

**CITY OF SANTA BARBARA  
CITY COUNCIL**

**Helene Schneider**  
*Mayor*  
**Randy Rowse**  
*Mayor Pro Tempore*  
**Grant House**  
*Ordinance Committee Chair*  
**Dale Francisco**  
*Finance Committee Chair*  
**Frank Hotchkiss**  
**Cathy Murillo**  
**Bendy White**



**James L. Armstrong**  
*City Administrator*

**Stephen P. Wiley**  
*City Attorney*

**City Hall**  
*735 Anacapa Street*  
<http://www.SantaBarbaraCA.gov>

**NOVEMBER 26, 2013  
AGENDA**

**ORDER OF BUSINESS:** Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chamber at City Hall.

**REPORTS:** Copies of the reports relating to agenda items are available for review in the City Clerk's Office, at the Central Library, and <http://www.SantaBarbaraCA.gov>. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") for that item from either the Clerk's Office, the Reference Desk at the City's Main Library, or online at the City's website (<http://www.SantaBarbaraCA.gov>). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office located at City Hall, 735 Anacapa Street, Santa Barbara, CA 93101, during normal business hours.

**PUBLIC COMMENT:** At the beginning of the 2:00 p.m. session of each regular City Council meeting, and at the beginning of each special City Council meeting, any member of the public may address the City Council concerning any item not on the Council's agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the City Council. Should City Council business continue into the evening session of a regular City Council meeting at 6:00 p.m., the City Council will allow any member of the public who did not address them during the 2:00 p.m. session to do so. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than 1 minute. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

**REQUEST TO SPEAK:** A member of the public may address the Finance or Ordinance Committee or City Council regarding any scheduled agenda item. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that the item is taken up by the Finance or Ordinance Committee or City Council.

**CONSENT CALENDAR:** The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak at the time the Council considers the Consent Calendar.

**AMERICANS WITH DISABILITIES ACT:** In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

**TELEVISION COVERAGE:** Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at [www.citytv18.com](http://www.citytv18.com) for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

## **ORDER OF BUSINESS**

- 12:30 p.m. - Finance Committee Meeting, David Gebhard Public Meeting Room,  
630 Garden Street
- 2:00 p.m. - City Council Meeting

### **FINANCE COMMITTEE MEETING - 12:30 P.M. IN THE DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET (120.03)**

#### **Subject: Waterfront Debt Refinancing**

Recommendation: That the Finance Committee hear a report from staff regarding the proposed refinancing of the Waterfront Department's 2002 Certificates of Participation through a private placement offering.

## REGULAR CITY COUNCIL MEETING – 2:00 P.M.

### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### ROLL CALL

### CHANGES TO THE AGENDA

### PUBLIC COMMENT

### CONSENT CALENDAR

**1. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of November 19, 2013.

**2. Subject: Resolution Of Council Findings Regarding Arlington Village (640.07)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Denying the Appeal and Upholding the Decision of the Historic Landmarks Commission to Approve the Application of Metropolitan Theatres Corporation for a Project Located at 1330 Chapala Street (MST2013-00169) and Known As the "Arlington Village" Project.

**3. Subject: Adoption Of Ordinance Authorizing An Alternative Power Public Water And Wastewater Agency Agreement (540.13)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Authorizing the Execution and Delivery of a Renewable and Alternative Power Public Water and Wastewater Agency Agreement With Southern California Edison, Inc., for the Purpose of Selling Electricity Generated at the City's Conduit Hydroelectric Plant, and Authorizing Related Actions.

## CONSENT CALENDAR (CONT'D)

**4. Subject: Adoption Of Ordinance To Establish Brinkerhoff Avenue As A One-Way Street (530.05)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 10.60 of the Municipal Code by Revising Section 10.60.030, Establishing Brinkerhoff Avenue as a One-Way Street.

**5. Subject: Adoption Of Ordinance To Amend Citywide Franchise With MarBorg Industries, Inc. (510.04)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Exclusive Ten-Year Franchise for Citywide Solid Waste Collection and Disposal Services Granted by the City to MarBorg Industries, Inc., a California Corporation, on February 12, 2013, by City Ordinance No. 5608.

**6. Subject: October 2013 Investment Report (260.02)**

Recommendation: That Council accept the October 2013 Investment Report.

**7. Subject: Contract For Drafting Services For The Fiscal Year 2014 Water Main Replacement Project (540.06)**

Recommendation: That Council authorize the Public Works Director to execute a standard City Professional Services contract with O'Brien & Wall in the amount of \$47,970 for drafting services for the Fiscal Year 2014 Water Main Replacement Project, in a form of agreement acceptable to the City Attorney, and authorize the Public Works Director to approve expenditures of up to \$5,000 for extra services of O'Brien & Wall that may result from necessary changes in the scope of work.

**8. Subject: Golf Professional Concession Agreement (570.02)**

Recommendation: That Council authorize the Parks and Recreation Director to execute a two-year and seven-month Golf Professional Concession Agreement between the City of Santa Barbara and Channel Islands Golf Enterprises, Inc., at the Santa Barbara Golf Club.

## **CONSENT CALENDAR (CONT'D)**

**9. Subject: Professional Services Agreement To Analyze Aircraft Rescue and Fire Fighting Services (560.01)**

Recommendation: That Council authorize the Airport Director and Fire Chief to execute a contract with Citygate Associates, LLC, to conduct an independent analysis of the current Aircraft Rescue and Fire Fighting service levels at the Santa Barbara Airport, in an amount not to exceed \$34,337.

## **NOTICES**

10. The City Clerk has on Thursday, November 21, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
11. Cancellation of the regular City Council meeting of December 3, 2013.
12. Recruitment for City Advisory Groups: Appointments to fill the vacancies on various City Advisory Groups, originally scheduled for December 10, 2013, has been continued to December 17, 2013.

**This concludes the Consent Calendar.**

## **REPORT FROM THE FINANCE COMMITTEE**

## **PUBLIC HEARINGS**

**13. Subject: Appeal Of Architectural Board Of Review Approval For 510 N. Salsipuedes Street (640.07)**

Recommendation: That Council deny the appeal of Trevor Martinson of the application of People's Self Help Housing, and uphold the Architectural Board of Review's Project Design Approval of the proposed three-story, 40-unit apartment project.

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

### ADMINISTRATIVE SERVICES DEPARTMENT

#### **14. Subject: Certification Of The Election Results Of The Official Canvass For The General Municipal Election Of November 5, 2013 (110.03)**

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Reciting the Fact of the Vote-By-Mail General Municipal Election Held on November 5, 2013, Declaring the Results and Such Other Matters as Required by the State Elections Code; and
- B. Receive a final presentation on the November 5, 2013, Election.

## COUNCIL AND STAFF COMMUNICATIONS

## COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

## CLOSED SESSIONS

#### **15. Subject: Conference With Legal Counsel - Pending Litigation (160.03)**

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *Jeannetta Ann Purdue Rizkalla and Tarek Ramzi Rizkalla v. City Of Santa Barbara, et al.*, SBSC Case No.1383789.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

#### **16. Subject: Conference With Labor Negotiator (440.05)**

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the General Bargaining Unit, Treatment and Patrol Bargaining Units, Hourly Bargaining Unit, Police Management Association, and regarding salaries and fringe benefits for certain unrepresented management and confidential employees.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

## **CLOSED SESSIONS (CONT'D)**

### **17. Subject: Conference with Legal Counsel - Pending Litigation (160.03)**

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *People of the State of California, City of Santa Barbara v. Eastside, Westside, et al.*, SBSC Case No. 1379826.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

## **ADJOURNMENT**

CITY OF SANTA BARBARA

**FINANCE COMMITTEE**

MEETING AGENDA

DATE: November 26, 2013

Dale Francisco, Chair

TIME: 12:30 P.M.

Bendy White

PLACE: David Gebhard Public Meeting Room  
630 Garden Street

Cathy Murillo

James L. Armstrong  
City Administrator

Robert Samario  
Finance Director

**ITEM TO BE CONSIDERED:**

**Subject: Waterfront Debt Refinancing**

Recommendation: That the Finance Committee hear a report from staff regarding the proposed refinancing of the Waterfront Department's 2002 Certificates of Participation through a private placement offering.



# CITY OF SANTA BARBARA

## FINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Finance Department  
City Attorney's Office

**SUBJECT:** Waterfront Debt Refinancing

### **RECOMMENDATION:**

That the Finance Committee hear a report from staff regarding the proposed refinancing of the Waterfront Department's 2002 Certificates of Participation through a private placement offering.

### **DISCUSSION:**

#### **Background**

One of the impacts of the recent recession is the significant decline in interest rates, which has continued well beyond the official end of the recession. While the decline in interest rates has had a material impact on the City's earnings on its investment portfolio, the current interest rate environment offers the City an opportunity to refinance existing long-term debt sold prior to the recession, thereby reducing its interest costs. Refinancing existing debt would generate substantial savings over the remaining life of the debt.

Staff identified two outstanding obligations as potential candidates for refinancing:

1. 2002 Water Refunding Certificates of Participation
2. 2002 Waterfront Refunding Certificates of Participation

Staff has recently completed a refinancing of the 2002 Refunding Certificates of Participation (COPs), as well as one of the Water department's State Revolving Fund loans under the Safe Drinking Water program. That refunding resulted in combined present value savings of over \$2.2 million (or over 8.5% of the refunded amount) over the remaining life of the obligations, or cash flow savings of over \$180,000 per year.

It is important to note that, while capitalizing on the current low interest rate environment is prudent, there is considerable staff time and effort required to complete these refinancing transactions. There are also costs, which are paid from the debt proceeds, for professional consultants to assist staff through the process and to prepare all the required legal documents.

In this context, staff has identified a unique opportunity with the proposed refinancing of the 2002 Waterfront COPs which may substantially reduce the time and effort typically associated with a traditional refinancing transaction as well as result in reduced fees paid to professional consultants.

### **Proposed Private Placement Strategy**

Normally, when a government agency sells bonds, COPs, or other types of long-term indebtedness, the underlying debt instruments are sold to an investment bank and ultimately made available and sold to private individuals and institutional investors. In other words, the bonds or COPs are made available to any investor interested in purchasing the municipal debt. These are defined as “public offerings.”

Alternatively, staff is proposing the issuance of refunding obligations that would be purchased in their entirety by a qualified institutional bank. The City’s refunding obligation would be in the form of an Installment Sale Agreement between the City and the Santa Barbara Financing Authority. The Authority would issue revenue bonds, secured by the Installment Sale Agreement, which would be privately placed. This type of approach is referred to as a “private placement” offering since the underlying debt instruments would not be available for purchase by general investors. In the past several years, such direct lending to municipalities has increased as banks seek new ways to put their capital to work.

### **Private Placement Offering vs. Public Offering**

While not as common, there is nothing substantively different between a private placement issuance versus a traditional public issuance of bonds or other securities from a legal perspective. One key difference is that a private placement requires significantly less time and effort by City staff to prepare disclosure documents that meet federal securities laws.

Specifically, with a public offering, the City would be required to prepare an “official statement.” The official statement, which is prepared by disclosure counsel, contains a large amount of information about the City and the specific fund issuing the debt (in this case, the Waterfront Fund and secured by the General Fund). The information that goes into the official statement is compiled and/or prepared by City staff and is intended to present clear picture of the City’s and Waterfront Fund’s financial condition so that prospective investors can make an informed investment decision.

With a private placement offering, the City would not have to prepare an official statement. This is expected to save the City approximately \$45,000 in consultant fees as well as save City staff many hours of work that would otherwise be necessary to prepare an official statement.

Similarly, unlike a public offering, a private placement wouldn't require obtaining a rating on the refunding obligations. Even a single rating would cost \$15,000-\$18,000 at a minimum, as well as further staff time and effort.

Another potential advantage of a private placement is that banks will sometimes accept credit structures that would not be welcomed in the public bond markets. The current Waterfront COPs are an obligation of the Waterfront Fund. In the current market, a refunding COP offered publically would have to be secured by a lease and leaseback of an unrelated City facility, and secured by the General Fund (although it would be paid back from Waterfront revenues). This restructuring, required by changes in the bond market, would add additional complexity to a refunding.

From a cost perspective, while transaction costs are typically lower with a private placement, the interest rates are typically higher than securities sold in "public offerings", reflecting the fact that private placement investments lack the liquidity in the secondary market that bonds offer. However, some banks are now offering aggressive interest rates that rival the interest rates on publicly offered bonds. The bid received by the City from BBVA Compass comes with a lower interest rate than what would likely be secured through a public offering transaction.

### **Potential Risks Associated With a Private Placement**

There is some risk associated with a private placement that differs from the typical risk assumed through a public COP offering. The BBVA Compass offer includes a provision indicating that in the event that the bonds become taxable (lose their tax exempt status), the tax exempt rate would be subject to "gross-up in the event of taxability". It is most likely that an "event of taxability" would only occur in the unlikely event that the City violated its tax covenants. In that event, like a public offering, the City would have to remedy the matter and in the context of a private offering, the City would be subject to increased interest rates. Staff and our advisors will clarify this issue with BBVA prior to bringing final documents for approval to the City Council.

Another minor risk associated with the BBVA offer is the requirement that the City pay the bank's legal fees in an amount not to exceed \$15,000 whether we close the transaction or not. In the context of a public offering, the City is not responsible to pay fees if the transaction does not close.

Staff and the City's financial and legal advisors do not believe either of the concerns outlined above pose significant risks but we will clarify the taxability issue prior to returning to City Council.

## **Selection Process**

BBVA Compass was selected through a formal request for bids (RFB) process. The RFB was sent to thirteen qualified institutional banks and three brokers, and only two proposals were received. Given that BBVA's bid represented the lowest cost of funds and is within a reasonable range of what would be expected through a publicly offered deal (and likely lower), the bid is considered responsive and responsible.

As typical in such circumstances, the interest rate in BBVA's bid is indicative and subject to change pursuant to an index-based formula specified in their submittal. The City has the option to lock in the interest rate (subject to a breakage fee) up to 60 days before closing, and staff will consider locking in the rate as the anticipated closing date approaches.

Based on the bid received from BBVA and current market conditions, the Waterfront Fund would realize savings of \$170,000 in Fiscal Year 2014 and \$68,000 annually for Fiscal Years 2015 through 2028. This equates to more than \$1.1 million in total savings over the remaining fourteen years of the bonds, and represents approximately \$990,000 in savings in today's dollars (i.e., on a present value basis), or nearly 8% of the amount of refunded COPs.

## **Next Steps**

Staff will seek Council introduction of the ordinance and approval of all of the documents needed to execute the transaction on December 10, 2013. The ordinance will require a second reading on December 17 related to the Installment Sale Agreement.

**PREPARED BY:** Robert Samario, Finance Director  
Sarah Knecht, Assistant City Attorney

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING November 19, 2013 COUNCIL CHAMBER, 735 ANACAPA STREET

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### CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Finance Committee and Ordinance Committee, which ordinarily meet at 12:30 p.m., did not meet on this date).

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

Councilmembers present: Frank Hotchkiss, Grant House, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: Dale Francisco.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, City Clerk Services Manager Gwen Peirce.

### PUBLIC COMMENT

Speakers: k8 longstory, Steve Price, Bob Hansen, David Diaz, Nancy McCradie, Trevor Martinson, Ethan Shenkman.

### CONSENT CALENDAR (Item Nos. 1 – 8)

The title of the ordinance related to Item No. 1 was read.

Motion:

Councilmembers Murillo/Hotchkiss to approve the Consent Calendar as recommended.

Vote:

Unanimous voice vote (Absent: Councilmember Francisco).

1. **Subject: Introduction Of Ordinance To Establish Brinkerhoff Avenue As A One-Way Street (530.05)**

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 10.60 of the Municipal Code by Revising Section 10.60.030, Establishing Brinkerhoff Avenue as a One-Way Street.

Action: Approved the recommendation (November 19, 2013, report from the Acting Public Works Director; proposed ordinance).

2. **Subject: Increase To Afterschool Services Provided In The City/Santa Barbara Unified School District Afterschool Opportunities For Kids Program (570.06)**

Recommendation: That Council increase estimated revenues and appropriations by \$18,632 in the Parks and Recreation Department Fiscal Year 2014 Miscellaneous Grants Fund for the Afterschool Opportunities for Kids (A-OK) Program.

Action: Approved the recommendation (November 19, 2013, report from the Parks and Recreation Director).

3. **Subject: Contract For Engineering Operation And Maintenance Support Services At El Estero Wastewater Treatment Plant (540.13)**

Recommendation: That Council approve and authorize the Public Works Director to execute a contract with Mimiaga Engineering Group in the amount of \$177,830 for Engineering Operation and Maintenance Support Services at the El Estero Wastewater Treatment Plant, and approve expenditures of up to \$17,550 for extra services of Mimiaga Engineering Group that may result from necessary changes in the scope of work, for a total of \$195,380.

Action: Approved the recommendation; Contract No. 24,658 (November 19, 2013, report from the Acting Public Works Director).

4. **Subject: Appropriation Of Asset Forfeiture Funds For The Council On Alcoholism And Drug Abuse Criminal Justice Early Identification Specialist Position And "Kids Fight Drugs" Calendar (520.04)**

Recommendation: That Council:

- A. Authorize the Chief of Police or his designee to execute a three-year agreement with the Council on Alcoholism and Drug Abuse to fund the Early Identification Specialist position;

(Cont'd)

**4. (Cont'd)**

- B. Appropriate \$141,000 for Fiscal Years 2014 – 2016 budgets in the Police Department Police Asset Forfeiture and Grants Fund from available asset forfeiture reserves for continued funding for the Council on Alcoholism and Drug Abuse (CADA) Criminal Justice Early Identification Specialist position; and
- C. Appropriate \$15,000 for Fiscal Year 2014 – 2016 budgets in the Police Department Police Asset Forfeiture and Grants Fund from available asset forfeiture reserves to pay the Council on Alcoholism and Drug Abuse for the City of Santa Barbara's share of the cost for the "Kids Fight Drugs" calendar.

Action: Approved the recommendations; Agreement No. 24,659 (November 19, 2013, report from the Police Chief).

**5. Subject: Sea Landing Pedestrian Walkway Project (570.03)**

Recommendation: That Council increase appropriations from \$250,000 previously approved to the amount of \$320,000 in the Harbor Preservation Fund from available reserves for the Sea Landing Pedestrian Walkway Project for a total appropriations increase of \$70,000.

Action: Approved the recommendation (November 19, 2013, report from the Waterfront Director).

**6. Subject: Setting Date Of Public Hearing To Consider Designation Of City Landmark (640.06)**

Recommendation: That Council set December 10, 2013, at 2:00 p.m. as the date and time for a public hearing on the Historic Landmarks Commission's recommendation that the following resource be designated as a City Landmark: 2112 Santa Barbara Street, Assessor's Parcel Nos. 025-252-006 and -007, The Hodges House.

Action: Approved the recommendation (November 19, 2013, report from the Assistant City Administrator/Community Development Director).

**NOTICES**

- 7. The City Clerk has on Thursday, November 14, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
- 8. A City Council site visit is scheduled for Monday, November 25, 2013, at 1:30 p.m. to the property located at 510 N. Salsipuedes Street, which is the subject of an appeal hearing set for November 26, 2013, at 2:00 p.m.

This concluded the Consent Calendar.

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### COMMUNITY DEVELOPMENT DEPARTMENT

#### **9. Subject: Adoption Of Updated Traffic Impact Significance Thresholds (530.05)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Establishing Updated Traffic Impact Significance Thresholds Consistent with the City Traffic Management Strategy in the Non-Residential Growth Management Program.

Documents:

- November 19, 2013, report from the Assistant City Administrator/Community Development Director.
- Proposed Resolution.
- PowerPoint presentation prepared and made by Staff.

The title of the resolution was read.

Speakers:

- Staff: Principal Transportation Planner Rob Dayton.
- Members of the Public: Lisa Plowman; Cathie McCammon, representing Allied Neighborhoods Association.

Councilmember Francisco arrived at 2:45 p.m.

Motion:

Councilmembers White/Hotchkiss to direct staff to conduct a stakeholders' workshop and to continue this item until after the workshop is held.

Vote:

Unanimous voice vote.

### PUBLIC WORKS DEPARTMENT

#### **10. Subject: Las Positas Road At Cliff Drive Intersection Improvements Project Update (530.04)**

Recommendation: That Council:

- A. Receive an update on the status of the Las Positas Road at Cliff Drive Intersection Improvements Project; and
- B. Provide direction to staff regarding final design of a new traffic signal at the intersection of Las Positas Road and Cliff Drive.

Documents:

- November 19, 2013, report from the Acting Public Works Director.
- PowerPoint presentation prepared and made by Staff. (Cont'd)

**10. (Cont'd)**

Speakers:

- Staff: Assistant Public Works Director/City Engineer Pat Kelly, Supervising Transportation Engineer Derrick Bailey.
- Members of the Public: Rich Untermann; Bill Marks; Cathie McCammon, representing the Allied Neighborhoods Association and La Mesa Neighborhood Association; Geo Chapman; Dennis Thompson; Lesley Wiscomb; David VanHoy; Dan Secord; Lee Moldaver.

Motion:

Councilmembers Hotchkiss/Rowse to direct staff to move forward with the roundabout option and to continue discussion of funding for the project to the One-Time Capital Budget Work Session in January.

Vote:

Majority voice vote (Noes: Councilmember Murillo).

**RECESS**

4:22 p.m. – 4:33 p.m.

**PUBLIC HEARINGS**

**11. Subject: Public Hearing And Amendment Of Citywide Franchise With MarBorg Industries, Inc. (510.04)**

Recommendation: That Council:

- A. Hold a public hearing, as required by the City Charter Section 1401, regarding an amendment to the exclusive franchise for Citywide solid waste collection services with MarBorg Industries, Inc., a California Corporation; and
- B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Exclusive Ten-Year Franchise for Citywide Solid Waste Collection and Disposal Services Granted by the City to MarBorg Industries, Inc., a California Corporation, on February 12, 2013 by City Ordinance No. 5608.

Documents:

- November 19, 2013, report from the Finance Director.
- Proposed Ordinance.
- PowerPoint presentation prepared and made by Staff.

The title of the ordinance was read.

Public Comment Opened:

4:34 p.m.

(Cont'd)

## 11. (Cont'd)

Speakers:

Staff: Environmental Services Manager Matt Fore.

Public Comment Closed:

4:48 p.m.

Motion:

Councilmembers Francisco/Rowse to approve the recommendations.

Vote:

Unanimous voice vote.

## COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Hotchkiss reported on his attendance at a recent Milpas Action Task Force meeting.
- Councilmember Murillo reported on her attendance at the following events/meetings: 1) Youth Council meeting; 2) Reading Ambassadors Program event at the Central Library; 3) Wellness Wednesday at the Teen Coalition meeting; 4) Mural Dedication at Santa Barbara Junior High.
- Councilmember House spoke regarding a recent Visit Santa Barbara Board meeting where a presentation by Waterfront Director Scott Riedman regarding cruise ship visits was presented and discussed.
- Mayor Schneider reported on the recent visit to Santa Barbara by the Prince of Spain and other dignitaries. She also mentioned a meeting between District 5 CalTrans staff, the Montecito Association and other local governmental officials regarding safety data relating to the left hand ramps on Highway 101.

## RECESS

Mayor Schneider recessed the meeting at 4:57 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 12 and 13. She stated no reportable action is anticipated.

## CLOSED SESSIONS

### 12. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the General Bargaining Unit, Treatment and Patrol Bargaining Units, Hourly Bargaining Unit, Police Management Association, and regarding salaries and fringe benefits for certain unrepresented management and confidential employees.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

Documents:

November 19, 2013, report from the Assistant City Administrator.

Time:

5:00 p.m. – 5:53 p.m.

No report made.

### 13. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *Luke Brost as Trustee for the Luke Brost Living Trust, et al., v. City of Santa Barbara*, SBSC Case No. 1342979/Court of Appeal Case No. B246153; and *Ruben Barajas and Pamela Barajas As Trustees For The Ruben And Pamela Barajas Living Trust v. City of Santa Barbara*, SBSC Case No. 1383054/Court of Appeal Case No. B246153.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

November 19, 2013, report from the City Attorney.

Time:

5:53 p.m. – 5:59 p.m.

No report made. Councilmember White was absent.

## RECESS

5:59 p.m. – 6:02 p.m.

Mayor Schneider presiding.

Councilmembers present: Francisco, Hotchkiss, Murillo, Rowse, Mayor Schneider.

Councilmembers absent: House, White.

Staff present: City Administrator Armstrong, City Attorney Wiley, City Clerk Services Manager Peirce.

## PUBLIC COMMENT

No one indicated a desire to speak.

## MAYOR AND COUNCIL REPORTS

### 14. Subject: Interviews For City Advisory Groups (140.05)

Recommendation: That Council hold interviews of applicants to various City Advisory Groups.

(Continued from November 12, 2013, Agenda Item No. 13)

#### Documents:

October 29, 2013, report from the Assistant City Administrator/  
Administrative Services Director.

