautista (LG).....	09/2021	04/2025
Ernie Esparza (PL)	03/2003	04/2023
George Gutierrez (IA)	04/2020	04/2023
Gordon Weisenburger (VCS).....	04/2020	04/2023
PUBLIC WORKS COMMISSION Term of Office: 2 years		
Alvin Parks (IA)	04/2020	04/2023
Gerardo Ruiz (VCS).....	04/2021	04/2023
Linda Timmons (LG)	04/2021	04/2023
Rosemary Vasquez (PL).....	03/2007	04/2023
Tony Warfield (BO)	04/2020	04/2023
PARKS & RECREATION COMMISSION Term of Office: 1 year		
Alicia Anderson (IA).....	04/2020	04/2022
Ardavan Davari (LG)	04/2020	04/2022
Charlene Landry (PL).....	06/2019	04/2022
Elizabeth Madrigal (BO).....	04/2020	04/2022
Alejandro Maldonado (VCS)	04/2020	04/2022
PUBLIC SAFETY COMMISSION Term of Office: 1 year		
Marcelina "Marcie" Bridges (PL)	07/2019	04/2022
Annette C. Delgadillo (VCS)	04/2020	04/2022
Rosemary Mendez (BO).....	04/2020	04/2022
Dora Sanchez (IA).....	04/2020	04/2022
Vacant (LG).....	04/2020	04/2022
SENIOR SERVICES COMMISSION Term of Office: 1 year		
Virginia Chavez (LG).....	04/2017	04/2022
Margarita Osuna (VCS).....	04/2020	04/2022
Elsa Padilla (BO).....	04/2020	04/2022
Claudia Quinones (PL).....	02/2015	04/2022
Patricia Winiecki (IA)	04/2020	04/2022

I, Heidi Luce, City Clerk of the City of Paramount, California, hereby certify that I caused this notice to be posted on the City of Paramount's website and designated public posting places this 1st day of October 2021.

/s/ Heidi Luce, City Clerk

[] CF 10.14 [] CF 27.LOC

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Paramount Municipal Code

[Up](#)[Previous](#)[Next](#)[Main](#)[Search](#)[Print](#)[No Frames](#)[Title 2 ADMINISTRATION AND PERSONNEL](#)[Chapter 2.12 COMMISSIONS](#)**2.12.030 Public Safety Commission.**

- A. Created and Established. A Public Safety Commission which shall be known as the Public Safety Commission of the City is hereby created and established.
- B. Membership. The Commission shall consist of five members who shall be appointed by the Mayor with the approval of the City Council of the City. All members serve at the will and pleasure of the City Council.
- C. Terms of Office—Vacancy.
1. Members to the Commission shall be appointed for terms of one year or until their successors are appointed.
 2. If a vacancy occurs otherwise than by expiration of a term, it shall be filled by appointment for the unexpired portion of the term.
- D. Recommendation—Hearings. The Public Safety Commission shall be charged with the responsibility for making recommendations regarding matters affecting police services and programs in the City, and such related matters that may be directed by order of the City Council, and in that connection shall hold monthly meetings to effect these purposes. Actions of this Commission shall take the form of recommendations and reports to the City Council.
- E. Power and Authority. The Public Safety Commission shall cause proper records to be kept of all its official acts and proceedings. The Commission shall have no power or authority to bind or obligate the City or any officer or department thereof for any money, debt, undertaking or obligation of any kind in excess of the appropriation which the City Council may have made for the purpose of the Commission in any fiscal year.
- F. Rules of Organization and Procedure. The Commission is a reviewing and recommending body and shall have no power to direct members of the City staff or contract entities. Except as otherwise provided in this chapter or by law, the Commission shall have power to and shall provide for its own organization, shall adopt rules and regulations for the transaction of business before it, and shall designate the time and place for the regular monthly meeting or meetings of the Commission.
- G. Duties and Functions. The Commission may review topics such as police service request for patrol services, neighborhood watch issues, public safety training in the schools as conducted by the City, drug education as conducted by the City, and other related items which may from time to time be referred to them. Also, the members of the Public Safety Commission shall convene as the Board of Appeals, pursuant to Paramount Municipal Code Section [13.20.540](#), when an appeal has been filed with the City pursuant to that section.
- H. Compensation. The members of the Public Safety Commission shall receive compensation on a monthly basis at a rate to be determined from time to time and set forth by resolution of the City Council. (Prior code §§ 2-80—2-87)

View the [mobile version](#).