

MEMORANDUM

TO: WHITTIER CITY COUNCIL

FROM: HOLLY C. WELLS

RE: ORDINANCE REVISING WMC CHAPTER 3.38

CLIENT: CITY OF WHITTIER

CLIENT NO.: 507456.

DATE: July 28, 2026

I. INTRODUCTION

This memo provides a summary of the revisions proposed in Ordinance No. 2026-005

II. PROPOSED CHANGES IN ORDINANCE

Ordinance 2026-005 sponsored by Council member Pinguoch and Wagner proposes several changes to WMC Chapter 3.38 governing lease provisions in the City. These changes are as follows:

1. WMC 3.38.330(D) was revised to emphasize that Council must identify property that is subject to competitive bidding in the Land Allocation Plan. This change adds clarity but does not change existing law.
2. WMC 3.38.360 adds a sentence that emphasizes that the City Manager's long term lease award is subject to Council approval via resolution under WMC 3.38.350. This addition adds clarity but does not change existing law.
3. WMC 3.38.370 is changed to add a purpose statement that essentially defines what constitutes a bid that is "most advantageous to the City" and expressly acknowledges that the bid with the highest rental rate is not necessarily most advantageous to the City.
4. WMC 3.38.400 is amended to ensure City Council is presented with information regarding all bids and to adopt a process for City

Council to reject the recommendations of the City Manager regarding an award and to direct the City Manager to prepare a resolution reflecting Council's selection of an alternate winning applicant and the reasons for its selection.

5. WC 3.38.420 removes a provision that states that payments of a higher than fair market rent are generally in the public interest. While this premise may remain true, it was removed from the Code to avoid any confusion regarding the importance of a "totality of the circumstances" analysis under the specified criteria.
6. WMC 3.38.460 was amended to allow requests for options to renew up to 60 days before expiration of the lease.
7. WMC 3.38.480 is amended to allow Council to grant an application for exemption without it being recommended by the City Manager. It also allows leaseholders to apply for the exemption so long as they do so at least 90 days before the expiration of their existing lease rather than 12 months before such expiration.

III. CONCLUSION

In drafting these proposed revisions, Council member Pinquoch attempted to increase Council's authority in the lease selection process as well as its awareness of the applications removed in the competitive bidding process. Further, the Ordinance aimed at making the application for exemption from competitive bidding a more accessible process available to all qualified applicants. Finally, the Ordinance also creates greater clarity in what constitutes the most "advantageous" bid for the City and the public by emphasizing that the highest rental rate does not necessarily make a bid the most advantageous bid and that the analysis requires consideration of all criteria listed in the Code.