#### Speakers:

The following applicants were interviewed:

Civil Service Commission:

Kathryn D. McKee

Downtown Parking Committee:

Kathryn A. Schwab

Michael Cooper

Fire and Police Commission:

Judith Stevens

Historic Landmarks Commission:

Philip Suding

Library Board:

Milton Hess

Measure P Committee:

Robert Mercado

Stephen Pratt

Neighborhood Advisory Council:

Robert Mercado

Christy Haynes

Sebastian Aldana Jr.

Susan Lafond

Abbey Fragosa

(Cont'd)

**14. (Cont'd)**

Speakers (Cont'd):

Neighborhood Advisory Council (Cont'd):

Gary Lytle

Parks and Recreation Commission:

Olivia Uribe

Michael Nelson

Jim Heaton

Planning Commission:

Deborah Schwartz

Santa Barbara Youth Council:

Caedon (Don) Hirrel

Michael Reyes

Emily Velez

Access Advisory Committee:

Barbara Silver

Arts Advisory Committee:

Tom Burgher

Elizabeth Owen

Sally Sheridan

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 7:15 p.m. to a City Council site visit on Monday, November 25, 2013, at 1:30 p.m. at 510 N. Salsipuedes Street.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

ATTEST:

\_\_\_\_\_  
HELENE SCHNEIDER  
MAYOR

\_\_\_\_\_  
GWEN PEIRCE, CMC  
CITY CLERK SERVICES MANAGER

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA DENYING THE APPEAL AND UPHOLDING THE DECISION OF THE HISTORIC LANDMARKS COMMISSION TO APPROVE THE APPLICATION OF METROPOLITAN THEATRES CORPORATION FOR A PROJECT LOCATED AT 1330 CHAPALA STREET (MST2013-00169) AND KNOWN AS THE “ARLINGTON VILLAGE” PROJECT.**

WHEREAS, on May 6, 2013, the applicant, Metropolitan Theatres Corporation, (hereinafter “MTC”) submitted an application to the city of Santa Barbara for City design approval of a mixed-use development at the corner of West Sola and Chapala Streets that consists of 33 residential apartments (totaling 28,302 square feet) and two commercial units (totaling 931 net square feet), and including a 534 square foot exercise room and a 13,400 square foot parking garage with 42 spaces, hereinafter referred to as the “Project.” The Project also includes a surface parking lot with 49 spaces for use by the patrons of the existing Arlington Theatre owned by MTC;

WHEREAS, the Historic Landmarks Commission reviewed the design of the Project on May 22, 2013, June 19, 2013, and August 14, 2013. The Project received its Project Design Approval from the Historic Landmarks Commission on August 14, 2013, and with the Commission having fully considered all of the appropriate criteria required by the Santa Barbara Municipal Code;

WHEREAS, on August 26, 2013, the Commission’s design approval was appealed to the City Council by Margaret Cafarelli, as an agent for Urban Developments, LLC, hereinafter referred to as the “appellant.” The appellant submitted a letter to the City stating the grounds for her appeal;

WHEREAS, on October 7, 2013, MTC submitted a revised site plan for the Project that included a new driveway access to Sola Street and an updated Traffic Management Plan to the City for consideration by the City Council and in apparent response to issues raised by the appellant in her appeal;

WHEREAS, on October 27, 2013, the City Council visited the Project site and met with representatives of MTC, the appellant, the Project Architects, City staff and members of the public, and it conducted an inquiry into the physical aspects of the appeal design issues; and

WHEREAS, on October 28, 2013, the City Council held a duly noticed public City Council hearing on the appeal. The appeal hearing included the following which were particular relevant and helpful to the Council in making its decision on this appeal:

1. A detailed written report and staff presentation, including a City staff report discussing the appeal issues, and a PowerPoint presentation on the appeal issues – both of which are incorporated into this resolution as though fully set forth herein.

2. A presentation by the appellant of her concerns;
3. A presentation by representatives of MTC, including a PowerPoint presentation prepared by the Project's architect. MTC also delivered to the City Council on October 28, 2013 a letter from Peikert + RRM Design Group which is part of the record in this case and was fully considered by the City Council in making its decision on this appeal.
4. Public comments from two members of the Historic Landmarks Commission explaining their views on the Project design and the appeal issues.

WHEREAS, after consideration of all of the evidence presented (both written and verbal), as well as the public testimony received, and after deliberation by the Council members, the City Council voted six to one to deny the appeal of the Project and to uphold the decision of the Historic Landmarks Commission approving the Project's design, with some additional City Council direction that the Historic Landmarks Commission work with MTC and its representatives on the following Project elements in connection with the issuance of the HLC's Final Design Approval for the Project:

1. The exit driveway at Sola Street, particularly the grade with regard to the feasibility of trucks and other large vehicles going in and out;
2. The location of the residential trash enclosure for the Project currently shown at a location off of the paseo adjacent to Sola Street;
3. The functionality of the paseo connection from Alma del Pueblo to Sola Street; and
4. possible ways of further ensuring that the commercial units are designed exclusively for long term commercial use.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT THE COUNCIL FINDS AND DETERMINES AS FOLLOWS:

**SECTION 1. Compliance with City Charter and Municipal Code; Consistency with Design Guidelines and Compatibility Analysis Criteria** [SBMC Sections 22.22.130, 22.22.132, and 22.22.145 (B) (1).

**A. General Consistency with Charter and Municipal Code.** The City Council finds that the design of the Project, as approved by the HLC and as further conditioned by the Council in its decision on the appeal, appropriately complies with all requirements of the City Charter and Municipal Code, and is fully consistent with the City's El Pueblo Viejo design guidelines for this particular area of State and Chapala Streets and that this Council determination is based on the information, reports, and other documents provided to the City Council in connection with the appeal hearing all of which is incorporated herein by this reference as though fully set forth herein.

**B. Failure of Appellant to Present Evidence to the Contrary.** The appellant has not claimed, either before the Historic Landmarks Commission or before the City Council at the appeal hearing, that the Project is inconsistent with any requirement of the City Charter or applicable provisions of the Santa Barbara Municipal Code. In its presentation and its report to the Council at the appeal hearing, City staff analyzed the Project and expressed its opinion that the Project is consistent with the City Charter and Municipal Code. Because no facts contrary to this conclusion were presented to the City Council by the appellant, the Council determines that the Project is fully consistent with the requirements of the City Charter and the Municipal Code, in particular the requirements of SBMC Chapter 22.22.

**C. Claim that the Project is Inconsistent with the Variable Density Ordinance.** On appeal, the appellant claimed that the Project is incompatible with the “Goal” stated in the City’s Variable Density Ordinance which is stated as follows: “New development in or adjacent to existing residential neighborhoods must be compatible in terms of scale, size, and design with the prevailing character of the established neighborhood.” The appellant also asserted that the Project violated various policies of the El Pueblo Viejo Design Guidelines and the Urban Design Guidelines. For the most part, the appellant’s assertions on appeal were conclusionary and unsupported by actual evidence or by specific reference to any physical aspect of the Project which was actually inconsistent with the City Charter or Municipal Code.

However, in her presentation during the appeal hearing, the only design feature of the Project which the appellant claimed created an inconsistency was the functioning and adequacy of the Project’s private surface parking lot. Yet, the City Council finds that the Project is located in a neighborhood that has a number of surface parking lots, both public and private, including one that is directly across the street from the Project site. As a result, the Council finds that the inclusion of a surface parking lot is consistent with the prevailing character of the established neighborhood.

**D. Appropriate Architectural Style and Design.** The Council further finds that the design of the Project, as approved at the conclusion of the appeal hearing, is compatible with the desirable architectural qualities and characteristics which are distinctive of Santa Barbara, in particular the El Pueblo Viejo, and of the particular neighborhood surrounding the Project for the following reasons:

1. The appellant has not claimed, either before the Historic Landmarks Commission or before the City Council during the appeal hearing, that the actual design and architectural style of the Project would somehow be incompatible with the desirable architectural qualities and characteristics which are distinctive of El Pueblo Viejo District of Santa Barbara and this City neighborhood. The City staff presentation to Council demonstrated a detailed analysis of the Project regarding these issues and both the staff and the HLC has stated their opinion that the Project meets the City’s compatibility standards. This appeal presented no facts to the City Council which would support a contrary finding.
2. The Project is located on the same parcel as the historic Arlington Theatre. The proposed Project residential buildings would be 2 ½ to 3 stories and the maximum height would be approximately 33’ 2” from Sola Street and 40’ 2” from the interior paseo. A

central component of the Project is the inclusion of common open spaces, courtyards and public paseos. A “village green” and a courtyard would be provided on-grade between the Theatre and the proposed development. This area is intended to serve as a place where residential and commercial tenants can gather and enjoy the Santa Barbara climate. All of these features are similar to features of other downtown commercial buildings, and are thus, the Council finds, are compatible with the desirable architectural qualities and characteristics that are distinctive of Santa Barbara. In fact, the appellant never took issue with any of these Project features nor asserted that they were inconsistent with applicable design guidelines.

3. The Project’s architecture appropriately complements the architecture of the Arlington Theatre, as demonstrated by and concluded in the Historic Structures Report prepared by Post/Hazeltine, and dated April 25, 2013, that was reviewed and accepted by the Historic Landmarks Commission and made available to the City Council. In fact, the appellant made no claim to the contrary during the appeal hearing or in her appeal letter.

4. The appellant argued in her appeal that the proposed Project failed to meet various city policies regarding paseos and courtyards. But, again, these assertions were only made in a conclusionary fashion and the appellant provided no real specifics about why the Project’s paseos and courtyards were somehow inconsistent with the City’s applicable policies.

Consequently, the Council considered this argument, and finds that the facts do not support the appellant’s assertions. To the contrary, the Council finds that the Arlington Village Project has been designed to complement the existing walking paseo system within this City block because it includes a new paseo from the adjacent condominium/market Project to the courtyard between the proposed Project and the Arlington Theatre. It also includes improvements to the existing paseos that are adjacent to two sides of the Theatre, including new paving and lighting. These improvements are consistent with the City’s paseo system and satisfy the City’s design guidelines.

**E. The Project is an Appropriate Size, Mass, and Scale.** The Council also finds that the size, mass, bulk, height and scale of the Project is appropriate for its location and its neighborhood. Again, the appellant did not claim otherwise, either before the Historic Landmarks Commission or before the City Council at the appeal hearing. City staff analyzed the Project and has stated its opinion that the Project is appropriate as to its size, bulk, and scale within the context of its location and neighborhood. The Historic Landmarks Commission also reached this conclusion. No facts have been presented to the City Council that would support a contrary finding.

**F. Project Sensitivity to Nearby Historic Resources.** The City Council further finds that the design of the Project is appropriately sensitive to adjacent Federal, State and City Landmarks and other nearby designated historic resources, including structures of merit, sites and natural features. The appellant has not claimed, either before the Historic Landmarks Commission or before the City Council during the appeal hearing. No facts have been presented to the City Council that would support a contrary finding and the evidence contained with the staff report for the appeal hearing, the staff presentation at the appeal hearing, and the presentation and

documents provided by the representatives of MTC at the appeal, fully support a conclusion that the Project is appropriately sensitive to nearby Landmarks and other City historic resources, whether designated or potential. The Historic Structures Report prepared by Post/Hazeltine, and dated April 25, 2013, that was accepted by the Historic Landmarks Commission on May 22, 2013, also demonstrates that this criteria is satisfied.

**G. Project Does Not Negatively Impact Public Scenic Vistas.** The City Council finds that there are no “established scenic public vistas” of the ocean or mountains that may be affected by this Project. The appellant has not asserted otherwise.

**H. Project Open Space and Landscaping Consistency.** The City Council finds that the Project includes an appropriate amount of open space and landscaping, for the reasons stated earlier in these findings. The appellant has not asserted otherwise.

## **SECTION 2. Findings for Environmental Review of the Project Under the California Environmental Quality Act :**

**A. Appropriate Use of a Categorical Exemption.** In accordance with CEQA Guidelines section 15183, those projects with net new development (nonresidential square footage or residential units) may qualify for an exemption from further environmental review if all of the following: 1. they are consistent with the General Plan development density evaluated in the 2011 General Plan Program Environmental Impact Report, and 2. any potentially significant Project-specific impacts are addressed through existing development standards. Section 15183 exemptions are determined by City staff environmental analyst based on a preliminary environmental review process. For a Section 15183 exemption, the City decision-maker is required to make the necessary CEQA finding and appropriately made the following findings.

1. That the Project qualifies for an exemption from further environmental review under CEQA Guidelines Section 15183, based on the City staff analysis and CEQA certificate of determination on file for this Project.
2. The Project activity is within the scope of the City’s 2011 General Plan and the Program EIR analysis for the General Plan. No further environmental document or analysis is required for this Project pursuant to the California Environmental Quality Act (Public Resources Code §21083.3 and Code of Regulations §15183). The City Council’s environmental findings adopted for the 2011 General Plan remain valid and applicable for this Project’s environmental determination.
3. No one, including the appellant, has ever claimed that the City’s environmental review of the Project did not qualify under the Categorical Exemption of CEQA Guideline Section 15183.

**SECTION 3. Revised Conditions of Approval.** The City Council hereby approves the attached Project Conditions of Approval dated October 29, 2013, as revised as part of the Council decision on the appeal, for this Project.



# City of Santa Barbara California

## HISTORIC LANDMARKS COMMISSION CONDITIONS OF APPROVAL

1330 CHAPALA STREET

AUGUST 14, 2013

[Includes changes to conditions of approval based on City Council action on October 29, 2013,  
to deny the project appeal]

In consideration of the project approval granted by the Historic Landmarks Commission (HLC) and for the benefit of the owner(s) and occupant(s) of the Real Property, the owners and occupants of adjacent real property and the public generally, the following terms and conditions are imposed on the use, possession, and enjoyment of the Real Property:

- A. **Recorded Conditions Agreement.** The Owner shall execute a *written instrument*, which shall be prepared by Planning staff, reviewed as to form and content by the City Attorney, Community Development Director and Public Works Director, recorded in the Office of the County Recorder, and shall include the following:
  1. **Approved Development.** The development of the Real Property approved by the HLC on August 14, 2013 is limited to a new, three-story, 40'-2" tall mixed-use development on a 91,000 square foot parcel located at the southeast corner of W. Sola and Chapala Streets. The project includes 33 new residential apartments (totaling 28,302 square feet) and two new commercial units (totaling 931 net square feet). The new building will total 52,945 square feet, including a 534 square foot exercise room and a 13,400 square foot partially below-grade parking garage that contains 42 spaces. A surface lot will contain 49 spaces, for a total of 91 parking spaces on-site. Thirty-three covered spaces are allocated to the residential units, two covered spaces are allocated to the commercial units and 56 spaces (7 covered, 49 uncovered) are allocated to the Arlington Theatre. Also proposed is the removal of eight mature trees including four grevillea, two pittosporum, one ficus and one solanum, with 6 mature palm trees to be preserved and relocated on-site. Grading excavation will total 3,400 cubic yards. A detached trash enclosure for the Theatre is proposed to replace an existing trash enclosure and will be constructed near the northwest corner of the Arlington Theatre. The Arlington Theatre and Arlington Hotel Garden Arch are proposed to remain. Landscape and hardscape improvements are also proposed, as shown on the approved plans. Vehicular access to the site shall be provided from the existing driveway on Chapala Street and a new driveway on W. Sola Street, as shown on the site plan dated October 22, 2013.
  2. **Uninterrupted Water Flow.** The Owner shall allow for the continuation of any historic flow of water onto the Real Property including, but not limited to, swales, natural watercourses, conduits and any access road, as appropriate.

3. **Recreational Vehicle Storage Prohibition.** No recreational vehicles, boats, or trailers shall be stored on the Real Property.
4. **Landscape Plan Compliance.** The Owner shall comply with the Landscape Plan approved by the HLC. Such plan shall not be modified unless prior written approval is obtained from the HLC. The landscaping on the Real Property shall be provided and maintained in accordance with said landscape plan, including any tree protection measures. If said landscaping is removed for any reason without approval by the HLC, the owner is responsible for its immediate replacement.
5. **Storm Water Pollution Control and Drainage Systems Maintenance.** Owner shall maintain the drainage system and storm water pollution control devices in a functioning state. Should any of the project's surface or subsurface drainage structures or storm water pollution control methods fail to capture, infiltrate, and/or treat water, or result in increased erosion, the Owner shall be responsible for any necessary repairs to the system and restoration of the eroded area. Should repairs or restoration become necessary, prior to the commencement of such repair or restoration work, the Owner shall submit a repair and restoration plan to the Community Development Director to determine if an amendment or a new Building Permit is required to authorize such work. The Owner is responsible for the adequacy of any project-related drainage facilities and for the continued maintenance thereof in a manner that will preclude any hazard to life, health, or damage to the Real Property or any adjoining property.
6. **Truck Access and Management Plan.** The development shall comply with the Truck Access and Management Plan prepared by Associated Transportation Engineers and dated October 7, 2013 and the following conditions:
  - a. For any activity, all trucks and buses associated with Arlington Theatre events shall be scheduled to arrive and depart outside of peak traffic hours of 7 am through 9 am and 4 pm through 6 pm.
  - b. All trucks and buses associated with Arlington Theatre events shall leave the site for temporary storage upon completion of performance stage set up, and return after performances to reload equipment to trucks.
  - c. Vehicles shall be limited to one truck and one bus onsite at a time. Events that require multiple trucks or buses shall be staggered with the additional vehicles staged on W. Sola St.
  - d. Permits for a "No Parking" area to facilitate staging on Sola St. shall be obtained from the City Public Works Department no less than 72 hours in advance of the event day.
  - e. Five parking spaces within the Arlington parking lot shall be reserved and blocked to facilitate truck movements, parking and loading per Figure 2 of the Truck Access and Management Plan.

- f. Trucks and buses shall be removed from the Arlington site after completion of unloading.
  - g. The designated parking area for trucks and buses shall be coned off on the Arlington Site to facilitate loading and unloading per figure 3 of the Truck Access and Management Plan.
  - h. The Arlington Theatre operators shall employ traffic and parking personnel to supervise unloading and loading activities, enforce parking restrictions, manage truck and bus ingress and egress from the site, and monitor parking lot circulation.
  - i. An orientation meeting shall take place between the Theatre operators and traffic control personnel prior to the first event season after project occupation to review management plan components of the Truck Access and Management Plan.
  - j. A monitor shall be hired during the first event season after project completion to determine if the Truck Access and Management Plan is working as intended. The monitoring firm is to prepare a summary report documenting operations after each event. A final report is to be submitted to Public Works Transportation staff one year after the occupied project's first event, summarizing all season operations and providing any recommended operational adjustments.
  - k. Follow-up meetings between the Theatre operators and traffic monitor personnel shall be scheduled as necessary to review each monitoring report and recommend fine tune management components to City staff.
7. **Residential Permit Parking Program.** Residents shall not participate in the Residential Permit Parking Program.
  8. **Common Area Maintenance.** All common/shared areas shall be kept open, available and maintained in the manner in which it was designed and permitted.
  9. **Areas Available for Parking.** All parking areas and access thereto shall be kept open and available in the manner in which it was designed and permitted except as outlined in the Truck Access and Management Plan.
- B. **Final Design Review.** In addition to the items identified in the HLC motion granting Project Design Approval, the following items shall be satisfactorily addressed in the final design plans prior to Final Approval by the HLC.
1. **Tree Removal and Replacement.** All trees removed, except fruit trees and street trees approved for removal without replacement by the Parks Department, shall be replaced on-site on a one-for-one basis with minimum 24-inch box sized or 15 gallon size tree(s) of an appropriate species or like species, as determined by the

HLC, in order to maintain the site's visual appearance and reduce impacts resulting from the loss of trees.

2. **Tree Relocation.** The five existing Phoenix canariensis tree(s) and one Washingtonia robusta tree shall be relocated on the Real Property and shall be fenced and protected during construction.
3. **Grevillia Tree.** The 24" DBH grevillia tree (Tree #2 on the Tree Protection and Removal Plan dated July 24, 2013) that will be removed due to the driveway access to Sola Street shall be mitigated based on recommendations from the Historian of record and subject to concurrence by the Landscape Architect and HLC.
4. **Tree Protection Measures.** The landscape plan and grading plan shall include the following tree protection measures:
  - a. **Tree Protection.** All trees not indicated for removal on the approved Tree Protection & Removal Plan shall be preserved, protected, and maintained, in accordance with the Tree Protection Plan and/or any related Conditions of Approval.
  - b. **Landscaping Under Trees.** Landscaping under the tree(s) shall be compatible with the preservation of the tree(s), as determined by the HLC.
  - c. **Tree Protection Plan.** The recommendations/conditions contained in the Tree Protection Plan prepared by Courtney Jane Miller, dated July 24, 2013, shall be implemented.
  - d. **Tree Replacement.** Any tree that is identified to remain in place or be relocated on-site that is subsequently damaged, lost or dies within two years of Occupancy of the project, shall be replaced at a three to one (3:1) ratio with replacement species and size to be approved by the HLC.
  - e. **During Construction.**
    - (1) All trees within 25 feet of proposed construction activity shall be fenced six feet outside the dripline for protection.
    - (2) No grading shall occur within six feet of the dripline(s) of the existing tree(s).
    - (3) A qualified Arborist shall be present during any excavation beneath the dripline(s) of the tree(s) which are required to be protected. All excavation within the dripline(s) of the tree(s) shall be minimized and shall be done with hand tools.
    - (4) Any roots encountered shall be cleanly cut and sealed with a tree-seal compound.

- (5) Any root pruning and trimming shall be done under the direction of a qualified Arborist.
  - (6) No heavy equipment, storage of materials or parking shall take place within six feet of the dripline of any tree(s).
5. **Screened Backflow Device.** The backflow devices for fire sprinklers, solar panels and/or irrigation systems shall be provided in a location screened from public view or included in the exterior wall of the building, as approved by the HLC.
6. **Location of Dry Utilities.** Dry utilities (e.g. above-ground cabinets) shall be placed on private property unless deemed infeasible for engineering reasons. If dry utilities must be placed in the public right-of-way, they shall be painted "Malaga Green," and if feasible, they shall be screened as approved by HLC.
7. **Trash Enclosure Provision.** A trash enclosure with adequate area for recycling containers (an area that allows for a minimum of 50 percent of the total capacity for recycling containers) and green waste containers shall be provided on the Real Property and screened from view from surrounding properties and the street. Said enclosure shall be approved by MarBorg and the City of Santa Barbara Environmental Services Division.

Dumpsters and containers with a capacity of 1.5 cubic yards or more shall not be placed within five (5) feet of combustible walls, openings, or roofs, unless protected with fire sprinklers.
8. **Historic Resource Report.** Prior to final approval of the project by the HLC, the items identified in Section 10.1 of the Historic Structures Report prepared by Post/Hazeltine Associates and dated April 25, 2013, shall be addressed.
9. **Enhanced Pavement.** Identify all areas of enhanced or permeable pavement. Provide details on scoring patterns, colors, etc.
10. **Solar Energy Systems.** Identify and detail any proposed solar panels, systems or equipment for the project. Regardless of whether a solar energy system is currently proposed, all projects are recommended to show a "potential future solar energy system installation location" if feasible for the site. Plans are recommended to show at least 300 square feet of roof space with good sun exposure free of rooftop equipment for potential future solar energy system installation if feasible.
11. **Storm Water Management.** Details on project compliance with Tier 3 Storm Water Management requirements shall be included on the final plans reviewed by the HLC.
12. **Project Directory.** A project directory, including map and parking directional signs, listing all units on-site shall be indicated on the project plans. This

directory shall be lit sufficiently for readability for site visitors and placed in a location or locations acceptable to the Fire Department, shall meet current accessibility requirements, and is subject to Sign Committee Approval.

13. **Truck Access and Management Plan.** The project plans shall include a copy of the Truck Access and Management Plan prepared by Associated Transportation Engineers and dated October 7, 2013, including any associated diagrams.
  14. **City Council Direction.** Per City Council action to deny the appeal and uphold the HLC approval, Council directed that the HLC shall work with the Applicant on the following project elements:
    - a. The exit at Sola Street, particularly the grade with regard to vehicles going in and out;
    - b. The location of the residential trash enclosure;
    - c. The paseo connection from Alma del Pueblo to Sola Street; and
    - d. Ensuring that the commercial units are designed for commercial use.
- C. **Requirements Prior to Permit Issuance.** The Owner shall submit the following, or evidence of completion of the following, for review and approval by the Department listed below prior to the issuance of any permit for the project. Some of these conditions may be waived for demolition or rough grading permits, at the discretion of the department listed. Please note that these conditions are in addition to the standard submittal requirements for each department.
1. **Public Works Department.**
    - a. **Public Improvements.** Public improvements are required for this project and shall be submitted to the Public Works Department for review and approval. Plans shall be submitted separately from plans submitted for a Building Permit, and shall be prepared by a licensed civil engineer registered in the State of California. Any design changes to the project or improvements in the right-of-way as a result of Public Works review of the public improvements shall require review after final by the HLC.

