



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Administrator

SUBJECT: A Resolution Approving (1) an Agreement with Bot Home Automation, Inc., dba, Ring.com, (2) a Rebate Program for Home Security Systems, and (3) the Funding of Automated License Plate Readers at Certain Locations in the City.

MEETING DATE: OCTOBER 18, 2016

RECOMMENDATION:

City Staff recommends that the City Council pass the resolution approving (1) an agreement with Bot Home Automation, Inc., dba, Ring.com, (2) a rebate program for home security systems, and (3) the funding of automated license plate readers at certain locations in the City.

ANALYSIS:

At its meeting held September 20, 2016, the City Council moved to approve three options for a Security Cameras Program. By way of the attached resolution, the Council will formally document its approval of the security options.

One option that was approved was a relationship with a technology company based in Santa Monica called Ring.com. This program will provide City residents with access to a home security system that includes a video camera synced with a doorbell, which a resident can view from their mobile device. The Wi-Fi enabled video cameras and video doorbells retail at \$200.00 each. Pursuant to this program, Commerce residents will be able to purchase the devices directly from Ring.com for \$99.00 – over 50% off the retail price. The reduced price will be the result of approximately \$50 subsidies from both the City and Ring.com. The agreement with Ring.com will allow the program to proceed.

The second option was a residential security camera rebate program whereby residents could obtain a 100% rebate of up to \$500 on the purchase of a home security system. To ensure fairness in distribution of rebates, an equal percentage of rebates were earmarked for six distinct residential areas of the City based on the number of homes within each neighborhood. The rebates will be available on a first come, first served basis. For every \$50,000 allocated to this option, 100 homes could obtain up to \$500 in rebates. The Council approved \$200,000 in Measure AA funding.

The third option that was approved related to the installation of license plate readers (ALPR) at busy locations such as the Citadel, Commerce Casino, and Commerce Center. Staff will request

private business owners to contribute to the costs, as they will benefit from the security cameras. The Council moved to approve \$100,000 in Measure AA funding for this program.

The City Attorney's Office has determined that the expenditure of public funds for the Ring.com program and the resident alarm systems, is proper. Article XVI, section 6 of the California Constitution does not prohibit expenditures and disbursements to private persons if they are for a public purpose, even if a private person incidentally benefits. (*City of Downey v. Board of Administration* (1975) 47 Cal.App.3d 621, 629.) The determination of a public purpose lies with the legislative body and has been liberally construed by the courts. (See *California Housing finance Agency v. Elliott* (1976) 17 Cal.3d 575, 583.)

Here, the dedication of public funds would serve an important public purpose. The safety of residents is a foremost concern of the Council. As technology has developed in recent years, security companies have advanced the ways in which people can secure their property. The home security system available through Ring.com offers home security to residents at a low cost and enables residents to monitor home security remotely from their smartphone, tablet, or computer. The home security rebate program will enable residents to obtain advanced security systems that will provide more compressive home security. A certain portion of the funds for rebates will be earmarked to ensure distribution throughout the City's neighborhoods, thereby promoting security throughout the City. Furthermore, the perpetuation of cameras on individual residences will promote neighborhood safety by providing multiple sources of recording criminal behavior. Staff believes it very likely that making home security options affordable would help proliferate such systems, and that widespread use of camera security technology could suppress neighborhood crime. Thus, an important public purpose would be served by the use of public funds. The benefit to the public from the expenditure would be "consideration" to the City – the funds to be expended would not be a gift. (See *Shean v. Edmonds* (1948) 89 Cal.App.2d 315, 323.)

ALTERNATIVES:

1. Pass the resolution approving (1) an agreement with Bot Home Automation, Inc., dba, Ring.com, (2) a rebate program for home security systems, and (3) the funding of automated license plate readers at certain locations in the City;
2. Provide staff with further direction.

FISCAL IMPACT:

1. As to the Ring.com agreement, the proposed activity will result in up to \$50,000.00 in expenditures from Measure AA funding, depending on how many residents take advantage of this program. This amount will enable Commerce residents to purchase up to 1,000 Ring.com products.
2. As to the home security rebate program, the proposed activity will result in up to \$200,000.00 in expenditures from Measure AA funding depending on how many residents take advantage of this program. This amount will enable 400 Commerce households to receive up to \$500 in rebates.
3. As to the ALPR program the proposed activity will result in up to \$100,000.00 in expenditures from Measure AA funding.

RELATIONSHIP TO STRATEGIC GOALS:

This matter is applicable to the following 2012 Strategic Goal: “Protect and Enhance the Quality of Life in the City of Commerce.”

Recommended by:	Matthew C. Rodriguez, Director of Safety and Community Services
Reviewed by:	Vilko Domic, Director of Finance
Approved As To Form:	Eduardo Olivo, City Attorney
Respectfully Submitted:	Jorge Rifá, City Administrator