As determined by the Public Works Department, the improvements may include, but are not limited to, new and/or remove and replace to City standards, the following: sidewalk, driveway aprons modified to meet Title 24 requirements with widths to be determined by the City Traffic Engineer, curb and gutter, access ramp(s), asphalt concrete or concrete pavement on aggregate base or crack seal to the centerline of the street along entire subject property frontage and slurry seal a minimum of 20 feet beyond the limits of all trenching, connection to and/or relocation or extension of water and sewer mains and utilities, installation of new residential/commercial fire hydrant(s), public drainage improvements with

supporting drainage calculations and/or hydrology report for installation of drainage pipe or connection to existing City or County storm drain, supply and install City standard Dome Style (or other) street light(s), coordinate with Public Works staff and Edison to retire light standard from existing utility pole, preserve and/or reset survey monuments, protect and relocate existing contractor stamps to parkway, supply and install directional/regulatory traffic control signs per the CA MUTCD during construction, supply and install new street name sign(s), storm drain stenciling, improvement of the MTD bus stop consistent with current MTD bus stop standards and amenities provided by the neighborhood type stop described in the City Urban Design Guidelines (benches, trash receptacles, shelters with night lighting, decorative hardscape surface, and concrete pads to meet ADA requirements) on Sola Street, new street trees and tree grates, and provide adequate positive drainage from site.

Any work in the public right-of-way requires a Public Works Permit.

- b. **Water Rights Assignment Agreement.** The Owner shall assign to the City of Santa Barbara the exclusive right to extract ground water from under the Real Property in an *Agreement Assigning Water Extraction Rights*. Engineering Division Staff prepares said agreement for the Owner's signature.
- c. **Drainage and Water Quality.** The project is required to comply with Tier 3 of the Storm Water Management Plan (treatment). The Owner shall submit drainage calculations and/or worksheets from the Storm Water BMP Guidance Manual for Post Construction Practices prepared by a registered civil engineer or licensed architect demonstrating that the new development will comply with the City's Storm Water Management Plan. Project plans for grading, drainage, storm water facilities and treatment methods, and project development, shall be subject to review and approval by the City Building Division and Public Works Department. Sufficient engineered design and adequate measures shall be employed to ensure that no significant construction-related or long-term effects from increased runoff, erosion and sedimentation, urban water pollutants (including, but not limited to trash, hydrocarbons, fertilizers, bacteria, etc.), or groundwater pollutants would result from the project.

The Owner shall provide an Operations and Maintenance Procedure Plan (describing replacement schedules for pollution absorbing pillows, etc.) for the operation and use of the storm drain surface pollutant interceptors. The Plan shall be reviewed and approved consistent with the Storm Water Management Plan BMP Guidance Manual.

- d. **Haul Routes Require Separate Permit.** Apply for a Public Works permit to establish the haul route(s) for all construction-related trucks with a gross vehicle weight rating of three tons or more entering or exiting the site. The Haul Routes shall be approved by the Transportation Manager.

The Public Works Department shall consider closing Sola Street from State Street to Chapala Street in order to facilitate construction at the site.

- e. **Construction-Related Truck Trips.** Construction-related truck trips for trucks with a gross vehicle weight rating of three tons or more shall not be scheduled during peak hours (7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m.) in order to help reduce truck traffic on adjacent streets and roadways.
- f. **Vehicle Access.** Vehicles exiting to Chapala Street shall be restricted to right turns only, and a NO LEFT TURN sign shall be posted and maintained on-site advising motorists of this restriction and shall be shown on the approved plans.
- g. **Stop Sign.** A "STOP" sign and painted stop bar with "Stop" legend shall be installed at the Chapala Street exit and shown on the approved plans.
- h. **Bicycle Parking.**
- (1) **Residential:** Provide 16 covered secure bicycle parking spaces on the first floor of the development for residents. For residential bicycle parking, it is preferred that at least a portion be provided in bicycle lockers, a bicycle room, or similar covered and lockable storage on the first floor of the residential development. Their size and location shall be approved by the Transportation Manager.
  - (2) **Commercial.** Provide one (1) bicycle parking space for every seven (7) vehicle parking spaces allocated to the commercial portion of the project. As currently designed, this would require seven (7) bicycle spaces. Their size and location shall be approved by the Transportation Manager.

2. **Community Development Department.**

- a. **Recordation of Agreements.** The Owner shall provide evidence of recordation of the written instrument that includes all of the Recorded Conditions identified in condition A "Recorded Conditions Agreement" to the Community Development Department prior to issuance of any building permits.
- b. **Archaeological Monitoring Contract.** Submit a contract with an archaeologist from the most current City Qualified Archaeologists List for monitoring during all ground-disturbing activities associated with the

project, including, but not limited to, grading, excavation, trenching vegetation or paving removal and ground clearance in the areas identified in the Phase 1 Archaeological Resources Report prepared for this site by David Stone, dated May 2013. The contract shall be subject to the review and approval of the Environmental Analyst.

The archaeologist's monitoring contract shall include the provisions identified in condition C.2.c "Requirement for Archaeological Resources" below.

- c. **Requirement for Archaeological Resources.** The following information shall be printed on the grading plan:

If archaeological resources are encountered or suspected, work shall be halted or redirected immediately and the Planning Division shall be notified. The archaeologist shall assess the nature, extent, and significance of any discoveries and develop appropriate management recommendations for archaeological resource treatment, which may include, but are not limited to, redirection of grading and/or excavation activities, consultation and/or monitoring with a Barbareño Chumash representative from the most current City Qualified Barbareño Chumash Site Monitors List, etc.

If the discovery consists of possible human remains, the Santa Barbara County Coroner shall be contacted immediately. If the Coroner determines that the remains are Native American, the Coroner shall contact the California Native American Heritage Commission. A Barbareño Chumash representative from the most current City Qualified Barbareño Chumash Site Monitors List shall be retained to monitor all further subsurface disturbance in the area of the find. Work in the area may only proceed after the Planning Division grants authorization.

If the discovery consists of possible prehistoric or Native American artifacts or materials, a Barbareño Chumash representative from the most current City Qualified Barbareño Chumash Site Monitors List shall be retained to monitor all further subsurface disturbance in the area of the find. Work in the area may only proceed after the Planning Division grants authorization.

- d. **Prepare a Structural Crack Survey and Video Reconnaissance.** At least twenty (20) days prior to the issuance of a building permit, Owner shall notify owners and occupants of structures within 100 feet of the project site property lines of the opportunity to participate in a structural crack survey and video reconnaissance of their property. Prior to the issuance of a building permit, Owner shall prepare a structural crack survey and video reconnaissance of the property of those owners or

occupants who express a desire to participate in the survey. The purpose of the survey shall be to document the existing condition of neighboring structures within 100 feet of the project site property line and more than 50 years old. After construction, a follow-up structural crack survey and video reconnaissance of the property of those owners and occupants who elected to participate in the survey shall be prepared. Prior to issuance of a certificate of occupancy, Owner shall meet with the owners and occupants who elected to participate in the survey to determine whether any structural damage has occurred due to demolition, grading or construction at the project site.

- e. **Shoring Design.** Special design of the shoring is required to minimize the potential for deflection that may damage adjacent structures. A structural/civil engineer knowledgeable in this type of construction shall be retained to design the shoring and underpinning.
- f. **Solid Waste Management Plan.** The Applicant shall develop and implement a solid waste management plan that identifies feasible measures to address the operation of the Project, which may include, but is not limited to, the following:
  - (1) Provision of space and/or bins for storage of recyclable materials within the project site. This information shall be shown on the building plans and installed as a part of the proposed project's improvements.
  - (2) Development and implementation of a plan for collection of recyclable materials on a regular basis.
  - (3) Development of source reduction measures, indicating the method and amount of expected reduction.
  - (4) Implementation of a monitoring program (quarterly, bi-annually) to attain and maintain a 50-80% minimum participation in recycling efforts.
  - (5) Implementation of a composting landscape waste reduction program.
- g. **Contractor and Subcontractor Notification.** The Owner shall notify in writing all contractors and subcontractors of the site rules, restrictions, and Conditions of Approval. Submit a draft copy of the notice to the Planning Division for review and approval.
- h. **Neighborhood Notification Prior to Construction.** At least twenty (20) days prior to commencement of construction, the contractor shall provide written notice to all property owners, businesses, and residents within 300 feet of the project area. The notice shall contain a description of the

project, the construction schedule, including days and hours of construction, the name and phone number of the Contractor(s), site rules and Conditions of Approval pertaining to construction activities, and any additional information that will assist Building Inspectors, Police Officers and the public in addressing problems that may arise during construction.

Submit a draft copy of the notice to the Planning Division for review and approval. The language of the notice and the mailing list shall be reviewed and approved by the Planning Division prior to being distributed. An affidavit signed by the person(s) who compiled the mailing list shall be submitted to the Planning Division.

- i. **Design Review Requirements.** Plans shall show all design, landscape and tree protection elements, as approved by the HLC and all elements/specifications shall be implemented on-site.
- j. **Acoustic Report.** An acoustic report compliant with 2007 CBC section 1207.11.2 shall provide specific construction requirements so "Interior noise levels attributable to exterior sources shall not exceed 45 dB in any habitable room."
- k. **Conditions on Plans/Signatures.** These conditions of approval shall be provided on a full size drawing sheet as part of the drawing sets. A statement shall also be placed on the sheet as follows: The undersigned have read and understand the required conditions, and agree to abide by any and all conditions which are their usual and customary responsibility to perform, and which are within their authority to perform.

Signed:

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Property Owner	Date
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Contractor	Date	License No.
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Architect	Date	License No.
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Engineer	Date	License No.
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D. **Construction Implementation Requirements.** All of these construction requirements shall be carried out in the field by the Owner and/or Contractor for the duration of the project construction, including demolition and grading.

- 1. **Construction Contact Sign.** Immediately after Building permit issuance, signage shall be posted at the points of entry to the site that list the contractor(s)

name, contractor(s) telephone number(s), construction work hours, site rules, and construction-related conditions, to assist Building Inspectors and Police Officers in the enforcement of the conditions of approval. Said sign shall not exceed six feet in height from the ground if it is free-standing or placed on a fence; said sign shall not exceed 24 square feet.

2. **Sandstone Curb Recycling.** Any existing sandstone curb in the public right-of-way that is removed and not reused shall be carefully salvaged and delivered to the City Corporation Annex Yard on Yanonali Street.
3. **Construction Hours.** Construction (including preparation for construction work) shall only be permitted Monday through Friday between the hours of 7:00 a.m. and 5:00 p.m. and Saturdays between the hours of 8:00 a.m. and 4:00 p.m., excluding the following holidays:

New Year's Day	January 1st*
Martin Luther King, Jr. Day	3rd Monday in January
Presidents' Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4th*
Labor Day	1st Monday in September
Thanksgiving Day	4th Thursday in November
Following Thanksgiving Day	Friday following Thanksgiving Day
Christmas Day	December 25th*

\*When a holiday falls on a Saturday or Sunday, the preceding Friday or following Monday, respectively, shall be observed as a legal holiday.

When, based on required construction type or other appropriate reasons, it is necessary to do work outside the allowed construction hours, contractor shall contact the City to request a waiver from the above construction hours, using the procedure outlined in Santa Barbara Municipal Code §9.16.015 Construction Work at Night. Contractor shall notify all residents within 300 feet of the parcel of intent to carry out said construction a minimum of 48 hours prior to said construction. Said notification shall include what the work includes, the reason for the work, the duration of the proposed work and a contact number.

4. **Construction Storage/Staging.** Construction vehicle/ equipment/ materials storage and staging shall be done on-site. No parking or storage shall be permitted within the public right-of-way, unless specifically permitted by the Transportation Manager with a Public Works permit.
5. **Construction Parking.** During construction, free parking spaces for construction workers shall be provided on-site or off-site in a location subject to the approval of the Transportation Manager.

6. **Vibration.** During demolition of the existing site improvements, care shall be taken to ensure that excessive vibrations of the ground closest to the Arlington Theatre do not occur. Any piece of pneumatic machinery used in the demolition process should be restricted to working at least 20 feet away from the Theatre.
7. **Nesting Birds.** Birds and their eggs nesting on or near the project site are protected under the Migratory Bird Treaty Act and pursuing, hunting, taking, capturing, killing, or attempt to do any of the above is a violation of federal and state regulations. No trimming or removing brush or trees shall occur if nesting birds are found in the vegetation. All care should be taken not to disturb the nest(s). Removal or trimming may only occur after the young have fledged from the nest(s).
8. **Construction Best Management Practices (BMPs).** Construction activities shall address water quality through the use of BMPs, as approved by the Building and Safety Division.
9. **Street Sweeping.** The property frontage and adjacent property frontages, and parking and staging areas at the construction site shall be swept daily to decrease sediment transport to the public storm drain system and dust.
10. **Construction Equipment Maintenance/Sound Control.** All construction equipment, including trucks, shall be professionally maintained and fitted with standard manufacturers' muffler and silencing devices.
11. **Construction Dust Control - Expedient Paving.** All roadways, driveways, sidewalks, etc., shall be paved as soon as possible. Additionally, building pads shall be laid as soon as possible after grading unless seeding or soil binders are used, as directed by the Building Inspector.
12. **Air Quality and Dust Control.** The following measures shall be shown on grading and building plans and shall be adhered to throughout grading, hauling, and construction activities:
  - a. During construction, use water trucks or sprinkler systems to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this should include wetting down such areas in the late morning and after work is completed for the day. Increased watering frequency should be required whenever the wind speed exceeds 15 mph. Reclaimed water should be used whenever possible. However, reclaimed water should not be used in or around crops for human consumption.
  - b. Minimize amount of disturbed area and reduce on site vehicle speeds to 15 miles per hour or less.
  - c. If importation, exportation and stockpiling of fill material is involved, soil stockpiled for more than two days shall be covered, kept moist, or treated

with soil binders to prevent dust generation. Trucks transporting fill material to and from the site shall be tarped from the point of origin.

- d. Gravel pads shall be installed at all access points to prevent tracking of mud onto public roads.
  - e. After clearing, grading, earth moving or excavation is completed, treat the disturbed area by watering, or revegetating, or by spreading soil binders until the area is paved or otherwise developed so that dust generation will not occur.
  - f. The contractor or builder shall designate a person or persons to monitor the dust control program and to order increased watering, as necessary, to prevent transport of dust offsite. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the Air Pollution Control District prior to land use clearance for map recordation and land use clearance for finish grading of the structure.
  - g. All portable diesel-powered construction equipment shall be registered with the state's portable equipment registration program OR shall obtain an APCD permit.
  - h. Fleet owners of mobile construction equipment are subject to the California Air Resource Board (CARB) Regulation for In-use Off-road Diesel Vehicles (Title 13 California Code of Regulations, Chapter 9, § 2449), the purpose of which is to reduce diesel particulate matter (PM) and criteria pollutant emissions from in-use (existing) off-road diesel-fueled vehicles. For more information, please refer to the CARB website at [www.arb.ca.gov/msprog/ordiesel/ordiesel.htm](http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm).
  - i. All commercial diesel vehicles are subject to Title 13, § 2485 of the California Code of Regulations, limiting engine idling time. Idling of heavy-duty diesel construction equipment and trucks during loading and unloading shall be limited to five minutes; electric auxiliary power units should be used whenever possible.
13. **Graffiti Abatement Required.** Owner and Contractor shall be responsible for removal of all graffiti as quickly as possible. Graffiti not removed within 24 hours of notice by the Building and Safety Division may result in a Stop Work order being issued, or may be removed by the City, at the Owner's expense, as provided in SBMC Chapter 9.66.

E. **Prior to Certificate of Occupancy.** Prior to issuance of the Certificate of Occupancy, the Owner of the Real Property shall complete the following:

1. **Repair Damaged Public Improvements.** Repair any public improvements (curbs, gutters, sidewalks, roadways, etc.) or property damaged by construction

subject to the review and approval of the Public Works Department per SBMC §22.60. Where tree roots are the cause of the damage, the roots shall be pruned under the direction of a qualified arborist.

2. **Complete Public Improvements.** Public improvements, as shown in the public improvement plans or building plans, shall be completed.
  3. **Archaeological Monitoring Report.** A final report on the results of the archaeological monitoring shall be submitted to the Planning Division within 180 days of completion of the monitoring or prior to the issuance of the Certificate of Occupancy, whichever is earlier.
- F. **Compliance with Requirements.** All requirements of the city of Santa Barbara and any other applicable requirements of any law or agency of the State and/or any government entity or District shall be met. This includes, but is not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.), the 1979 Air Quality Attainment Plan, and the California Code of Regulations.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AUTHORIZING THE EXECUTION AND DELIVERY OF A RENEWABLE AND ALTERNATIVE POWER PUBLIC WATER AND WASTEWATER AGENCY AGREEMENT WITH SOUTHERN CALIFORNIA EDISON, INC., FOR THE PURPOSE OF SELLING ELECTRICITY GENERATED AT THE CITY'S CONDUIT HYDROELECTRIC PLANT, AND AUTHORIZING RELATED ACTIONS

WHEREAS, the City received United States Bureau of Reclamation License and Agreement No. 20-07-20-L2148 (City Agreement No. 11,539), dated July 15, 1982, which permitted the construction, operation and maintenance of the City's Hydroelectric Plant on United States land adjacent to Lauro Reservoir;

WHEREAS, the City's hydroelectric plant produced clean, renewable power from 1985 through 1998;

WHEREAS, the City decommissioned the hydroelectric plant in 1998, when it was determined that project operation, maintenance, permit, and regulatory costs exceeded project revenues;

WHEREAS, on November 2, 2010, the City Council adopted Resolution No. 10-086 to demonstrate the City's desire to resume operations at the hydroelectric plant, and to demonstrate intent by Council to accept ownership of the underlying land, if conveyed to the City by Reclamation;

WHEREAS, on October 17, 2012, City staff filed an application for a Renewable and Alternative Power Public Water and Wastewater Agency Agreement with Southern California Edison, Inc., for the Purpose of Selling the City's Hydroelectric Conduit Plant Power;

WHEREAS, on January 7, 2013, the U.S. General Services Administration (GSA) issued a Notice that it had determined the land beneath the City's hydroelectric plant "to be Government surplus and available for disposal";

WHEREAS, on March 19, 2013, the City Council adopted Resolution No. 13-015 Authorizing Christine F. Andersen, Public Works Director, to Act on Behalf of the City in the Negotiated Purchase of the Real Property Beneath the City's Hydroelectric Plant and Verify that Funds Have Been Budgeted for the Purchase, which will be based upon an Appraisal by a State Certified Appraiser;

WHEREAS, on July 2, 2013, the City Council adopted a resolutions authorizing the purchase of the property and acceptance of a Quitclaim deed to the property; and

WHEREAS, the City Council has been presented with the form of a Renewable and Alternative Power Public Water and Wastewater Agency Agreement, and the City Council has examined and approved such documents and desires to authorize and direct the execution of such documents, subject to minor changes.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

Section 1. In accordance with the provisions of Section 521 of the Charter of the City of Santa Barbara, that certain agreement between the City of Santa Barbara and Southern California Edison, Inc., which provides for the sale of power from the City's Hydroelectric Conduit Power Plant for a period of 20 years, is hereby approved.

Section 2. The Public Works Director is hereby authorized to take all actions and execute such agreements as deemed necessary in order to consummate the agreement herein authorized and otherwise to carry out the terms and intent of this Ordinance.

Section 3. All actions heretofore taken by the officers, employees and agents of the City with respect to the agreement set forth above are hereby approved, confirmed and ratified.

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING CHAPTER 10.60 OF THE MUNICIPAL CODE BY REVISING SECTION 10.60.030, ESTABLISHING BRINKERHOFF AVENUE AS A ONE-WAY STREET

THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION ONE. Section 10.60.030 of Chapter 10.60 of Title 10 of the Santa Barbara Municipal Code is amended to read as follows:

10.60.030 Schedule of One-Way Streets

In accordance with Section 10.60.030, and when properly sign posted, it shall be unlawful for the operator of any vehicle to drive in the direction indicated below on the following streets or portions of streets:

1. Unnamed alley lying between Anacapa Street and State Street extending from the Lobero Garage Paseo to Carrillo Street: In a southeasterly direction on the unnamed alley lying between Anacapa Street and State Street from the Lobero Garage Paseo to Carrillo Street.

2. Unnamed alley lying between Robbins Street and Mountain Avenue adjacent to Harding School: In a northeasterly direction on the unnamed alley lying between Robbins Street and Mountain Avenue adjacent to Harding School.

3. **ALAMEDA PADRE SERRA**: In a westerly direction on the south side of Alameda Padre Serra or in an easterly direction on the north side of Alameda Padre Serra, where the roadway of Alameda Padre Serra is divided by a parkway in the central portion thereof; provided that vehicles traveling in an easterly direction on Alameda Padre Serra may drive to the north side of the dividing wall located between Dover Road and Arbolado Road for the purpose of entering Arbolado Road.

4. **ANACAPA STREET**: In a northwesterly direction on Anacapa Street between Gutierrez Street and Mission Street.

5. **BATH STREET**: In a southeasterly direction on Bath Street between Haley Street and Mission Street.

6. **BRINKERHOFF AVENUE**: In a northeasterly direction on Brinkerhoff Avenue between Cota Street and Haley Street.

7. **BAY VIEW CIRCLE**: In a clockwise direction for its entirety.

8. **CASTILLO STREET**: In a northwesterly direction on Castillo Street between Cota Street and Mission Street.

9. **CHAPALA STREET**: In a southeasterly direction on Chapala Street between Alamar Avenue and Carrillo Street.

10. **CLEVELAND AVENUE**: In a southerly direction on the east side of Cleveland Avenue or in a northerly direction on the west side of Cleveland Avenue in either the nineteen hundred (1900) or two thousand (2000) blocks thereof.

11. **CORONEL STREET:** In a northeasterly direction on Coronel Street from a point one hundred feet northeasterly of the intersection of Coronel Street and Loma Alta Drive to a point 630 feet northeasterly of the intersection of Coronel Street and Loma Alta Drive.

12. **DE LA GUERRA PLAZA:** In a direction other than entry into De La Guerra Plaza, via the street on the southwesterly side of De La Guerra Plaza, proceeding in a southeasterly direction along that street on the southwesterly side of De La Guerra Plaza, and continuing in a northwesterly direction only along the street on the northeasterly side of De La Guerra Plaza.

13. **DE LA VINA STREET:** In a northwesterly direction on De La Vina Street between Haley Street and Constance Avenue.

14. **EMERSON AVENUE:** In a southerly direction on the east side of Emerson Avenue, or in a northerly direction on the west side of Emerson Avenue in either the nineteen hundred (1900) or two thousand (2000) blocks thereof.

15. **EQUESTRIAN AVENUE:** In an easterly direction on Equestrian Avenue between Santa Barbara and Garden Streets.

16. **GRAND AVENUE:** In a westerly direction on the south side of Grand Avenue or in an easterly direction on the north side of Grand Avenue between Pedregosa Street and Moreno Road where the roadway of Grand Avenue is divided into two (2) levels.

17. **PROSPECT AVENUE:** In an easterly direction on Prospect Avenue between Valerio Street and Cleveland Avenue.

18. **SANTA BARBARA STREET:** In a southeasterly direction on Santa Barbara Street between Haley Street and Mission Street.

19. **STATE STREET:** In a northwesterly direction on the southwesterly side of State Street, or in a southeasterly direction on the northeasterly side of State Street, between Mission Street and Constance Avenue where the roadway of State Street is divided by a central parkway.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE EXCLUSIVE TEN-YEAR FRANCHISE FOR CITYWIDE SOLID WASTE COLLECTION AND DISPOSAL SERVICES GRANTED BY THE CITY TO MARBORG INDUSTRIES, INC., A CALIFORNIA CORPORATION, ON FEBRUARY 12, 2013, BY CITY ORDINANCE NO. 5608.

WHEREAS, the City and MarBorg entered into a ten-year Municipal Solid Waste Franchise on terms acceptable to MarBorg and the City in February 12, 2013 and such franchise was duly approved by the City Council in accordance with the requirements of the City Charter (hereinafter referred to as the "Franchise");

WHEREAS, the terms of the February 12, 2013 franchise included new diversion requirements that will help the City and MarBorg to meet anticipated future State mandates relating to the diversion of solid waste and these requirements were, in part, contained within Exhibit 4 to the Franchise;

WHEREAS, the Solid Waste Division staff of the City and MarBorg recently realized the Exhibit 4 to the Franchise contained an error in stating the future diversion requirements and, as a result, both MarBorg and the City agree that the Franchise needs to be amended by the use of a new corrected Exhibit 4;

WHEREAS, on October 29, 2013, the Council of the City of Santa Barbara publicly declared its intention to amend the Franchise granted to MarBorg through the adoption of a resolution in accordance with Section 1401 of the City Charter;

WHEREAS, a public hearing regarding the proposed amendment to the February 12, 2013 Franchise granted to MarBorg was noticed in a local newspaper of general circulation as required by Section 1401 of the City Charter for a public hearing date of November 19, 2013; and

WHEREAS, on November 19, 2013, the Council of the City of Santa Barbara held a public hearing to hear any objections on the proposed ordinance to amend the February 12, 2013 Franchise with MarBorg as required by Section 1401 of the City Charter.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Pursuant to Section 1401 of the City Charter and in accordance with Section 1407 of the Charter, the City Council of the City of Santa Barbara agrees to amend the exclusive ten-year franchise granted to MarBorg on February 12, 2013 ("Franchise") for Citywide solid waste collection and disposal services, as such amendment is described in the amendment attached hereto as Exhibit A, dated as of November 26, 2013, and authorizes the City Administrator to execute the amendment agreement attached hereto (in a form of agreement acceptable to the City Attorney) with MarBorg Industries, Inc., for said Municipal Solid Waste services.

**Amendment to February 12, 2013 Municipal Solid  
Waste Franchise between the City of Santa  
Barbara and Marborg Industries**

This is an amendment to the Municipal Solid Waste Franchise which was entered into by and between the City of Santa Barbara, a municipal corporation (hereinafter referred to as the “City”) and MarBorg Industries, Inc., a California corporation (hereinafter referred to as “MarBorg”) on February 12, 2013 as approved by Santa Barbara City Ordinance No. 5608 adopted by the Santa Barbara City Council on February 12, 2013 and hereinafter referred to as the “February 12, 2013 Franchise.”

**I. Franchise Amendment.** MarBorg and the City agree to amend the Marborg Municipal Solid Waste Franchise by revising Exhibit 4 to the February 12, 2013 Franchise in order to better reflect the mutual understanding of the City and MarBorg with respect to the Diversion Requirements of the Franchise. Consequently, the revised Franchise Exhibit 4, dated as of November 26, 2013, (a copy of which is attached hereto) is substituted for the original Exhibit 4 attached to the February 12, 2013 Franchise.

**II. Existing Unaffected Terms And Conditions.** Except as otherwise specifically amended by this amendment, the terms, conditions, and covenants of the February 12, 2013 Franchise not inconsistent with this amendment shall remain in full force and effect.

**III. Conflicts.** In the event of any conflict or inconsistency between the terms, conditions, and requirements of this amendment and the February 12, 2013 Franchise, the terms, conditions, and requirements of this amendment shall be controlling.

**IV. Integration.** This amendment, together with the February 12, 2013 Franchise, incorporates and integrate all prior negotiations, understandings, and discussions between City and MarBorg regarding the Marborg Municipal Solid Waste Franchise. There are no oral agreements or terms between City and MarBorg with respect to the Franchise or this Franchise amendment. This amendment together with the February 12, 2013 Franchise supersedes and cancels all previous negotiations, arrangements and understandings between the City and MarBorg and there are no representations between City and MarBorg other than those contained herein and the February 12, 2013 Franchise. All changes or amendments to the February 12, 2013 Franchise, as amended, shall be in writing and duly approved by the City Council and executed by the City in accordance with the City Charter.

**IN WITNESS WHEREOF**, the parties hereto have executed this amendment to the City's Solid Waste Collection and Disposal Franchise of February 12, 2013 as of November 26, 2013.

CITY OF SANTA BARBARA

By: \_\_\_\_\_  
City Administrator

City Clerk : ATTEST:

By: \_\_\_\_\_

Approved as to Content:

By: \_\_\_\_\_  
Robert Samario, Contract Administrator

Approved as to Form:

By: \_\_\_\_\_  
Stephen P. Wiley,  
City Attorney

Approved as to insurance:

By: \_\_\_\_\_  
Mark Howard, Risk Management

MARBORG INDUSTRIES, INC.

By: \_\_\_\_\_  
Mario A. Borgatello  
President

By: \_\_\_\_\_  
David J. Borgatello  
Secretary

**EXHIBIT 4**  
**DIVERSION REQUIREMENTS**  
Dated as of November 26, 2013

Section 1 AB 939 Indemnification

MarBorg shall be responsible for ensuring that City meets the 50% diversion requirement under AB 939. MarBorg agrees to indemnify City in the event the Diversion, source reduction and Recycling goals of the Integrated Waste Management Act are not met by City. City and MarBorg agree to negotiate with respect to any additional Act-related services, which MarBorg and City agree to implement.

Section 2 Citywide Diversion Requirement

A. Minimum Diversion Requirement Citywide.

MarBorg will increase the annual percentage of Source-Separated Recyclable Material, Greenwaste and Foodscraps collected in Carts, Cans, Dumpsters, scheduled Roll-Off Boxes and compactors for all Customer classes by at least ~~one percentage point~~ **0.3%** per Contract Year **during the first five Contract Years** ~~throughout the Term of the Agreement.~~

B. Measurement of Minimum Diversion Requirement

The annual Diversion rate citywide will be measured by calculating the annual percentage by weight that Source-Separated Recyclable Material, Greenwaste and Foodscraps Collected by MarBorg from scheduled Carts, Cans, Dumpsters, Roll-Off Boxes and compactors comprises of the total Solid Waste Collected by MarBorg for each Contract Year.

The annual Diversion rate citywide will be calculated as follows:

$$\frac{\text{(Recyclable Material+ Greenwaste +Foodscraps Collected during the Contract Year)}}{\text{(Total Waste collected during the Contract Year)}}$$

Recyclable Material includes:

- Gross weight of franchise material collected in blue-colored Recyclable Material Cans, Carts, and Dumpsters and charged a Recyclable Material rate.
- Gross weight of franchise material collected in scheduled Roll-Off Containers or compactors that is listed on the Customer bill as Recyclable Material, Metal, or Cardboard and charged the tipping fee for that specific commodity.

Greenwaste includes:

- Gross weight of franchise material collected in green-colored Greenwaste Cans, Carts, and Dumpsters and charged a Greenwaste rate.
- Gross weight of franchise material collected in scheduled Roll-Off Boxes or compactors that is listed on the Customer bill as Greenwaste, Sawdust, or Wood Waste, and charged the tipping fee for that specific commodity.

Foodscraps includes:

- Gross weight of franchise material collected in yellow-colored Foodscraps Carts, compactors and Dumpsters and charged a foodscraps rate.

Total Waste Includes:

- All material collected in franchise Cans, Carts, Dumpsters, scheduled Roll-Off Boxes and compactors excluding Roll-Off Boxes that contain 100% inert materials generated from construction and demolition and sorted Roll-off Boxes and compactors with a recovery rate of less than 90 percent.

Data used in calculating the annual Diversion rate citywide will be taken from the monthly reports submitted by MarBorg. As shown in Figure One: MarBorg Monthly Report, Diversion shall equal the sum of the tonnages in blue cells and total waste shall be considered as the sum of the tonnages in both the blue and yellow cells. Data in grey cells will not be used in calculating the annual Diversion rate citywide. The annual Diversion rate citywide will be calculated from data from both zones.

The scheduled collection of Construction and Demolition debris in Roll-Off Containers is not included in the calculations.

C. Compliance with the Minimum Diversion Requirement Citywide.

MarBorg will be deemed to be in compliance with the Minimum Diversion Requirement Citywide provided that the following equation yields a value of greater than or equal to 0.34% for any given Contract Year **throughout the first five Contract Years** ~~Term of the Agreement~~:

(Annual Diversion Rate Citywide at the end of the Current Contract Year minus the Baseline Diversion rate) / (Total Number of Contract Years since July 1, 2013)

**Initial compliance with the Minimum Diversion Requirement Citywide will be calculated 24 months after the Effective Date and every twelve months thereafter for the five-year compliance period.**

Greater than required Diversion in any year will not increase the total minimum percent diversion for any subsequent year

D. Baseline Diversion Rate Citywide.

The baseline Diversion rate citywide will be established in July of 2013 pursuant to the following formula:

(Recyclable Material+ Greenwaste +Foodscraps collected between July 1, 2012 and June 30, 2013) / (Total Waste Generated between July 1, 2012 and June 30, 2013)

E. Corroboration of Diversion.

Marborg will provide City with any documentation that City requests in order to verify compliance with the minimum diversion requirement, including but not limited to

information currently contained in MarBorg's monthly reports to City. In particular, MarBorg will retain information such as weigh tickets, invoices, bills of lading, or receipts which City may request. MarBorg will provide City with copies of documentation within seven (7) days of City request.

F. Weighing and Record Requirements.

MarBorg will cause a weigh master who is certified under law to weigh all Recyclable Material, Greenwaste, and Foodscraps upon delivery to the City-designated facility and record all of the following information:

- weight and material type,
- delivery date and time,
- route and truck number, and
- driver name and any identification number

MarBorg shall retain this information throughout the Term of the Agreement.

## Section 2 No Commingling

MarBorg will not mix Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscraps when servicing Containers. As directed by City, MarBorg may commingle Greenwaste and Foodscraps in the same Collection vehicle. Parties acknowledge that Customers might not cooperate with Collection programs and might discard Municipal Solid Waste, Recyclable Material or Greenwaste together in the same Container.

## Section 3 Sorting of Business Loads at the MarBorg Material Recovery Facility

City, at any point during the Term of the Agreement may direct the flow of any franchised material to other processing facilities and may explicitly prohibit sorting of Municipal Solid Waste loads at the MarBorg Material Recovery Facility.

## Section 4 AB 341 Diversion

A. Subscription Requirements.

Within five (5) years following execution of the Agreement, and throughout the remainder of the Agreement, MarBorg will ensure that at least 30% of subscription Collection Service (including free and paid Containers) is comprised of Diversion Services (Recyclable Material, Greenwaste and Foodscraps) for 90% of all AB 341 Customers. The subscription based Diversion requirements will be achieved by MarBorg without the adoption of a mandatory Recycling ordinance.

For each of the first five consecutive Contract Years, MarBorg will ensure that an increasing increment of at least 18% of all AB 341 Customers are brought into compliance with the 30% Diversion requirement. The incremental percentage to be brought into compliance with the 30% subscription Diversion requirement during each Contract Year shall be

derived from the list of AB 341 Customers generated by MarBorg as described in Section D1.

Greater than required Diversion in any year will not increase the total incremental subscription Diversion threshold set forth below in subsequent years.

<u>End of contract year</u>	<u>Percent with 30% diversion</u>
Year 1	18%
Year 2	36%
Year 3	54%
Year 4	72%
Year 5 (& thereafter)	90%

B. Sorted Municipal Solid Waste Loads

Municipal Solid Waste Containers designated in City’s utility billing system as “High Content,” “Medium Content” and/or “Low Content” will be viewed as Municipal Solid Waste Containers when evaluating compliance with the 30% subscription requirement.

C. Diversion Services Provided Free of Charge

Diversion Collection Service that MarBorg provides free of charge to Customers or for which MarBorg pays Customers for commodities (e.g. source-separated glass) will be counted toward the 30% Diversion requirement provided that the non-billed Diversion Containers are identified in City’s utility billing system.

D. Corroboration of Subscription Requirement

1. Within two months following the execution of the Agreement, and at the beginning of each Contract Year thereafter, MarBorg will provide to City a list of AB 341 Customers along the following information for each Customer:
  - Account Number in City’s utility billing system;
  - Sharing Agreements and the names and account numbers of the sharing parties;
  - Current service levels; and,
  - Current Diversion rate.
2. At the beginning of each Contract Year, MarBorg will provide City with a tentative list of AB 341 Customers with whom MarBorg will work to bring them into compliance with the 30% diversion requirement during the Contract Year.
3. MarBorg will provide to City information regarding its progress toward achieving this requirement in its monthly reports to City. If a Customer refuses to subscribe to minimum Diversion services as described, the MarBorg will provide documentation of the

Customer's refusal with its monthly reports to City and record the information in City's utility billing system.

Figure 1: MarBorg Monthly Report

Collection Information Zone 1							
Franchise Services							
Cart/Can Tonnages:		Single Family Residential	Multi-Unit Residential	Business	Schools	City	Public
	Trash	434	300	56	0		25
	Recycling	263	107	31	1	0	2
	Greenwaste	351	71	9	0	1	
	Food			20	11		
Use gross tonnage only. Do not make deductions for sorted loads.							
Dumpster Tonnages		Diversion %	Multi-Unit Residential	Business	Schools	City	Public
	Trash	0%	375	629	29	42	27
	High Content Trash	50%		0			
	Medium Content Trash	25%					
	Low Content Trash	10%		0			
	Recycling	90%	16	153	10	7	0
	Greenwaste	95%	6	6	4	2	
	Food	100%		89	9		
Franchise Rolloff and Compactor Tonnages							
	Solid Waste	0%		211			
	Low Content	10%					
	Recycling	100%		14			
	C&D (bulky items)	77%		70			
	Greenwaste/Wood	100%		3			
	C&D Inerts	100%					
Other Residential Services			Bulky Disposed	Bulky Recycled	Batteries (lbs)	Cell Phones (lbs)	# of Sharps Containers Distributed
	Single Family		6	7			
	Multi-Unit						
2013 Franchise Contract Diversion Both Zones							39%



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013  
**TO:** Mayor and Councilmembers  
**FROM:** Treasury Division, Finance Department  
**SUBJECT:** October 2013 Investment Report

**RECOMMENDATION:**

That Council accept the October 2013 Investment Report.

**DISCUSSION:**

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of October 31, 2013.

**ATTACHMENT:** October 2013 Investment Report  
**PREPARED BY:** Genie Wilson, Treasury Manager  
**SUBMITTED BY:** Robert Samario, Finance Director  
**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
**October 31, 2013**

**INVESTMENT ACTIVITY**

---

**PURCHASES OR DEPOSITS**

10/3 Federal Agricultural Mortgage Corp (FAMCA)	\$ 2,000,000
10/9 LAIF Deposit - City	2,000,000
10/28 LAIF Deposit - City	2,000,000
10/29 LAIF Deposit - City	3,000,000
10/30 LAIF Deposit - City	2,000,000
<b>Total</b>	<b>\$ 11,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

10/2 LAIF Withdrawal - City	\$ (3,000,000)
10/4 LAIF Withdrawal - City	(1,000,000)
10/15 Federal Home Loan Bank (FHLB) - Maturity	(2,000,000)
10/28 Federal National Mortgage Association (FNMA) - Maturity	(2,000,000)
10/30 Federal Home Loan Bank (FHLB) - Maturity	(1,500,000)
<b>Total</b>	<b>\$ (9,500,000)</b>

**ACTIVITY TOTAL**

**\$ 1,500,000**

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**INVESTMENT INCOME**

---

**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 178,195
Amortization	(20,586)
<b>Total</b>	<b>\$ 157,609</b>

**INCOME TOTAL**

**\$ 157,609**

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**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**October 31, 2013**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.266	0.266	34,000,000.00	34,000,000.00	34,000,000.00	0.00	
<b>Subtotal, LAIF</b>							34,000,000.00	34,000,000.00	34,000,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/11	11/18/13	-	-	0.800	0.800	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
<b>Subtotal, Certificates of deposit</b>							8,000,000.00	8,000,000.00	8,000,000.00	0.00	
<b>TREASURY SECURITIES - COUPON</b>											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,895.16	2,004,540.00	3,644.84	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,033,830.47	2,037,180.00	3,349.53	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,235,577.78	2,237,660.00	2,082.22	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,027,890.26	2,025,160.00	(2,730.26)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,017,599.69	2,009,380.00	(8,219.69)	
<b>Subtotal, Treasury Securities</b>							10,000,000.00	10,315,793.36	10,313,920.00	(1,873.36)	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	2,007,840.00	7,840.00	
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,006,960.00	6,960.00	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,994,820.00	(5,180.00)	Callable, Continuous
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,035,180.00	35,180.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,095,800.00	95,800.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,021,320.00	21,320.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,020,800.00	20,800.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,008,312.39	2,043,860.00	35,547.61	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,001,508.43	2,007,060.00	5,551.57	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,002,960.00	2,960.00	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,950,400.00	(49,600.00)	Callable 01/16/14, then qtrly
FEDERAL HOME LOAN BANK	07/17/13	07/17/18	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,004,320.00	4,320.00	Callable 01/17/14, then qtrly
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	1,991,760.00	(8,240.00)	SU 1.125%-2.5% Call 12/27/13, then qtrly
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,002,217.33	2,007,060.00	4,842.67	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,038,020.00	38,020.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,053,800.00	53,800.00	
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,008,000.00	8,000.00	
FEDERAL HOME LOAN MTG CORP	03/28/12	03/28/17	Aaa	AA+	1.350	1.350	2,000,000.00	2,000,000.00	2,009,040.00	9,040.00	Callable 03/28/14, once
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,982,520.00	(17,480.00)	Callable 12/26/13, then qtrly
FEDERAL HOME LOAN MTG CORP	07/25/13	07/25/18	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	2,000,920.00	920.00	Callable 07/25/14, once
FEDERAL HOME LOAN MTG CORP	02/21/12	02/21/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,006,520.00	6,520.00	Callable 02/21/14, once

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**October 31, 2013**

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,010.69	2,006,960.00	7,949.31	
FEDERAL HOME LOAN MTG CORP	06/12/12	06/12/17	Aaa	AA+	1.250	1.250	2,000,000.00	2,000,000.00	2,008,260.00	8,260.00	Callable 06/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	07/24/12	07/24/17	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,998,440.00	(1,560.00)	Callable 01/24/14, then qtrly
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,985,960.00	(14,040.00)	Callable 12/12/13, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	3,955,880.00	(44,120.00)	Callable 01/16/14, then qtrly
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,023,497.79	2,036,120.00	12,622.21	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,986,000.00	(14,000.00)	Callable 12/26/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,961,120.00	(38,880.00)	Callable 01/30/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,023,180.00	23,180.00	
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	1,999,520.00	(480.00)	Callable 11/28/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,975,720.00	(24,280.00)	Callable 12/12/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	1,999,400.00	(600.00)	Callable 12/19/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/30/13	07/30/18	Aaa	AA+	1.000	1.896	1,000,000.00	1,000,000.00	1,001,230.00	1,230.00	SU 1%-2% Callable 01/30/14, once
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,140.00	(21,860.00)	Callable 11/08/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,978,140.00	(21,860.00)	Callable 11/08/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,946,320.00	(53,680.00)	Callable 12/26/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/10/13	07/10/18	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,007,400.00	7,400.00	Callable 07/10/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,062,160.00	62,160.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,983,370.96	2,049,740.00	66,369.04	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,973,240.00	(26,760.00)	Callable 02/05/15, then qtrly
<b>Subtotal, Federal Agencies</b>							<b>88,000,000.00</b>	<b>88,017,917.59</b>	<b>88,221,890.00</b>	<b>203,972.41</b>	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,996,816.67	2,078,040.00	81,223.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,057,040.00	57,040.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	A1	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,006,440.00	6,440.00	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,028,427.16	2,052,500.00	24,072.84	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,010,935.32	2,059,340.00	48,404.68	
<b>Subtotal, Corporate Securities</b>							<b>10,000,000.00</b>	<b>10,036,179.15</b>	<b>10,253,360.00</b>	<b>217,180.85</b>	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,603,519.96	5,603,519.96	5,603,519.96	0.00	
<b>Subtotal, SBA Note</b>							<b>5,603,519.96</b>	<b>5,603,519.96</b>	<b>5,603,519.96</b>	<b>0.00</b>	
<b>TOTALS</b>							<b>155,603,519.96</b>	<b>155,973,410.06</b>	<b>156,392,689.96</b>	<b>419,279.90</b>	

Market values have been obtained from the City's safekeeping agent, Union Bank The Private Bank (UBTPB). UBTPB uses Interactive Data Pricing Service, Bloomberg and DTC.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Drafting Services For The Fiscal Year 2014 Water Main Replacement Project

### RECOMMENDATION:

That Council authorize the Public Works Director to execute a standard City Professional Services contract with O'Brien & Wall in the amount of \$47,970 for drafting services for the Fiscal Year 2014 Water Main Replacement Project, in a form of agreement acceptable to the City Attorney, and authorize the Public Works Director to approve expenditures of up to \$5,000 for extra services of O'Brien & Wall that may result from necessary changes in the scope of work.

### DISCUSSION:

NOTE: This item was originally scheduled for the October 22, 2013 Council Meeting but was pulled at the last minute due to the contracts not being ready.

The City's engineering staff is currently working on the design of the Fiscal Year 2014 Water Main Replacement Project (Project). The Project will replace approximately 11,900 linear feet of water main throughout the City. The water mains slated for replacement were selected by considering numerous criteria including age, break history, pipe material, water demands, and fire flows. Staff is requesting approval to contract for drafting services to support in-house design and ensure that this important annual project is designed and constructed in a timely manner.

### CONSULTANT ENGINEERING SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with O'Brien & Wall (Wall) in the amount of \$47,970 for drafting services.

Wall was selected through a Request For Proposal (RFP) process. Three RFP's were issued, and two proposals were received. Wall was selected because they had the best understanding of the project and level of effort needed to successfully complete the

Project, based on the requirements set forth in the RFP. Wall has successfully completed many similar projects for the City.

Staff also recommends that Council authorize the Public Works Director to approve change orders up to \$5,000 for extra services that may result from necessary changes in the scope of work, for a total amount of \$52,970.

**COMMUNITY OUTREACH**

It is anticipated that there will be two methods used for Community Outreach during the design and construction phases. Mailers will be sent out two to three months ahead of construction to alert residents of the pending work. During construction, door hangers will be used to communicate with those directly impacted by the work.

**FUNDING**

The following summarizes all estimated total Project costs:

**ESTIMATED TOTAL PROJECT COST**

Design (by City)	\$157,000
Drafting Services w/Extra Services Allowance (by consultant)	\$52,970
Other Design Costs (Public Outreach, printing, environmental review)	\$15,000
<b>Subtotal</b>	<b>\$224,970</b>
Construction Contract w/Change Order Allowance	\$2,640,000
Construction Management/Inspection (by City)	\$210,000
Other Construction Costs (material testing)	\$5,000
<b>Subtotal</b>	<b>\$2,855,000</b>
<b>TOTAL PROJECT COST</b>	<b>\$3,079,970</b>

There are sufficient appropriated funds in the Water Capital Fund to cover the Project costs.

**PREPARED BY:** Joshua Haggmark, Principal Civil Engineer/CW/mj

**SUBMITTED BY:** Rebecca Bjork, Acting Public Works Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Parks and Recreation Department

**SUBJECT:** Golf Professional Concession Agreement

### **RECOMMENDATION:**

That Council authorize the Parks and Recreation Director to execute a two-year and seven-month Golf Professional Concession Agreement between the City of Santa Barbara and Channel Islands Golf Enterprises, Inc., at the Santa Barbara Golf Club.

### **EXECUTIVE SUMMARY:**

On December 1, 2008, the City of Santa Barbara entered into a five-year concession agreement (No. 22,939) with Chris Talerico of Channel Islands Golf Enterprises, Inc. to provide Director of Golf and ProShop operations at the Santa Barbara Golf Club (SBGC) municipal golf course. The agreement which expires November 30, 2013, included a five-year renewal option, providing performance was satisfactory and a market study showed that fees, base rent, and percentage rent were not below current market values.

The Parks and Recreation Department prepared a Performance Assessment, which concluded that Mr. Talerico's overall contract performance has been satisfactory. An evaluation of current market conditions by ProForma Advisors, the golf consultant hired by the City to assist in evaluating golf course operations and the golf professional concession, indicated that changes in the concession terms were warranted given the changes in the economy, regional and national golf trends, and the reduced level of play at SBGC. The new contract reflects reductions in rents paid to the City by Channel Islands Golf Enterprises. The City negotiated a shorter contract term in order to align end dates of the golf concession and the food and beverage concession, allowing greater flexibility should the City consider any changes to golf course operations in the future.

### **DISCUSSION:**

#### **Background**

The City of Santa Barbara municipal golf course, the Santa Barbara Golf Club (or "Muni"), has served the community of Santa Barbara since 1958 under the leadership of the Parks and Recreation Department. SBGC provides the Santa Barbara community,

residents and visitors alike, with affordable golf in a well-designed and maintained golf course facility. The 108 acre, 18-hole regulation, par 70 golf course is located in the north side of town and features sweeping views of the Santa Ynez foothills and the Pacific Ocean. The course has a reputation for being an exceptionally good value given its design and condition, and particularly as it compares to other municipal courses.

SBGC is managed by the Parks and Recreation Department which also oversees the golf course maintenance operation, staffed with City employees. The Department manages two concession contracts associated with the operation of the course, the Director of Golf/ProShop concession and the Food and Beverage Concession (Mulligan's). Although concession rents provide revenue to the golf course, 80% of City golf revenue derives from greens fees paid by golfers. Operated as an enterprise fund within the City, SBGC receives no tax revenue support through the City's General Fund and is solely funded by revenues generated at the course.

Relating to contract performance and proposed changes to the new contract, the golf course and the ProShop concession have been experiencing reduced revenues and fiscal challenges. Over the contract period, Mr. Talerico advised the Parks and Recreation Director that his operation was financially challenged, including the ability to meet some contract terms due to the decline in play and resulting revenue loss. In response, the Parks and Recreation Director agreed to certain changes in terms as described in the Performance Assessment section below.

The golf course, which had seen some decline in play over the last 10 plus years, experienced a greater loss of play over the contract period than in previous years. Primary reasons for the decline include reduced interest in the sport nationally, increased regional competition from new and remodeled golf courses, and impacts from two major construction projects that were much greater than anticipated. Additionally, as people changed their leisure and spending habits in response to the national recession, the City's golf operation and both golf concessionaires experienced reduced business and declines in revenue. During this challenging fiscal time, Mr. Talerico has been an engaged partner working with Parks and Recreation to find and implement solutions which would ultimately benefit the City's golf course.

Gene Krekorian of ProForma Advisors, the golf consultant hired by the City to assist with evaluating golf course operations, the performance appraisal, and the market level study, found that with the economic downturn and reduced play, the contract terms negotiated in 2008 overly benefit the City compared to comparable courses in Southern California. The new contract reflects reduced percentage rents and a two-year and seven-month term versus the five-year option. The reduced percentage rents are intended to assist Channel Golf Enterprises in becoming more sustainable with the goal of increasing rounds and revenue at the course. The two-year and seven-month term will expire in June 2016, which aligns with the end date of the Mulligan's Café concession agreement. This puts the City in the best position should any changes be considered for how the City operates the golf course in the future. This report includes

information provided by Mr. Kerkorian, particularly related to market conditions and golf trends.

### **National and Regional Golf Trends**

The Tri-County regional golf market, mirroring the broader Southern California and national markets, experienced strong growth between the late 1980s and early 2000-period. This market strength stemmed from an increase in the number of golfers, expansion of the golf tourism industry and one of the longest economic expansions in the nation's history. Beginning in 2003, however, the regional golf market deteriorated steadily through 2010 due to a decline in golfer participation, an unprecedented expansion of the golf course inventory and, in more recent years, severely depressed economic conditions.

On average, public access courses have seen declines of 15% to 30% in golf course utilization. Comparatively, annual play at SBGC has seen play decline from 100,000 rounds in the late 1990s to 63,600 rounds in 2012, a drop of approximately 35%. Reasons include:

- Glen Annie Golf Club has been repositioning more toward the mid-market, and has become more competitive with SBGC in terms of price point.
- Higher end daily fee course such as Sandpiper Golf Club and Rancho San Marcos Golf Club have targeted Tri-County residents through greens fee discounts and loyalty club programs.
- The City of Ventura recently fully renovated both of its municipal golf courses – Buenaventura and Olivas Links – resulting in less “leakage” of golf rounds to Santa Barbara courses.
- Competitive courses in the region have intensified promotional programs and greens fee discounting placing their fees more in line with SBGC.
- Construction at SBGC in 2009 resulted in many golfers playing elsewhere, and recapturing lost play generally requires substantial time.

Recognized golf authorities are projecting that the regional market is likely to remain sluggish in the near-term and that 1-2% average annual growth over the next 10- to 20-year term is anticipated, primarily from the aging population trends since seniors tend to play more golf.

### **SBGC Rounds Performance over the Contract Period**

In Fiscal Year 2008, one year before the City went out to bid for a new pro shop concessionaire, the golf course had 74,484 rounds of play. Mr. Talerico's 2008 bid proposal to the City was based on the golf course achieving 77,000 rounds in year one and 87,000 rounds in year five of the contract. In the first year of Mr. Talerico's agreement the golf course only achieved 70,546 rounds, 8% below Talerico's projection. Rounds have not improved in subsequent years, and hit an all time low of

59,091 in Fiscal Year 2010 due to construction on the course. Although rounds grew to 61,558 in Fiscal Year 2013 and appear to have stabilized somewhat, the level of play is still well below the 70,546 rounds achieved in Fiscal Year 2009.

### **Performance Assessment - Summary of Findings and Recommendations**

The Parks and Recreation Department prepared a Performance Assessment on Channel Islands Golf Enterprise, Inc., and Mr. Talerico's operation. The assessment found that overall contract performance has been satisfactory and that ProShop and related services are well run and provide good service to golfers. The market level study by ProForma Advisors found that ProShop services, including golf cart rentals, driving range, and merchandise sales largely performed at or above comparable courses.

During this fiscally challenging time for the golf course, the Parks and Recreation Department has appreciated that Mr. Talerico has been an engaged partner working collaboratively to find and implement solutions which ultimately benefit the City's golf course as well as its concessionaires.

### **Changes to Concession Terms**

In recognition of the changed economic conditions and reduced play at SBGC, changes are proposed with the new concession agreement. Reduced percentage rents, including Merchandise, Club Rental and Repair, and Lessons reduced from 6% to 4%; Driving Range is reduced from 36% to 25%; Golf Cart Rental Operation is reduced from 36% to 30%. The greater reduction in Driving Range fees is partially due to the current condition of the driving range with minimal improvements expected over the contract period. Minimum Concession Rent is reduced from \$150,000 to \$125,000. Instead of the major ProShop renovation originally planned in 2008, the concessionaire will make minor interior improvements following City replacement of the ProShop roof to address interior leaks.

### **Golf Fund Outlook**

Over the last several years, with reduced play, the Golf Fund has seen revenues fall 2 – 7% below budget. Greens fee revenue is the major revenue stream supporting the golf course. Greens fee revenue has been relatively flat for the last three years, though revenue to date is 9.5% greater than this time last year. However, it also continues to come in below budget (5.4%). With course conditions key to attracting and retaining golfers, reducing maintenance and related expenses is a difficult balance. The Golf Fund has relied on reserves to balance the budget two out of the last three years, and currently reserves are below policy levels. Parks and Recreation staff continues to work closely with the Finance Department and City Administration to carefully monitor the Golf Fund, analyze options and weigh decisions which will best preserve the City's only municipal golf course for the Santa Barbara community.

### **Conclusion and Recommendation**

Channel Islands Golf Enterprises, Inc., has performed satisfactorily over the previous contract period, providing good service to the golfers and the golf course overall. Given the changes in the economy, the national and regional golf outlook, and the expectation that the reduced level of play at SBGC will likely continue or improve only slightly, the Parks and Recreation Department recommends that City Council move forward with approving the concession agreement as proposed.

### **BUDGET/FINANCIAL INFORMATION:**

In Fiscal Year 2013 revenue from the ProShop concession was \$197,777. Proposed changes in the concession terms are estimated to reduce Golf Fund revenues by approximately \$40,000 per year. With seven months remaining under the reduced concession terms, Fiscal Year 2014 pro shop concession revenues are projected to be \$22,500 under budget. Changes to the adopted Fiscal Year 2014 Golf Fund budget will be considered at mid-year as needed.

**SUBMITTED BY:** Nancy L. Rapp, Parks and Recreation Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** Administration, Airport Department  
Administration, Fire Department

**SUBJECT:** Professional Services Agreement To Analyze Aircraft Rescue and Fire Fighting Services

### **RECOMMENDATION:**

That Council authorize the Airport Director and Fire Chief to execute a contract with Citygate Associates, LLC, to conduct an independent analysis of the current Aircraft Rescue and Fire Fighting service levels at the Santa Barbara Airport, in an amount not to exceed \$34,337.

### **DISCUSSION:**

#### Background

All commercial service airports in the United States are required to comply with Federal Aviation Administration certification requirements under Title 14 of the Code of Federal Regulations Part 139. Part 139 requires airports to provide Aircraft Rescue and Fire Fighting (ARFF) services. Through an inter-departmental agreement the City Fire Department provides ARFF station staffing and the Airport Department assumes all costs for overhead, personnel, supplies and materials, and training. The ARFF apparatus is owned by the Airport and is funded by FAA Airport Improvement Program grants and Airport revenue.

#### ARFF Service Evaluation

The Airport and Fire Departments have been tasked with evaluating the current service levels for Aircraft Rescue and Fire Fighting (ARFF) as required by Federal Aviation Administration. Due to the rising cost of ARFF services, staff developed a Request for Proposals for an independent analysis of the current service level to determine options for cost controls while meeting FAA requirements and maintaining firefighting best practices.

The Request for Proposals was distributed to known fire and emergency service consultants and was also listed on the American Association of Airport Executives website. The scope of work for the analysis included the following:

- Existing service levels and FAA requirements
- Provide options for meeting FAA requirements at lower cost
- Best Practices of ARFF programs at California airports similar to SBA to include type of ARFF services, type of provider, and budgeted costs
- Emergency Response factors:
  1. City of Santa Barbara Fire Department Operational S.O.P.'s
  2. Santa Barbara County Operational Area Mutual Aid Plan
  3. EMS Responses on the Airport Operations Area (Operations Area) and on airport property
  4. Santa Barbara County Communications Plan
  5. Impacts staffing options will have on Fire Departments "surge" capacity for other large scale emergency response
- Examine a coordinated approach to Fire Prevention and ARFF functions involving the inspection and enforcement and fire investigation of facilities on the Operations Area. Inspections to be conducted jointly with Airport and Fire Prevention personnel. The fire safety inspection program should be integrated with similar inspections of airport facilities by Prevention and Airport personnel on airport properties outside the Operations Area.
- Specify training program in accordance with FAA regulations, Advisory Circulars and NFPA standards
- Identify the required apparatus and equipment
- Costs and MOU obligations

A total of five proposals were received and three companies were selected for interviews. Fire and Airport Department staff conducted interviews with the three companies on October 16. The proposals were evaluated based on the experience and qualifications of the consultant's team, the approach to the project scope of work, references and ability to meet the schedule and budget. As a result of the interviews and reference check, staff is recommending that the City enter into a contract with Citygate Associates, LLC.

#### **BUDGET/FINANCIAL INFORMATION:**

Funds for this project were included in both the Fire and Airport Department's operating budgets.

**PREPARED BY:** Hazel Johns, Assistant Airport Director

**SUBMITTED BY:** Karen Ramsdell, Airport Director  
Pat McElroy, Fire Chief

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** Planning Division, Community Development Department

**SUBJECT:** Appeal Of Architectural Board Of Review Approval For 510 N Salsipuedes Street

### **RECOMMENDATION:**

That Council deny the appeal of Trevor Martinson of the application of People's Self Help Housing, and uphold the Architectural Board of Review's Project Design Approval of the proposed three-story, 40-unit apartment project.

### **EXECUTIVE SUMMARY:**

On September 16, 2013, the Architectural Board of Review (ABR) granted Project Design Approval to construct a new 40 unit, three-story residential building providing 100% affordable rental housing under the new Average Unit-Size Density Incentive Program (AUD). The project includes an attached 46 space parking garage on the first floor level and an attached 3,300 square foot community center. The ABR heard several issues of concern during public comment and addressed those within the purview of design review. In response to the ABR's comments, the project was revised to be more compatible with the neighborhood and sensitive to the issues discussed.

The ABR gave appropriate consideration to the project and to the concerns of members of the public prior to granting Project Design Approval. After ABR approval, an appeal was filed which raised several issues involving building size compatibility concerns, the City's review process and inadequate fire lane access width. Planning staff requested the Fire Department staff recheck the project and as a result the project required minor plan revisions in order to widen the fire lane. Staff supports the current project design and recommends that Council deny the appeal and uphold the ABR's Project Design Approval.

### **DISCUSSION:**

#### **ABR Review**

The project application was submitted to the City in anticipation of the pending AUD program and was designed using incentives that were not yet codified. This was the first project proposing AUD incentives to undergo design review in the City. The subject

site consists of three vacant lots in the Commercial-Manufacturing Zone and located in the AUD Priority Housing Overlay (Attachment 2). The zoning and combined lot size of 41,099 square feet allows development of up to 50 dwelling units at the proposed average unit size of 900 square feet. The ABR reviewed the project three times (see Minutes, Attachment 3). At the initial concept review on June 10, 2013, a four-story 67,754 square foot project was presented with 47 units and 47 parking spaces. Staff explained to the ABR that the project would need zoning modifications for residential density, number of parking spaces, and front setbacks under existing standards, but would comply with the AUD standards once that ordinance was in effect. Public comment at this and subsequent meetings raised concerns regarding various issues of the project design and parking. In general the ABR liked the architectural style, but found the building to be too large to be compatible with the immediate neighborhood of one and two-story buildings. The applicant was requested to restudy the size, bulk, and scale, and consider providing more onsite parking. ABR members were requested to visit the site prior to the next hearing two weeks later.

In response to the ABR's comments, the project was revised to three-stories and 40 units for the second concept review on July 8, 2013. At this meeting, Planning staff gave a presentation on the review process for AUD projects. Staff explained the City's goal of providing affordable housing by allowing higher density projects with smaller units, and that certain areas of the City have been designated as Priority Housing Overlay where higher densities would be most appropriate. The ABR appreciated the reductions in mass, scale, and height; found the architectural design to be consistent with guidelines; and found that the height reduction to three stories improved compatibility with the neighborhood. Further study of the massing was requested, particularly to lower the height and increase the setback on the Haley Street side, and possibly reduce the height of the parking garage.

The AUD Ordinance was adopted by the City Council on July 30, 2013, eliminating the need for this application to proceed for review of zoning modifications. The ABR granted Project Design Approval at the third review meeting on September 16, 2013. The ABR supported the reduced project size and reduction of building height by 5 to 6 feet at various sections of the buildings. The ABR also specifically complimented the architecture and setback on the Haley Street side, and gave direction on minor refinements to the project. Two ABR members voted against the project. Member Mosel believed the height inside the parking garage could be reduced a few feet to reduce the mass and height of the overall building. Chair Zink requested story poles to reliably demonstrate the height and size of the project. Other members were comfortable granting the approval based on a computer-drafted massing study provided by the applicant, in addition to the project plans. On September 25, 2013, an appeal was filed by Trevor Martinson on behalf of numerous Haley Street business and property owners (Attachment 1). This report outlines each appeal issue raised by Mr. Martinson in his letter, followed by a staff response, and lists other public concerns raised and evaluated during the review process.

### **Appeal Issues**

1. *There is an existing reciprocal access easement at the north property line and a wider fire lane than proposed must be provided outside the easement. The project must be revised to accommodate this.*

Fire Department staff reviewed the approved plans in response to the appeal and determined that a 20 foot wide fire lane is required for this project rather than the 16 foot lane previously indicated as acceptable. However, as approved, the existing 12 foot wide reciprocal access easement may be used for the fire lane along with eight additional feet of lane width. The applicant worked with Fire Department and Building and Safety staff in making minor design changes to achieve the required additional four feet of access width (Attachment 4). Therefore, the appellant did raise a valid design flaw in the project's ABR approval. Although it is preferable to make these sorts of site plan design corrections prior to design review approval, they may also be addressed during final design review, or in the building permit plan check process. The applicant declined staff's recommendation to submit a voluntary Pre-Application Review Team (PRT) process which would have offered more detailed review by Planning, Fire, Building & Safety, Public Works Engineering, and Transportation Planning staff prior to ABR action.

2. *The massing of the building should be reduced to two stories at the street corner.*

This is the first three-story building to be proposed in this area and facing along East Haley Street. Property owners and tenants in the neighborhood expressed concerns about the size and height. Some concern was expressed by ABR members about future development of tall buildings along the Haley Street corridor creating a canyon effect. The size, bulk, scale, and massing of the Haley Street corner portion of the project had careful review. In response to ABR concerns the proposed setback of the ground floor from Haley Street was increased from five to seven feet and the second and third floor setback was increased from about 12 feet to 20 feet. In the motion to approve the project the ABR explicitly expressed support for the massing and the architectural design for the street corner (Attachment 5). The appellant's suggested reduction to two stories at the corner would eliminate two three-bedroom units.

Several other issues of concern were raised during the public comment period and discussed by the ABR, for example:

Parking impacts - The existing parking ordinance requires a minimum of one space per dwelling unit for affordable rental housing projects; however it also requires one guest space per four units. A new incentive under the AUD program eliminates the requirement for guest parking. Much concern was expressed from Haley Street business owners, owners of commercial properties, and others about the number of parking spaces proposed given that the project will be providing family housing and a community center. Concerns were expressed that local businesses could be impacted if customers cannot easily find nearby on-street parking.

Many businesses in the area are non-conforming to onsite parking requirements, resulting in their employees, customers, and deliveries using the available on-street parking. The ABR heard much public comment on this issue but it is not within its purview to require additional parking spaces beyond the Ordinance requirement. Public Works staff can manage the on-street parking supply with parking signage to limit employee and residential use and increase customer parking. This is done by converting curb side parking to 90-minute parking. After the project is constructed, staff can monitor the use of the street and work with business owners to create more on-street customer parking in this way. Employee parking, however, is not a priority because employees can park further distances from work or use alternative modes of travel, including carpooling, to get to work. This strategy was established in Downtown in the 1970's and continues to be an effective strategy for maintaining convenient customer parking while minimizing the traffic effects of urban growth. The intention of the new Traffic Management Strategy is also to place higher density residential development within the Downtown employment center.

The project as approved includes one space per unit and 6 extra spaces that may be used by guests or people other than residents associated with the community center. Some of the residents of the proposed project will likely be employed in the area and not need to own or frequently use a car. In addition, Peoples Self Help is also very active in terms of tenant and site management. The City's experience has been that certain affordable projects meet parking demand at one space per unit because management actively limits vehicle ownership to those they rent to.

Flooding impacts – Potential impacts related to development proposed within a designated floodplain in the City are, in most cases, reviewed at the building permit stage of a project. Because this project is proposing to utilize some Federal funding, evaluation of potential impacts within the floodplain is required earlier in the review process. The applicant's engineering firm submitted a memorandum addressing potential impacts to the floodplain after construction of this project. Their analysis indicates the potential rise in flood elevation during a 100-year storm event would be less than one quarter of an inch. The City's floodplain coordinator concurs with the analysis that this project would not create a significant impact to the Flood Zone in the area.

City Review Process – The ABR reviewed this project, and originally based some of their design concerns on public comments received from neighbors. The ABR questioned staff regarding the City's review process and incentives available for this AUD project. Planning staff provided the ABR with more information regarding AUD parking incentives, background on the AUD Priority Housing Overlay for this area, flood zone compliance and the environmental review process. Staff determined the project to qualify for a Statutory Exemption from environmental review under California Environmental Quality Act (CEQA) Guidelines Section 15194 (Affordable Housing Exemption).

The ABR provided design direction to the applicant and became satisfied with the height reductions, increased parking, and overall massing design changes. If the ABR had continued to struggle with the review of the project, and given the concerns raised by City Council and Planning Commission on the review process for AUD projects, it is likely that staff would have recommended referral of this project to the Planning Commission for comments on the proposal.

### **Summary**

In summary, the ABR gave appropriate consideration to the project, including concerns of the appellant and other members of the public, prior to granting Project Design Approval. The ABR review resulted in reductions in the number of dwelling units, building height, size and scale of the project. It is staff's position that ABR made an appropriate decision to approve the project based on the City's Design Guidelines and General Plan policies. The project design was rechecked by the Fire Department and the site plan adjusted to comply with the minimum 20 foot fire lane width requirements. Staff recommends that Council deny the appeal and uphold the ABR's Project Design Approval.

### **ATTACHMENTS:**

1. Appeal letter dated September 25, 2013
2. AUD Priority Housing Overlay Map
3. ABR Minutes of June 10, 2013, July 8, 2013 and September 16, 2013
4. Project site plans - ABR approved and revised with list of revisions
5. Reduced copies of plans including building elevations

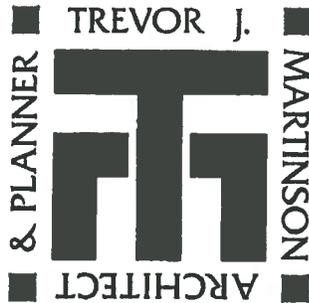
**NOTE:** Public comment letters received for this project are available for public viewing at the City Clerk's office and Planning Division.

**PREPARED BY:** Tony Boughman, Planning Technician II

**SUBMITTED BY:** Paul Casey, Community Development Director / Assistant City Administrator

**APPROVED BY:** City Administrator's Office

RECEIVED



1849 Mission Ridge  
 Santa Barbara  
 California 93103  
 (805) 965-2385  
 (FAX) 965-5457

25 September 2013

2013 SEP 25 PM 2: 22

City Clerk  
 The Mayor and City Council  
 City of Santa Barbara  
 De La Guerra Plaza  
 P. O. Box 1990  
 Santa Barbara, CA. 93102-1990

CITY OF SANTA BARBARA  
 CITY CLERK'S OFFICE

Re: 16 September 2013 ABR meeting  
 Item 2. 510 North Salsipuedes Street

Subject: **Filing of Appeal SBMC §22.68.100**

Mayor Schneider and Council members:

I am appealing the City ABR decision referenced above on the behalf of numerous Haley Street business and property owners who have voiced their concerns to the City on neighborhood compatibility issues and the size of this proposed project.

My letter to Paul Zink and the ABR members, dated 15 September 2013, is enclosed as "**Exhibit 1**" for the record. Please take note, Item **A.** in Exhibit 1, which describes a driveway easement that was not discovered or was omitted from the Planning Division Cursory Project Plan Review letter of 31 May 2013 to Peoples Self Help Housing. As noted in the City plan review letter, Property Information, item 4. Public and Private Easements, "it is the applicant's responsibility to comply with any recorded conditions and/or easements". This is the case here; as described in the recorded Grant Deed to the owners of 604 East Cota Street, Joan M. Bregante and Dorothy J. Griffin, who are the adjacent land owners to the north of the Peoples Self Help Housing project at 510 N. Salsipuedes. A copy of this Deed and its Exhibit A is enclosed as "**Exhibit 2**" for the record. I have enclosed a newly drawn map of this easement description for your review with the easement boundaries shown and noted by me in red ink as "**Exhibit 3**". This requires

25 September 2013  
City Clerk  
The Mayor and City Council  
Page 2

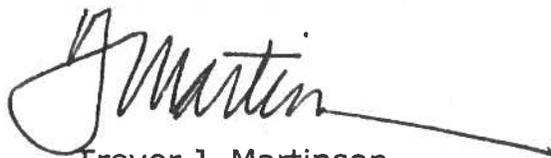
a redesign of the project to accommodate this existing easement and the City Fire Access Lane requirements.

Please take note of Item **B.** in Exhibit 1, which describes the suggestions made by several members of the ABR to reduce the building massing at the Haley and Salsipuedes corner intersection to two stories, which is a very good idea, clearly considers neighborhood compatibility, and would be supported by many of the Haley Street neighbors.

I do object to City Staff not noting the omission of the existing easement by the applicant and then not bumping this matter up to the City Planning Commission for comments to the ABR before an appeal was necessary.

Enclosed is my check, number 3758 in the amount of Four hundred and sixty-five dollars (\$465.00) for the City Council Appeal Fee.

Sincerely,

A handwritten signature in black ink that reads "T. Martinson". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Trevor J. Martinson  
Architect, Planner & Forensic

1849 Mission Ridge Road  
Santa Barbara, CA. 93103-1857

Enclosures: Exhibits "1", "2" & "3"

XC: Haley Street Neighbors  
Santa Barbara News-Press



1849 Mission Ridge  
Santa Barbara  
California 93103  
(805) 965-2385  
(FAX) 965-5457

16 September 2013

Paul Zink, Chair  
Architectural Board of Review  
City of Santa Barbara  
Community Development Department  
630 Garden Street  
Santa Barbara, CA. 93101

(805) 564-5507

Re: Item 2. 510 N. Salsipuedes

Dear ABR Chair Zink and Board Members:

As the representative of Dr. Posch, one of many concerned business owners on Haley Street, I find the proposed project before you has several important design issues and they are:

**A.** At the last meeting on 08 July the owner mentioned that the Fire Department had signed off on the project design. That is not quite correct. The fire department was not aware of the reciprocal driveway easement on the northwest property line (Attachment "A") and, as a result, the Fire Access Lane will now be adjacent to this existing 12-foot driveway. The last Site Plan submitted by the applicant indicated a 16-foot Fire Access Lane, which is for projects of less than 4 units. This project requires a 20 foot Fire Lane Access. A redesign of the project will be required for this issue.

**B.** Suggestions made by the ABR at the last meeting included reducing the Haley Street building mass to two stories at the corner. Dr. Posch and I met with the Peoples Self Help on this project and gave them a revised elevation showing this suggestion by the ABR. Please see my (Attachments "B-1", "B-2" and "B-3") for this plan revision which many of the Haley Street business owners would find acceptable. We are disappointed that the applicant and owner chose to ignore this suggestion to reduce the building mass at the Haley and Salsipuedes corner of this project.

**Exhibit 1**

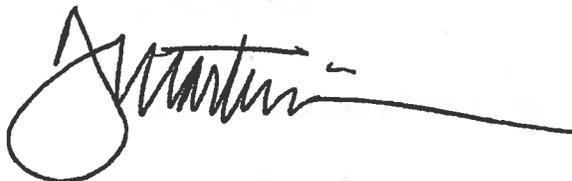
TJMItrappCC25Sept2013

16 September 2013

Paul Zink, Chair  
Architectural Board of Review  
Page 2

Thanking you in advance for your consideration and the good work the ABR has done for the City and its shareholders.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "T. Martinson", with a long horizontal flourish extending to the right.

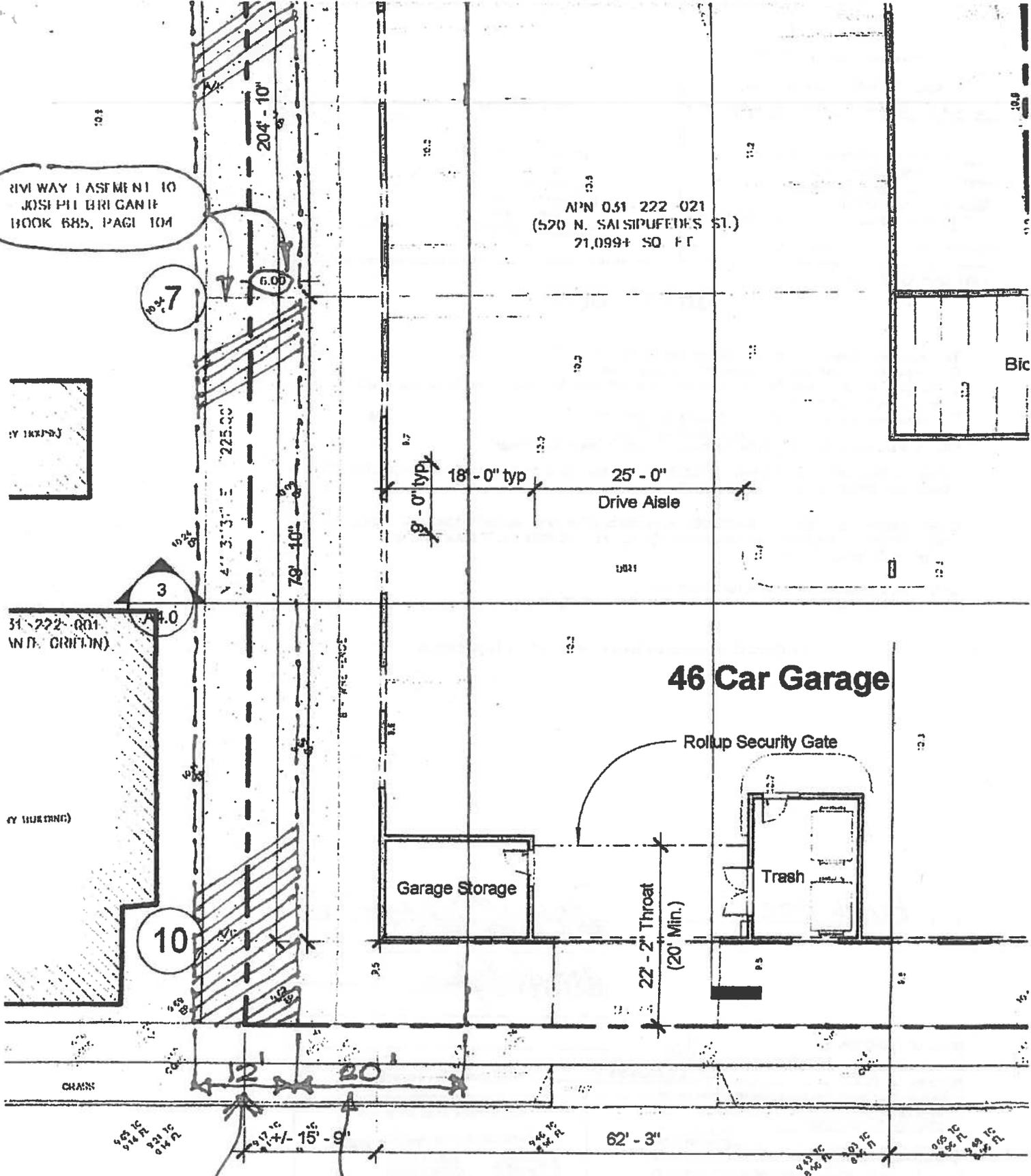
Trevor J. Martinson  
Architect, Planner & Forensic

Attachments: "A"  
"B-1", "B-2" & "B-3"

cc: A. Posch

DRIVEWAY EASEMENT TO JOSEPH BERGANIF BOOK 685, PAGE 104

APN 051 222 021  
(570 N. SALSIPUEDES ST.)  
71,099+ SQ. FT.



EXISTING RECIPROCAL DRIVEWAY EASEMENT (6' EACH PROPERTY)

20 FOOT WIDE FIRE DEPT. ACCESS STANDARD FOR BUILDING W/MORE THAN FOUR (4) UNITS

# Site Plan

SCALE: 1/16" = 1'-0"

# Attachment "A"

TJMItrABR16sept2013

RECORDING REQUESTED BY

HOMER G. SHEFFIELD JR., Esq.

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO

92-100304

Rec Fee 8.00  
Check 8.00

NAME HOMER G. SHEFFIELD JR., Esq.  
ADDRESS Rogers & Sheffield  
427 E. Carrillo Street  
CITY & STATE ZIP P.O. Box 22257  
Santa Barbara, CA 93121-2257

Recorded  
Official Records  
County of  
Santa Barbara  
Kenneth A Pettit  
Recorder  
3:20pm 18-Dec-92

PUBL CC 2

Title Order No. Escrow No.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

(604 East Cota Street)

GRANT DEED

The undersigned declares that the documentary transfer tax is \$ -0- and is  
 computed on the full value of the interest or property conveyed, or is  
 computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale. The land, tenements or realty is located in  
 unincorporated area  city of Santa Barbara and  
less than \$100.00

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

JOAN M. BREGANTE and DOROTHY J. GRIFFIN, as the sole remaining Trustees of the JOHN J. BREGANTE TRUST dated April 19, 1990,

hereby GRANT(S) to JOAN M. BREGANTE, an unmarried woman, an undivided 1/2 interest, and DOROTHY J. GRIFFIN, an unmarried woman, an undivided 1/2 interest, as tenants in common, in

the following described real property in the city and county of SANTA BARBARA, state of California:

See EXHIBIT A attached hereto and made a part hereof.

Dated Dec 16, 1992

Joan M. Bregante  
JOAN M. BREGANTE, Trustee

Dorothy J. Griffin  
DOROTHY J. GRIFFIN, Trustee

STATE OF CALIFORNIA  
COUNTY OF SANTA BARBARA ss.  
On this the 16th day of December 1992, before me the undersigned, a Notary Public in and for said County and State, personally appeared  
JOAN M. BREGANTE and DOROTHY J. GRIFFIN

personally known to me or proved to me on the basis of satisfactory evidence to be the person B whose name B subscribed to the within instrument and acknowledged that they executed the same.

Shel T. Price  
Signature of Notary



MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE

Name Street Address City & State  
Stock No. CAL-01/BU (5-88)

GMS

Exhibit 2

TJMItrappCC25Sept2013

That portion of Block 223 in the said City of Santa Barbara, County of Santa Barbara, State of California, according to the official map thereof, described as follows:

Beginning at the intersection of the northeasterly line of Salsipuedes Street with the southeasterly line of Cota Street; and running thence southeasterly, along said line of Salsipuedes Street, 159 feet to a point; thence at right angles northeasterly 130 feet to a point; thence at right angles northwesterly 159 feet to said southeasterly line of Cota Street; thence southwesterly along said line 130 feet to the point of beginning.

Together with a right of way for all the purposes of a driveway over the following described parcel of land:

Commencing at the intersection of the northeasterly line of Salsipuedes Street with the southeasterly line of Cota Street; and running thence southeasterly, along said line of Salsipuedes Street 159 feet to the point of beginning; thence southeasterly along said line of Salsipuedes Street 6 feet; thence at right angles northeasterly 130 feet; thence at right angles northwesterly 6 feet; thence at right angles southwesterly 130 feet to the point of beginning.

Subject to a right of way for all the purposes of a driveway over the following described parcel of land:

Commencing at the intersection of the northeasterly line of Salsipuedes Street with the southeasterly line of Cota Street; and running thence southeasterly, along said line of Salsipuedes Street, 153 feet to the point of beginning; thence southeasterly along said line of Salsipuedes Street 6 feet; thence at right angles northeasterly 130 feet; thence at right angles northwesterly 6 feet; thence at right angles southwesterly 130 feet to the point of beginning.

EXHIBIT A

---

ORTEGA PARK

COTA

COMMENCE POINT

604 E. COTA

ST.

60.00'

127.2

(3)

(2)

47

159'

(1)

POINT OF BEGINNING

95.00'

235.00'

33.81'

(21)

222

223

77.05

50.00'

(12)

(17)

(18)

YES

PM 28/90

885.00'

100.00'

130.00'

A

B

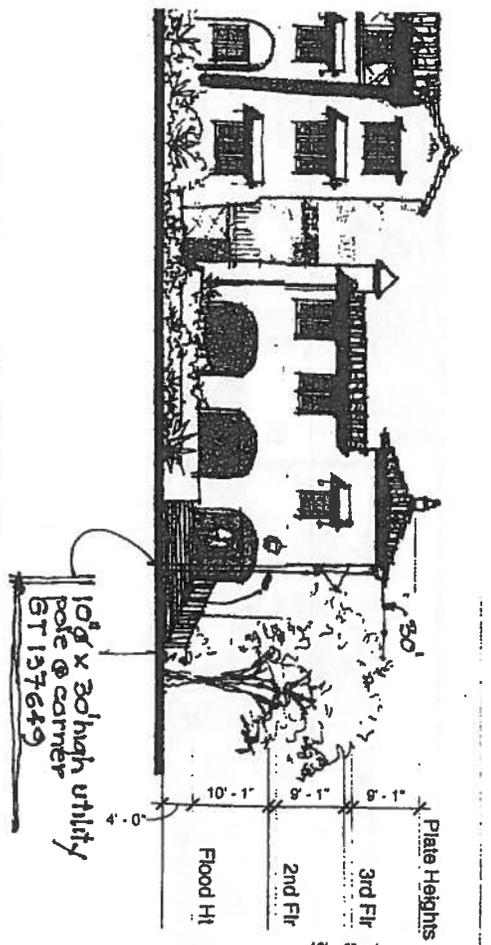
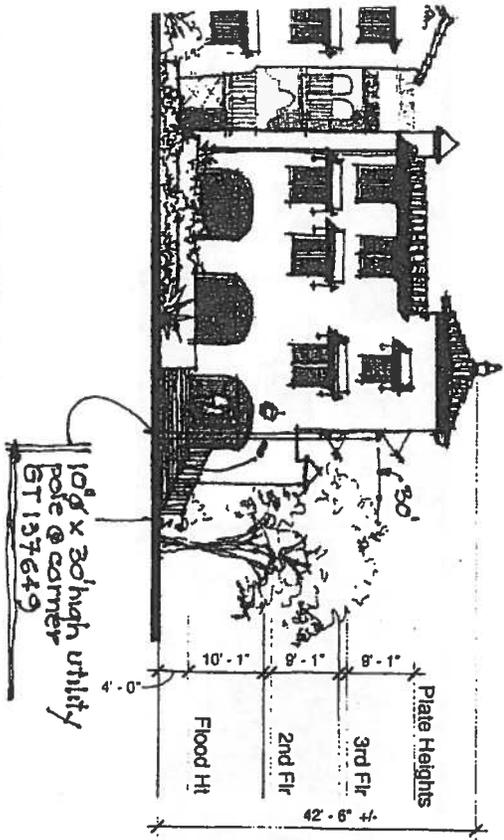
CATHOLIC CHARITIES  
609 E. HALEY

LOT (1) together w/ ROW for  
all purposes of a  
driveway over the following  
described parcel of land

452.72

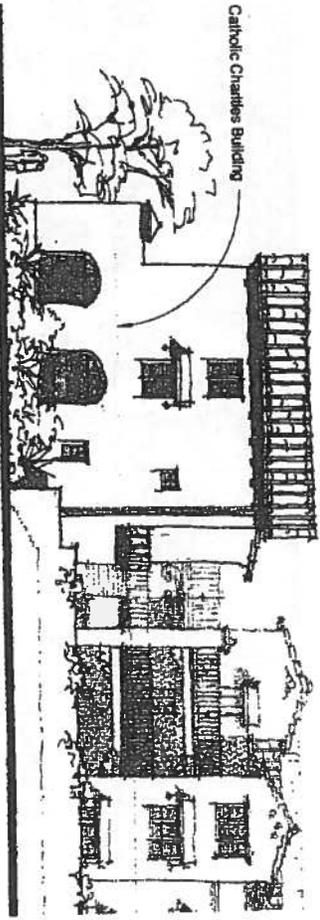
510 N. SALSIPUEDES

Exhibit 3



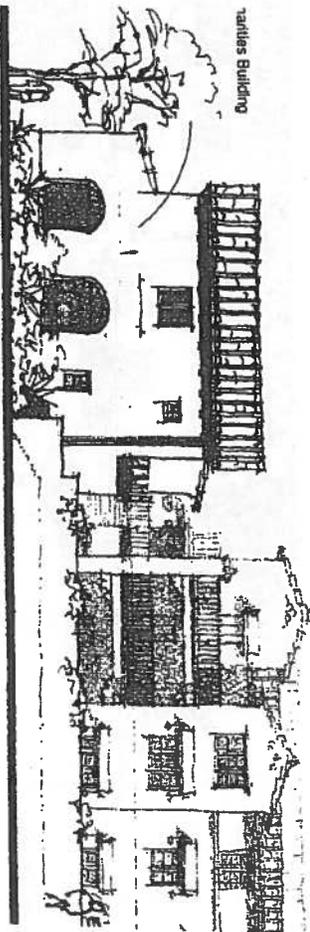
Attachment "B-1"

TJMITrABR16sept2013



Catholic Charities Building

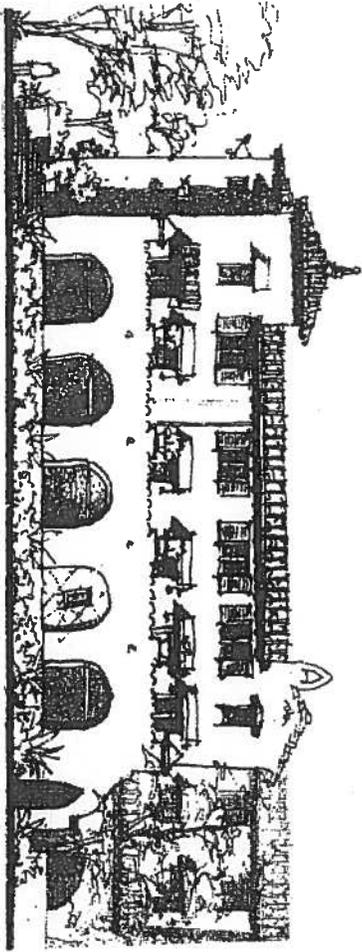
North East Elevation  
1/16" = 1'-0"



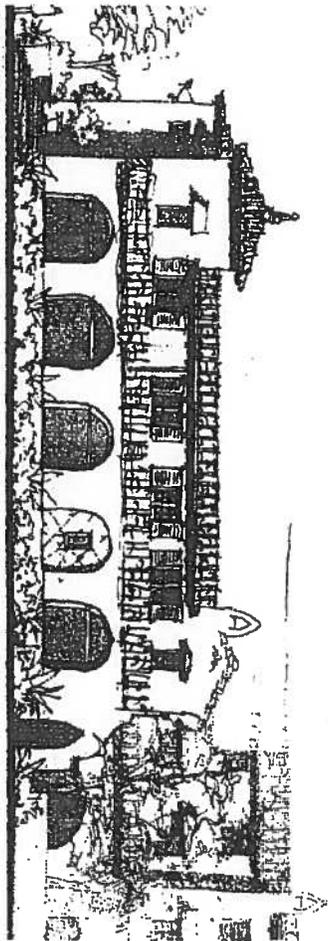
Charities Building

Attachment "B-2"

TJMITr-ABR 16sept2013



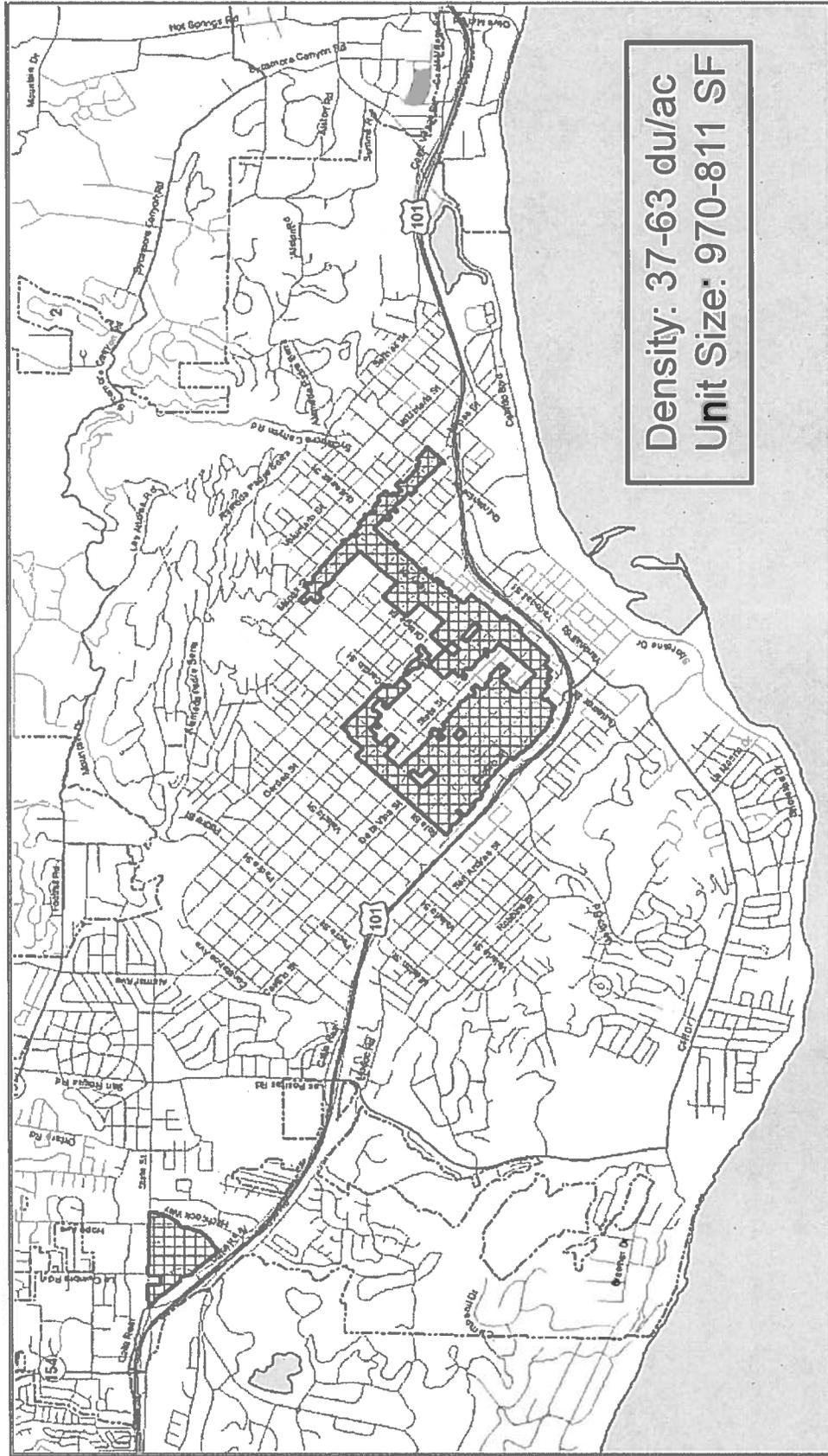
② South East Elevation - Haley Street  
1/16" = 1'-0"



South East Elevation - Haley Street  
1/16" = 1'-0"



# Priority Housing Overlay



## ABR MINUTES JUNE 10, 2013

**CONCEPT REVIEW - NEW ITEM: PUBLIC HEARING**

<b>2.</b>	<b>510 N SALSIPUEDES ST</b>	<b>C-M Zone</b>
<b>(3:40)</b>	Assessor's Parcel Number:	031-222-018
	Application Number:	MST2013-00212
	Owner:	People's Self Help Housing
	Architect:	Peikert Group Architects, LLP

(Proposal for a new affordable housing multi-family residential building. The project consists of a 67,754 square foot, four-story, and 47 unit apartment building with 47 parking spaces in an attached garage on the first floor level. Staff Hearing Officer review is requested for zoning modifications.)

**(Comments only; project requires environmental assessment, Staff Hearing Officer review of zoning modifications, and Project Compatibility Analysis.)**

Actual time: 3:47 p.m.

Present: Detlev Peikert, Architect and Lisa Plowman, Planning Manager for Peikert Group Architects, LLP; Jeanette Duncan, President & CEO of People's Self Help Housing.

Irma Unzueta, Project Planner, announced that on Tuesday, June 11, 2013, a draft ordinance for Municipal Code Amendments for Implementation of the Average Unit-Size Density (AUD) Incentive Program will be reviewed by the Ordinance Committee for recommendation to City Council. Introduction of the AUD Program Ordinance to City Council has been tentatively scheduled for July 16, 2013, with adoption of the ordinance to follow a week later and become effective 30 days after adoption. Ms. Unzueta also clarified that this incentive program, found in both the Land Use Element and the Housing Element of the General Plan, is an implementation strategy to encourage the construction of smaller units and buildings in various transit corridors of the City. Once adopted, the proposed project at 510 N. Salsipuedes Street would be in compliance with the new Municipal Code standards, including building height limitations (60 ft. for C-M Zones), lot area requirements, parking standards (1 space per unit, with no guest parking and including bicycle parking), reduced front setbacks (no interior), and distance between buildings, etc.

Public comment opened at 4:14 p.m.

Vice-Chair Gradin reminded the public about the strict purview of the ABR which is limited to mass, size, bulk, and scale of proposed projects, landscaping, and general aesthetics.

- 1) Jim Jennings, opposed; expressed concerns regarding parking impacts to the neighborhood, massing and size of the proposed project for the lot size, potential obstruction of private views, more people living in units than officially recognized.
- 2) Robert Burke, (submitted email with attached letter) opposed; expressed concerns regarding the proposed placement of a large residential building in a commercial/manufacturing zone, general lack of residential services in the area, requested any future notices be sent to renters in the area as well as property owners, security impacts to local merchants after business hours, impacts to neighborhood street parking, and large massing and size of the proposed project.
- 3) Arthur Posch, (submitted email) opposed; expressed concerns regarding the proposed height and size of the proposed project, impacts to neighborhood street parking; lack of bicycle parking, security concerns; fire access easement concerns.
- 4) Russ Waldrop, (submitted email, neighboring business owner) opposed; expressed concerns regarding impacts to street parking access to local businesses, and resents his

- taxes being used to build a project that will directly impede his business.
- 5) Kelly Nielsen, opposed; expressed concerns regarding impacts to street parking and traffic for local businesses.

Letters and emails expressing concerns from Bob Blamire (White's Pet Hospital), Russ Waldrop (Pacific Timber Products), Tom Horne (SB Athletic Club), Martha & J.W. Adkins, Arthur Posch, Connie and Norman Grant, and Paula Westbury were acknowledged by the Board.

Public comment closed at 4:32 p.m.

Vice-Chair Gradin suggested Staff schedule a Board site visit or for the Board members to conduct their own site visits.

**Motion:** Continued two weeks to Full Board with comments:

- 1) The architectural style is acceptable.
- 2) Many Board members expressed concern that the general mass, size, bulk, and scale of the project are not compatible with the neighborhood.
- 3) Other Board members requested a study reducing the mass, size, scale, and bulk as discussed: study flat roof elements, changes in roof heights, breaking-up the roof lines, study lowering the garage height to reduce size and bulk, and study a reduction of community floor area.
- 4) Other Board members thought that the three-story element along Salsipuedes Street with the fourth story at the rear is a good approach.
- 5) Restudy the three-tier bridge element.
- 6) Provide information regarding heights of adjacent buildings.
- 7) Provide all elevation drawings.
- 8) Some Board members thought that more onsite parking for residents and guests to address concerns about street parking impacts in the busy Haley Street corridor.
- 9) Return with photographs of neighboring adjacent residential buildings and businesses.
- 10) Board members are requested to visit the site prior to the next review meeting.

Action: Wittausch/Poole, 5/0/0. Motion carried. (Zink and Hopkins absent).

## ABR MINUTES JULY 8, 2013

### CONCEPT REVIEW - CONTINUED ITEM

\*\*\*The Board will conduct individual site visits to 510 N. Salsipuedes St.\*\*\*

#### 2. 510 N SALSIPUEDES ST

#### C-M Zone

(3:40)

Assessor's Parcel Number: 031-222-018

Application Number: MST2013-00212

Owner: People's Self Help Housing

Architect:

Peikert Group Architects, LLP

(Concept review of a proposal for a new, multi-family, residential building providing 100% affordable housing. The project is revised to be three stories with 40 units and 46 parking spaces. The project consists of a 42,446 square foot, three-story, 40 unit apartment building with an attached garage with 46 parking spaces on the first floor level and an attached 3,300 square foot community center. Three existing lots will be merged to create one 41,099 square foot property. Staff Hearing Officer review is requested for zoning modifications.)

**(Second Review. Comments only; project requires environmental assessment and Staff Hearing Officer review. Project was last reviewed on June 10, 2013.)**

Actual time: 3:36 p.m.

Present: Detlev Peikert, Architect and Lisa Plowman, Planning Manager for Peikert Group Architects, LLP; Jeanette Duncan, President & CEO of People's Self Help Housing; and Allison De Busk, Project Planner.

Public comment opened at 4:00 p.m.

- 1) Trevor Martinson, opposed; expressed concerns regarding rear driveway entrance, parking in fire lanes, and requested a reduction in the height of the building.
- 2) Robert Burke, (submitted both emails and letters) opposed; expressed various public impact concerns to the Board.

Letters of concerns from Robert Burke, Tony Herrera (Hayward Lumber), and Paula Westbury were acknowledged.

Public comment closed at 4:06 p.m.

**Motion: Continued indefinitely to Full Board with comments:**

- 1) Provide a landscape plan and a roof plan.
- 2) The Board appreciates the applicant's reductions in mass and scale; particularly the elimination of the fourth floor which helps to bring the proposed project further into context with the neighborhood.
- 3) The Board appreciates the architectural design and finds it is compatible with City design guidelines, and with the surrounding neighborhood.
- 4) The proposed open space areas and their location on the site seem to be appropriately designed and scaled.
- 5) Some Board members found that the some additional playful design elements, such as those on the front corner building could be added elsewhere on the architecture.
- 6) Some Board members found that the garage ceiling height and floor levels above could be lowered to reduce the overall height of that portion of the project.
- 7) Some Board members found that the third-story massing at the Haley Street side should be reduced and relocated to other areas of the project.
- 8) Some Board members found that additional landscape areas should be created on the Haley Street side by shifting the building back away from the street.
- 9) Provide either story poles or a 3D modeling study and building comparison to other three story projects to evaluate the compatibility of the three story height and massing.

Action: Gradin/Poole, 5/0/0. Motion carried. (Hopkins stepped down, Cung absent).

**ABR MINUTES SEPTEMBER 16, 2013**

**CONCEPT REVIEW - CONTINUED ITEM**

**2. 510 N SALSIPUEDES ST**

**C-M Zone**

**(3:30)**

Assessor's Parcel Number: 031-222-018

Application Number: MST2013-00212

Owner: People's Self Help Housing

Architect: Peikert Group Architects, LLP

(Concept review of a proposal for a new multi-family residential building providing 100% affordable housing. The project is revised to be three stories with 40 units and 46 parking spaces. The project consists of a 42,446 square foot, three-story, 40 unit apartment building with an attached garage with 46 parking spaces on the first floor level and an attached 3,300 square foot community center. Three existing lots will be merged to create one 41,099 square foot property. Staff Hearing Officer review is requested for zoning modifications.)

**(Third Review. Project Design Approval is requested. Project was last reviewed on July 8, 2013.)**

Actual time: 3:33 p.m.

Present: Jeanette Duncan, CEO of People's Self Help Housing  
Detlev Peikert, Architect, Peikert Group  
Lisa Plowman, Planning Manager, Peikert Group  
Robert Fowler, Landscape Architect.

Public comment opened at 3:55 p.m.

- 1) Trevor Martinson, architect, opposed; with expressed concerns regarding the inadequate fire lanes of reciprocal driveway easement not properly disclosed.
- 2) Robert Burke, opposed; with expressed concerns regarding the height of the project and soil issues.
- 3) Art Posch, opposed; with expressed concerns regarding neighborhood compatibility, plate heights and soil.

Emails of concern from Bob Blamire, Gary Gordon, Timothy Kitt, Robert Burke; and letters of concern from Trevor Martinson and Paula Westbury were received.

Senior Planner Jaime Limón commented on the City's environmental review process.

Public comment closed at 4:05 p.m.

**Motion: Project Design Approval and continued indefinitely to the Full Board with comments:**

- 1) The Board appreciates the additional setback dimensions on the Haley Street side addressing the previous comments. The architecture on the Haley Street side is particularly handsome and addresses the street nicely.
- 2) Study the corner of the building, especially the relationship of the arches to the windows above.
- 3) Shift the handicap ramp closer to the Haley Street side to create a larger planting area between the corner and adjacent building mass.
- 4) Study increasing the landscaping on the Salsipuedes side, in particular the depth of the 20-foot gap between building masses could be enlarged.

- 5) Provide a study showing tree locations, with mature canopies on the Salsipuedes side.
- 6) Study additional opportunities to enhance the architecture through unique design elements appropriate to the style such as deeper wall thickness, colored tile placements, etc.
- 7) Some Board members suggested further study of lowering the garage height.
- 8) The size, bulk, and scale and building height are acceptable.
- 9) Some Board members felt that lowering of plate heights as proposed under the revised plan would not make a significant difference to the visual impact of this building.
- 10) Simplify the planting in keeping with the architectural style.
- 11) Provide understory plantings.

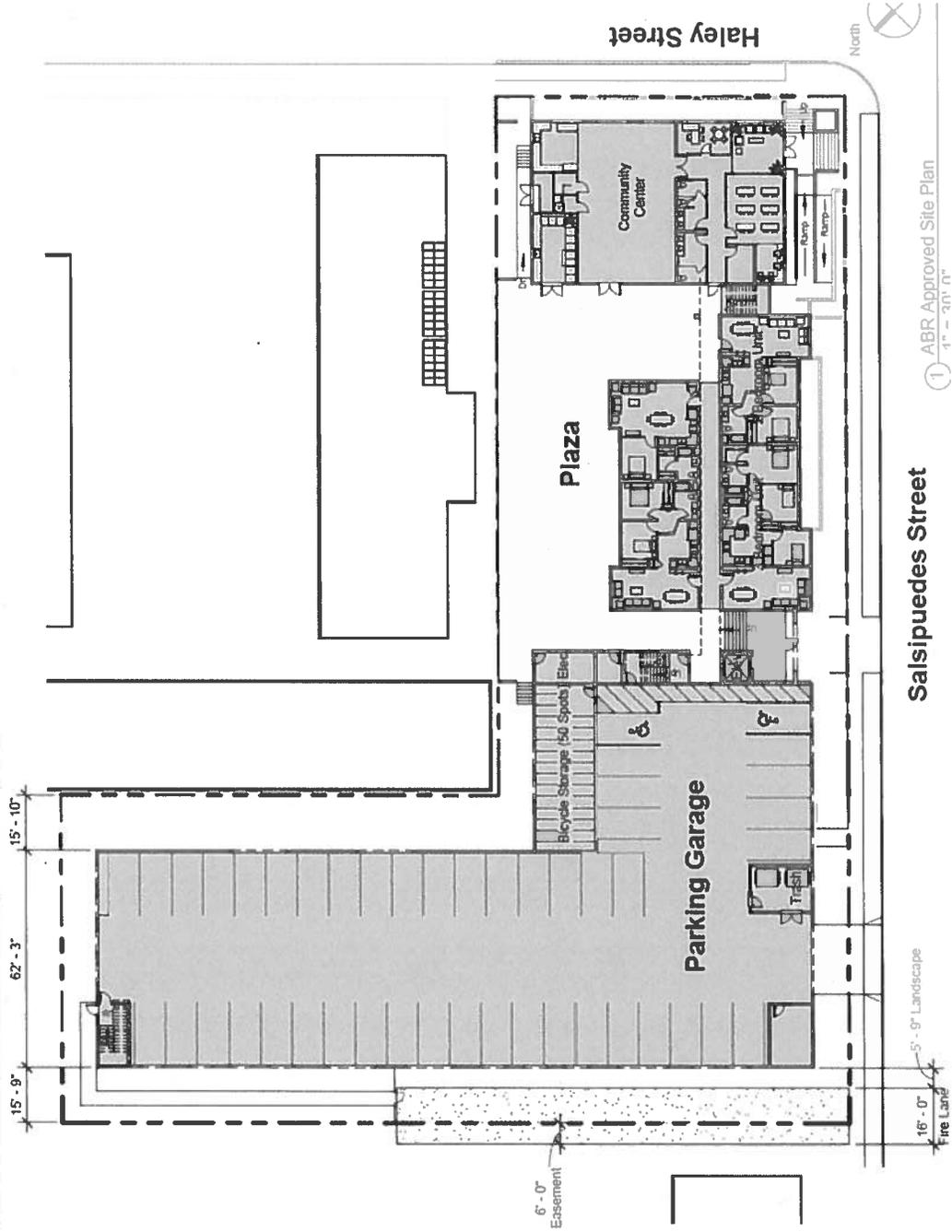
Action: Gradin/Poole, 3/2/0. Motion carried. (Zink and Mosel opposed, Hopkins stepped down, Wittausch absent).

Chair Zink commented that if there is an appeal hearing, story poles along Haley and Salsipuedes should be erected.

The ten-day appeal period was announced.



# Approved site plan



① ABR Approved Site Plan  
1" = 30' 0"

Salsipuedes Street

Haley Street



5'-9" Landscape  
16'-0" Fire Lane

6'-0" Edsement

Parking Garage

Bicycle Storage 50 Spots Elec

Plaza

Community Center

Ramp

Ramp

♿

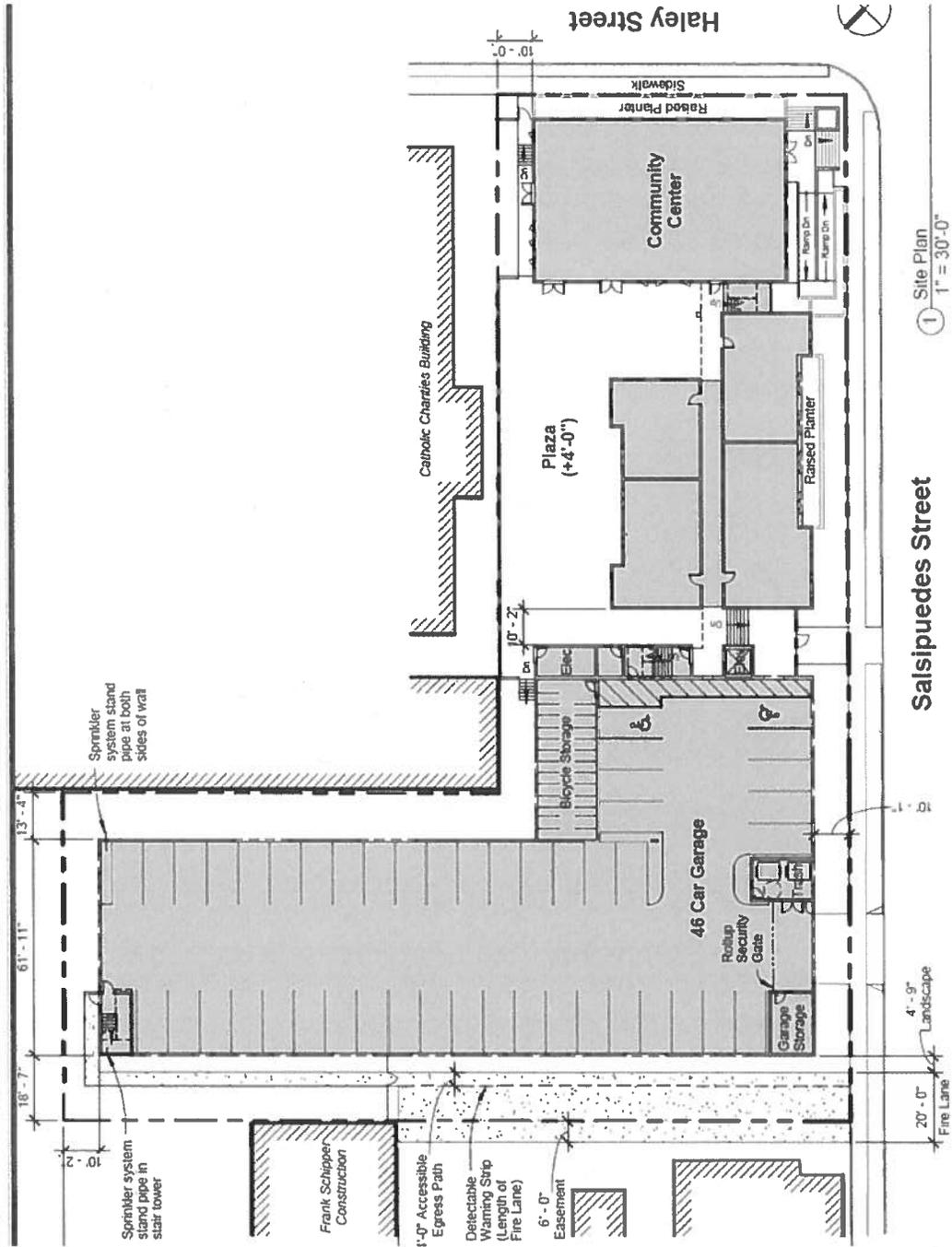
♂

♀

Trash

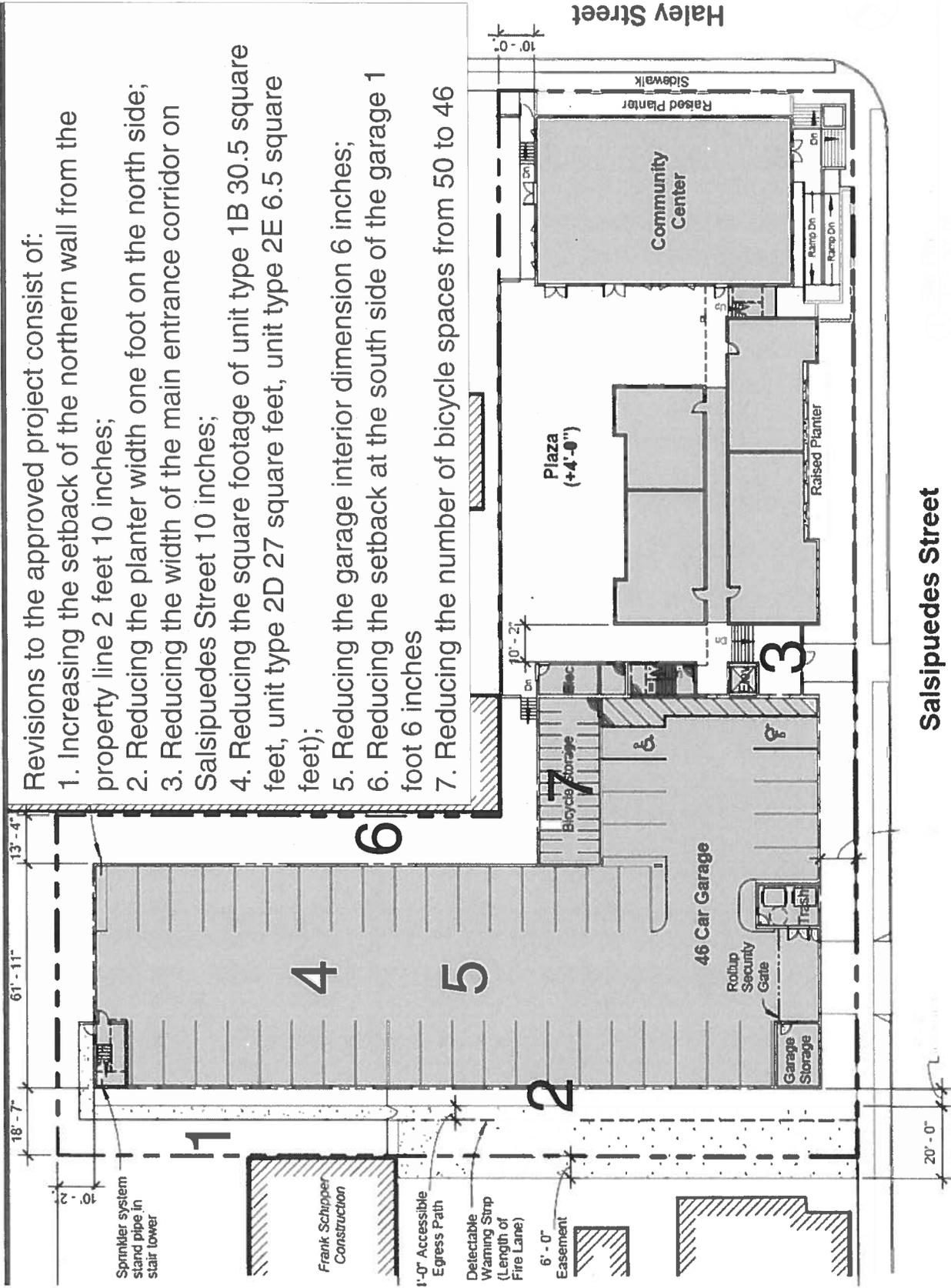


# Revised site plan



Revisions to the approved project consist of:

1. Increasing the setback of the northern wall from the property line 2 feet 10 inches;
2. Reducing the planter width one foot on the north side;
3. Reducing the width of the main entrance corridor on Salsipuedes Street 10 inches;
4. Reducing the square footage of unit type 1B 30.5 square feet, unit type 2D 27 square feet, unit type 2E 6.5 square feet);
5. Reducing the garage interior dimension 6 inches;
6. Reducing the setback at the south side of the garage 1 foot 6 inches
7. Reducing the number of bicycle spaces from 50 to 46



Salsipuedes Street

Haley Street

# Haley & Salsipuedes Apartments

## Vicinity Map



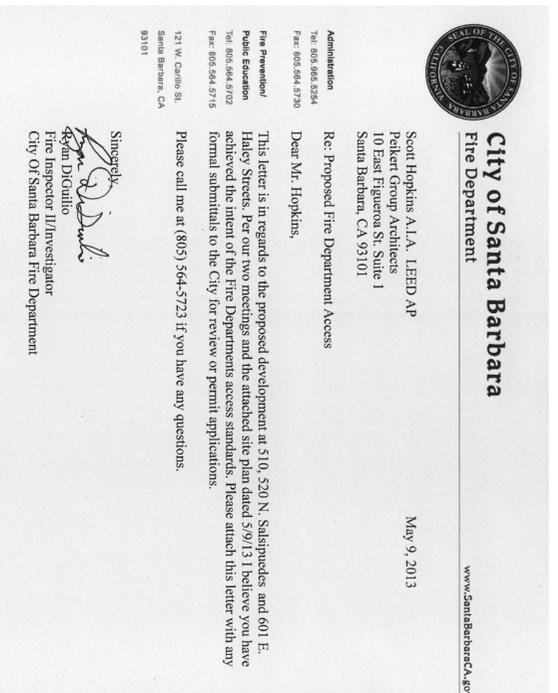
## Project Data

<b>Owner:</b>	People's Self-Help Housing
<b>Project Description:</b>	New building consisting of 40 affordable apartments, 46 car garage, and 3,400 sq community center with community room, administrative offices, classroom, and laundry facilities.
<b>Address:</b>	510 & 520 North Salsipuedes Street 601 East Haley Street
<b>APNs:</b>	031-222-018, -019, 021
<b>Land Use Designation:</b>	CM Commercial Manufacturing: Priority Housing Overlay (49-63 u/a) Commercial Industrial/Medium High Residential (15-27 u/a)
<b>Zoning:</b>	Vacant
<b>Existing Use:</b>	Multi Family Residential
<b>Proposed Use:</b>	TBD
<b>Grading:</b>	
<b>Outdoor Living space:</b>	Common Outdoor Living Space Method 11,561 sq Common Outdoor Space provided (28.1% of site)
<b>Lot Area:</b>	41,099 +/- S.F. ( 0.94 ac)
<b>Proposed Density:</b>	42.5 units/acre
<b>Allowable Density:</b>	63 units/acre
<b>Setbacks:</b>	Salsipuedes Street = 10'-0" min. Haley Street = 7'-0" min.
<b>Parking Required:</b>	1 Space per Unit: 40
<b>Parking Provided:</b>	1 Space per Unit: 40 Guest Spaces: 6 Total: 46
<b>Bike Parking Required:</b>	1 Space per Unit: 40
<b>Bike Parking Provided:</b>	50

## View from Intersection of Haley & Salsipuedes



## Fire Dept Preliminary Review Letter



**City of Santa Barbara**  
Fire Department  
www.santabarbara.ca.gov

May 9, 2013  
Scott Hopkins A.I.A. LEED AP  
Peikert Group Architects  
10 East Figueroa St. Suite 1  
Santa Barbara, CA 93101

Re: Proposed Fire Department Access  
Dear Mr. Hopkins,  
This letter is in regards to the proposed development at 510, 520 N. Salsipuedes and 601 E. Haley Streets. Per our two meetings and the attached site plan dated 5/9/13 I believe you have achieved the intent of the Fire Departments access standards. Please attach this letter with any formal submittals to the City for review or permit applications.  
Please call me at (805) 564-5723 if you have any questions.

Shreyesh Kagan Director  
Fire Inspector III Investigator  
City Of Santa Barbara Fire Department  
83101



10 E. Figueroa St., Suite 1  
Santa Barbara, CA 93101  
Tel: 805-963-8283 Fax: 805-963-8184  
www.rrmdesign.com

### Unit Count

Unit Type	Gross SF	Rentable SF	Quantity
1 Bedroom Unit (typical)	683	637	5
2 Bedroom Unit (typical)	893	840	22
3 Bedroom Unit (30% minimum)	1166	1105	13
<b>Totals</b>			<b>40</b>

## Building Areas

Type	Area Schedule (Net SF)	Area	Type	Area Schedule (Gross SF)	Area
Building	Bike Storage	Level 1	Building	Bike Storage	Level 1
Building	Circulation	Level 1	Building	Circulation	Level 1
Building	Community Center	Level 1	Building	Community Center	Level 1
Building	Electrical	Level 1	Building	Electrical	Level 1
Building	Elevator Equip.	Level 1	Building	Elevator Equip.	Level 1
Building	Garage Storage	Level 1	Building	Garage Storage	Level 1
Building	Parking Garage	Level 1	Building	Parking Garage	Level 1
Building	Residential Units	Level 1	Building	Residential Units	Level 1
Building	Trash Rm.	Level 1	Building	Trash Rm.	Level 1
Building	Circulation	Level 2	Building	Circulation	Level 2
Building	Residential Units	Level 2	Building	Residential Units	Level 2
Building	Residential Units	Level 3	Building	Residential Units	Level 3
Building	Residential Units	Level 3	Building	Residential Units	Level 3
Plaza			Plaza		
Plaza	2nd Floor Plaza	Level 1	Plaza	2nd Floor Plaza	Level 1
Plaza		Level 2	Plaza		Level 2
		6001 SF			5020 SF
					1513 SF
					6533 SF

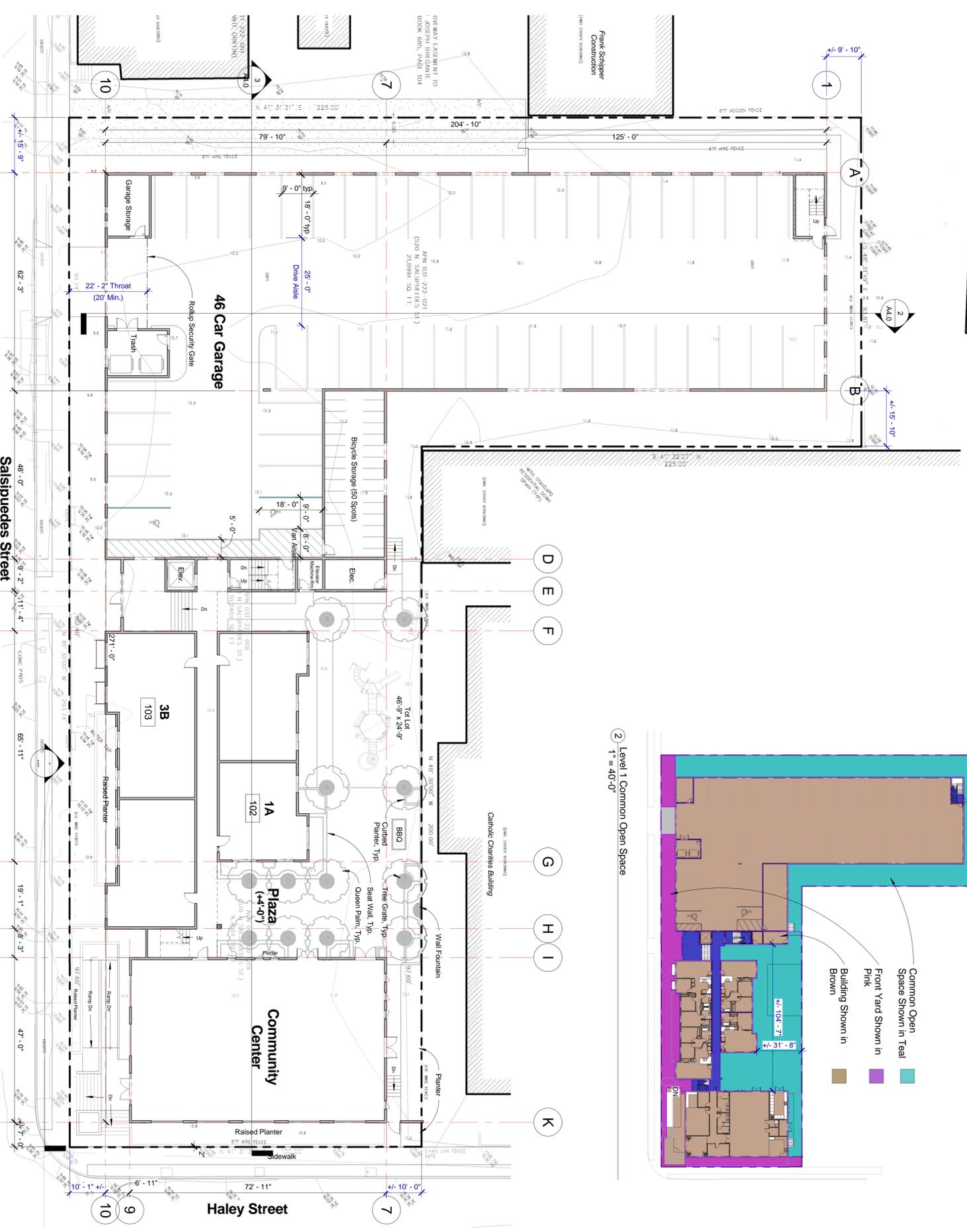
## Sheet List

- A0 Cover Sheet
- A1 Site Plan
- A2.1 First Floor Plan
- A2.2 Second Floor Plan
- A2.3 Third Floor Plan
- A2.4 Roof Plan
- A3.0 Building Elevations
- A4.0 Building Sections
- C1 Civil
- L1 Landscape Sheet

## Haley & Salsipuedes Apartments

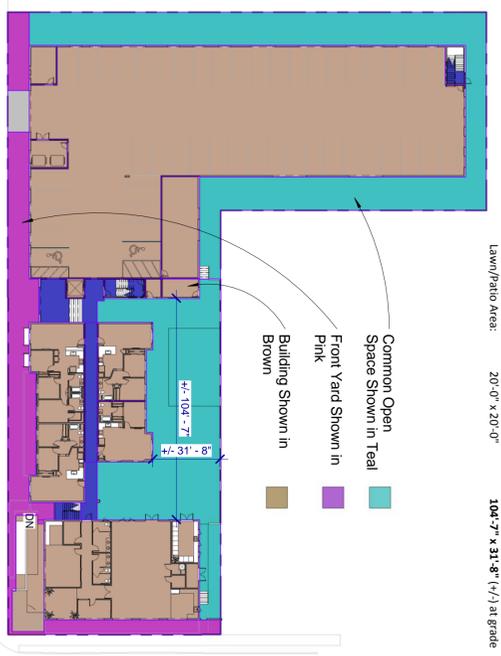
Santa Barbara, CA

## Cover Sheet



**Site Plan**  
SCALE: 1/16" = 1'-0"

② Level 1 Common Open Space  
1" = 40'-0"

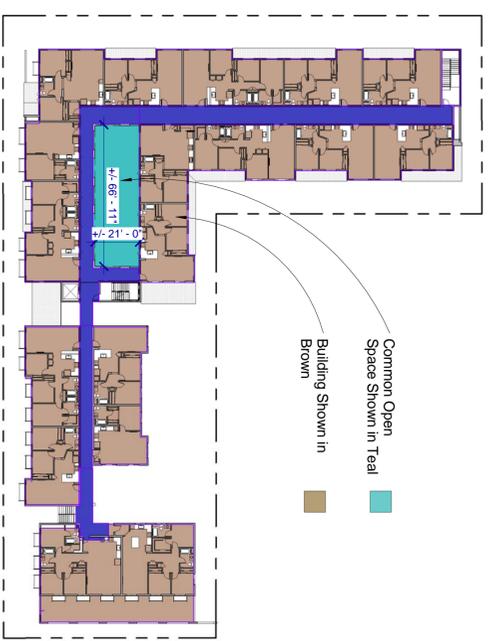


**Common Outdoor Living Space Method:**

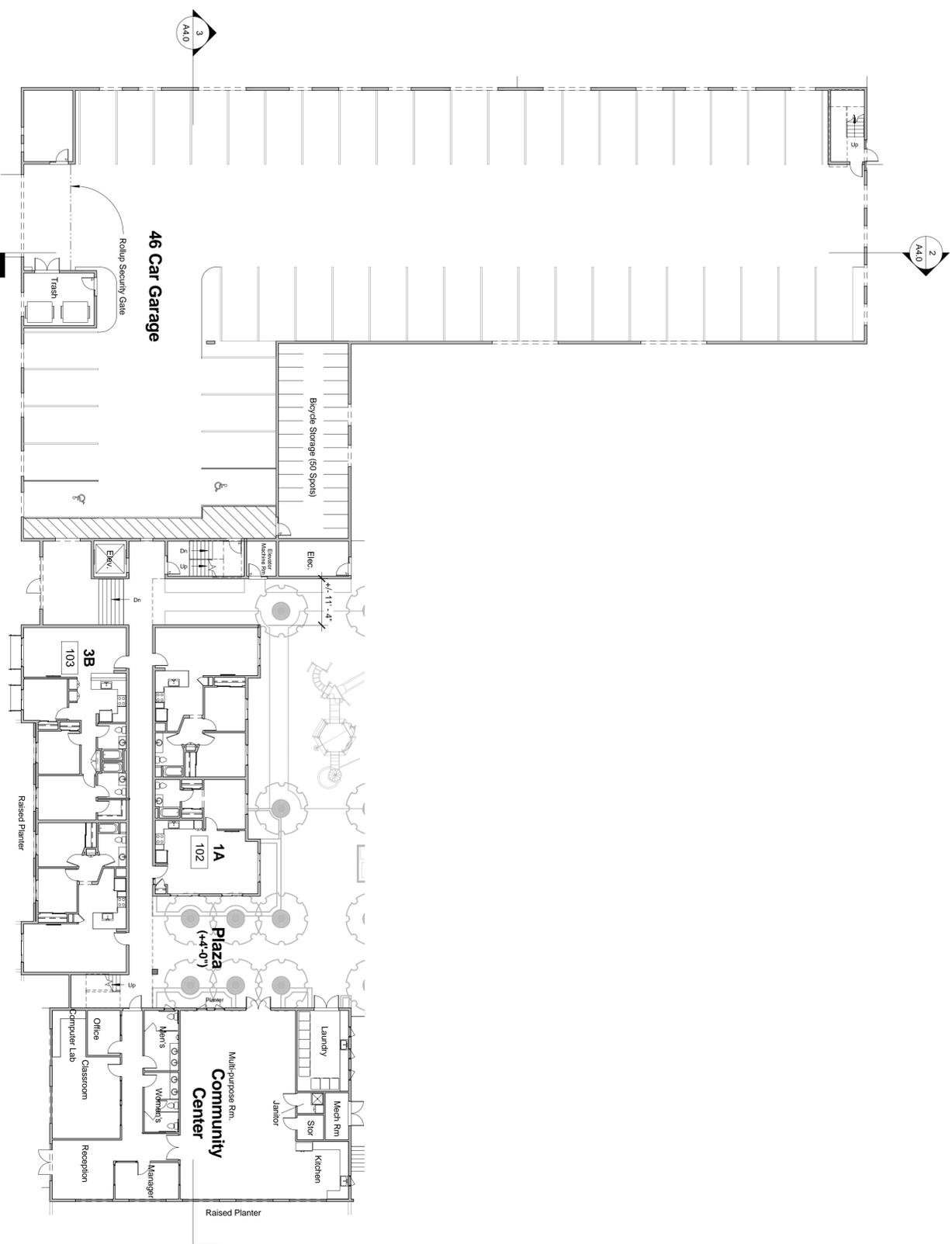
Required	Provided
Grade Level:	11,608 SF
Yield Level:	1,439 SF
Total:	32%

Dimensions of Lawn/Patio Area: 20'-0" x 20'-0" 104'-7" x 31'-8" (1/2) at grade

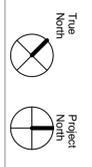
③ Level 2 Common Open Space  
1" = 40'-0"



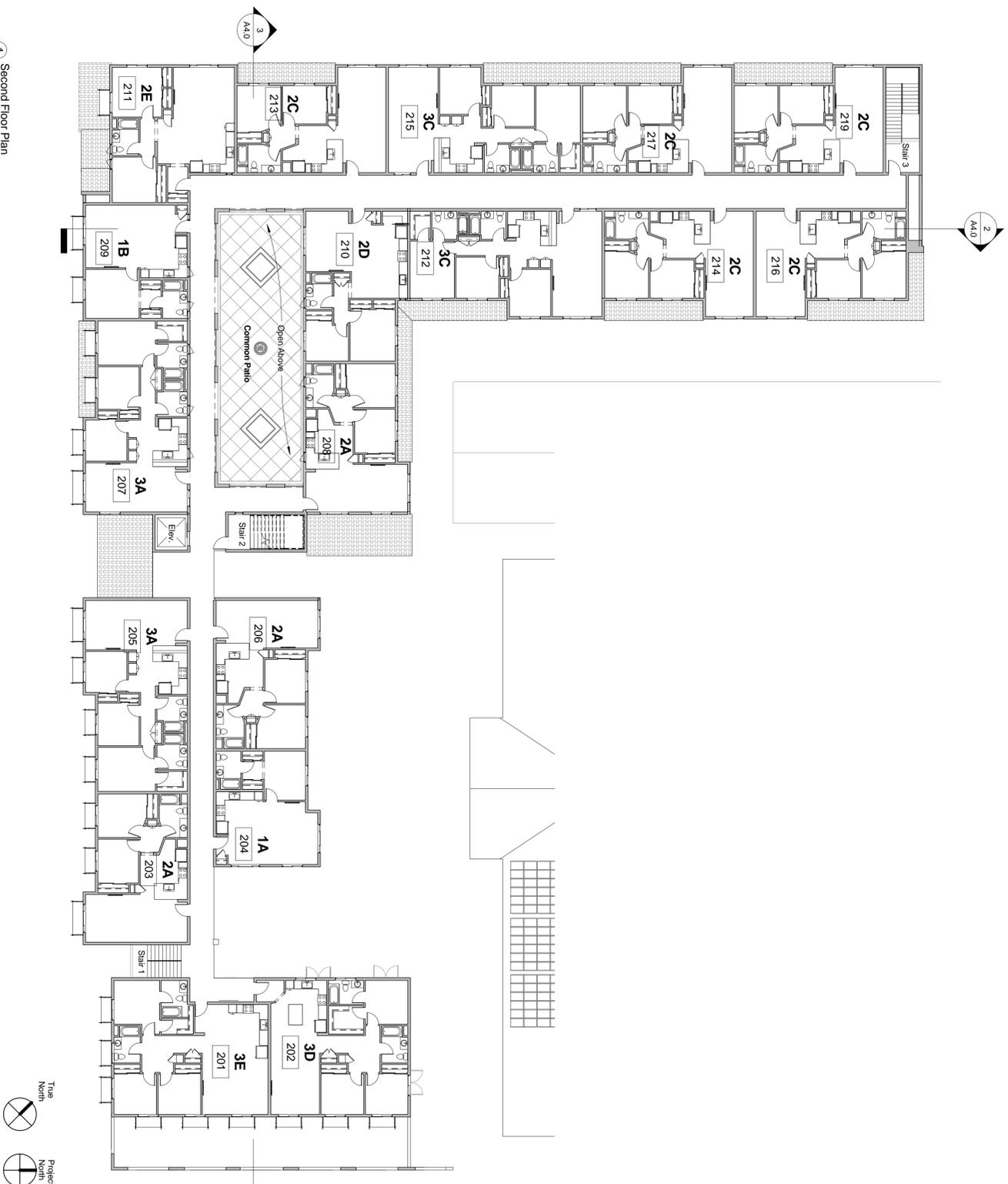
Common Open Space Shown in Teal  
Front Yard Shown in Pink  
Building Shown in Brown



① First Floor Plan  
1/16" = 1'-0"

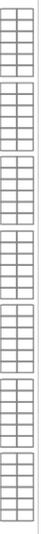


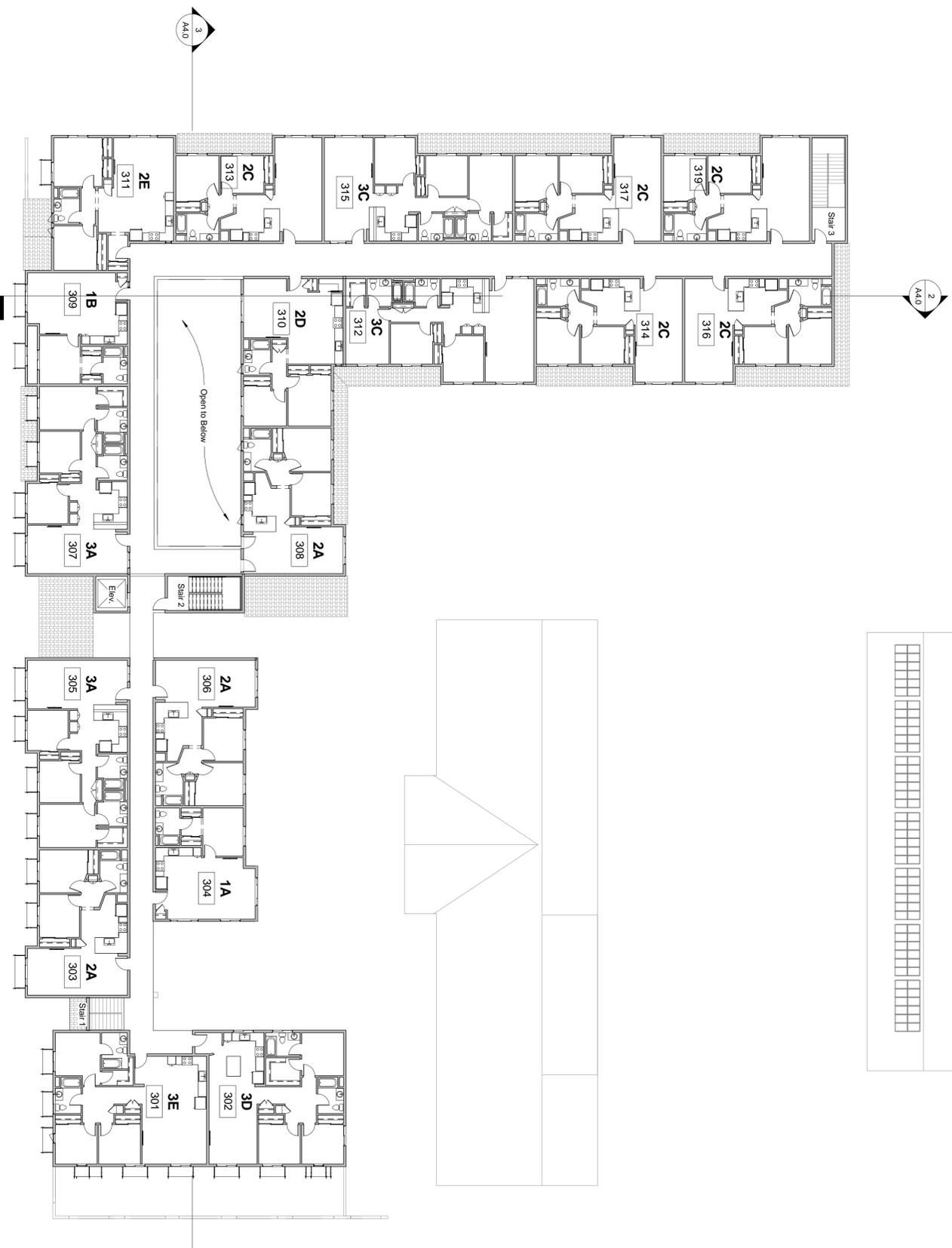
1 Second Floor Plan  
1/16" = 1'-0"



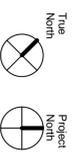
**Haley & Salsipuedes Apartments**  
Santa Barbara, CA

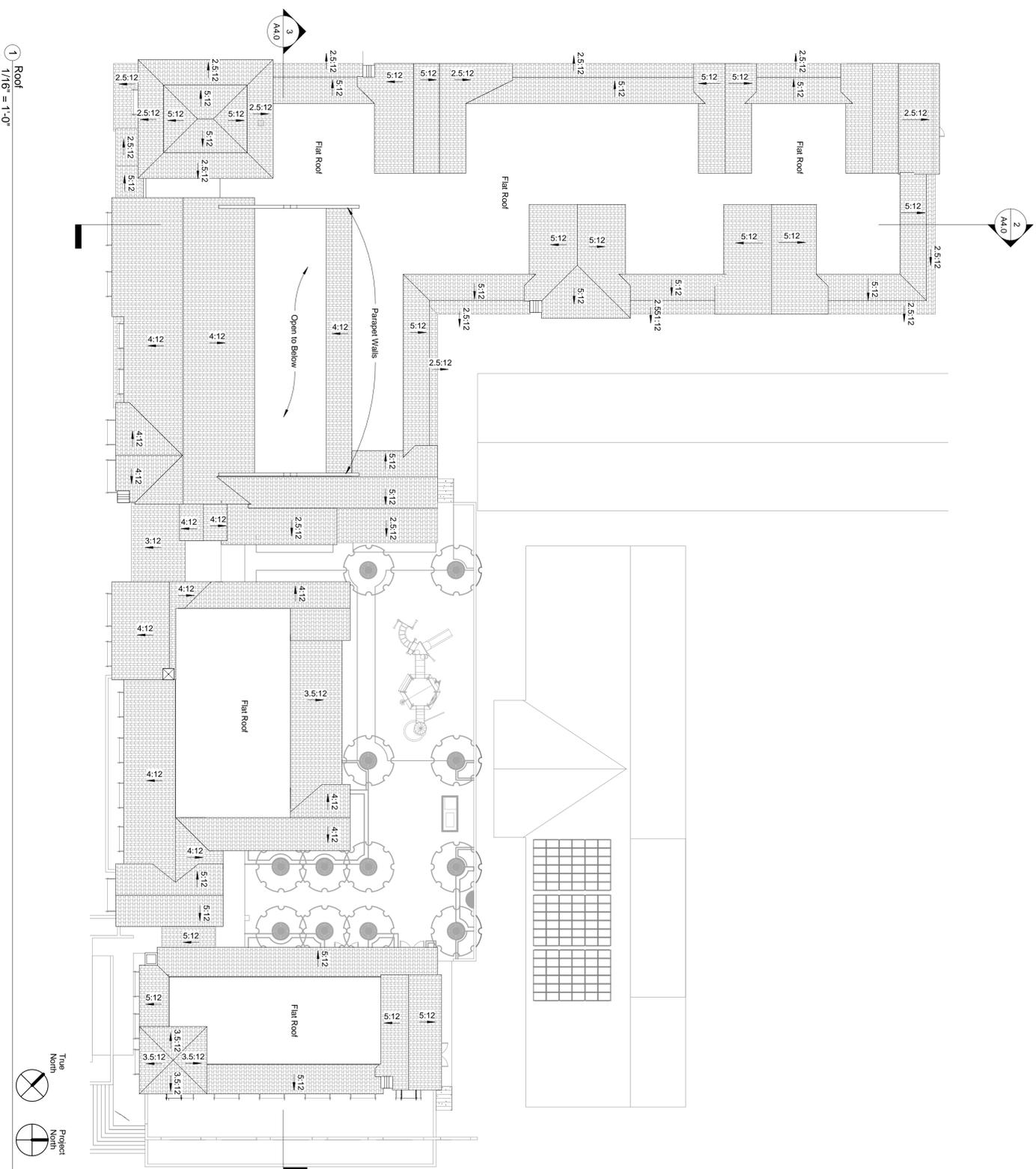
**Second Floor Plan**



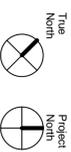


① Third Floor Plan  
1/16" = 1'-0"



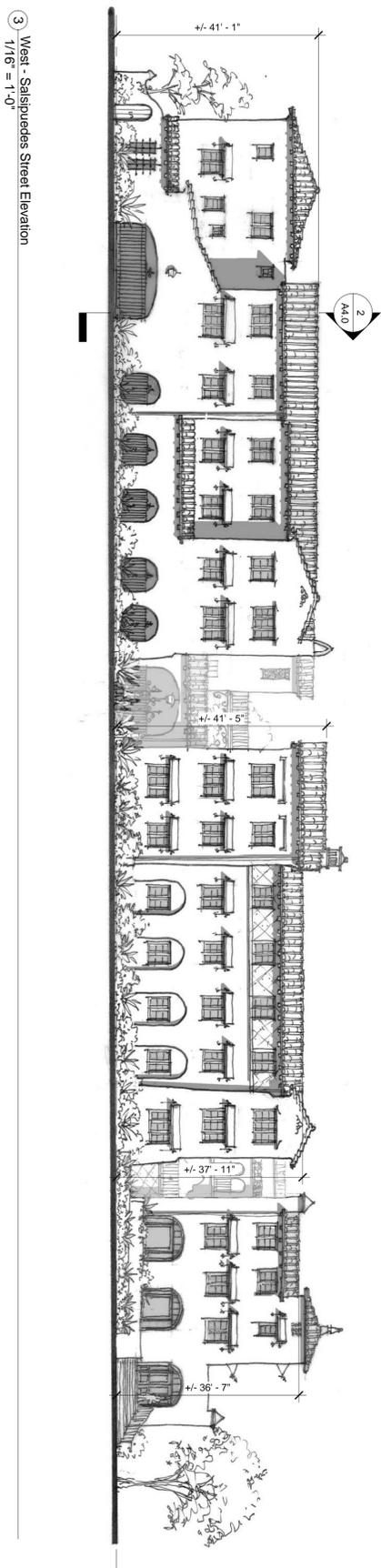
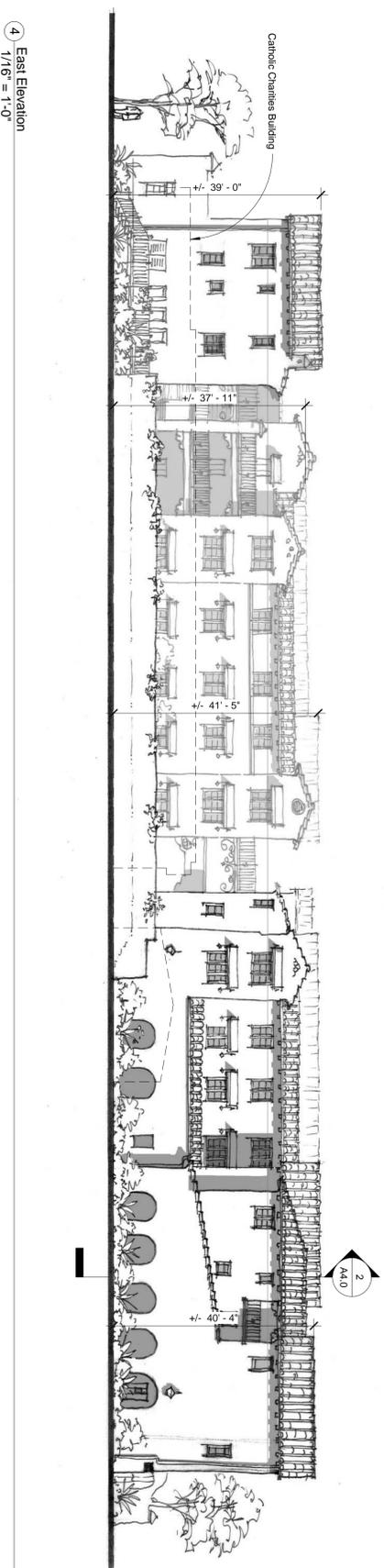
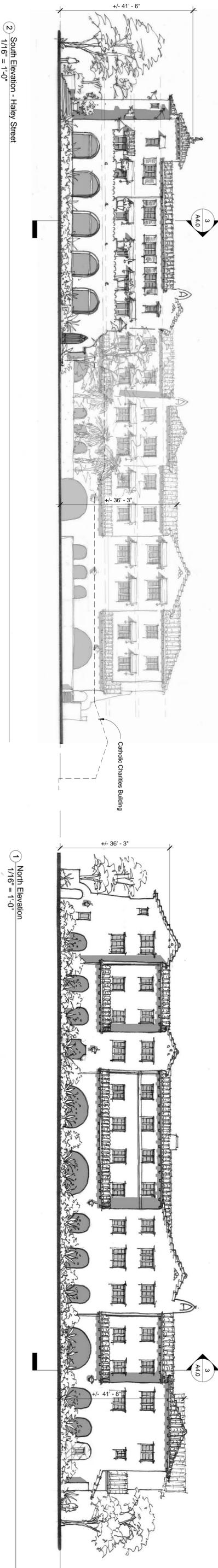


1 Roof  
1/16" = 1'-0"



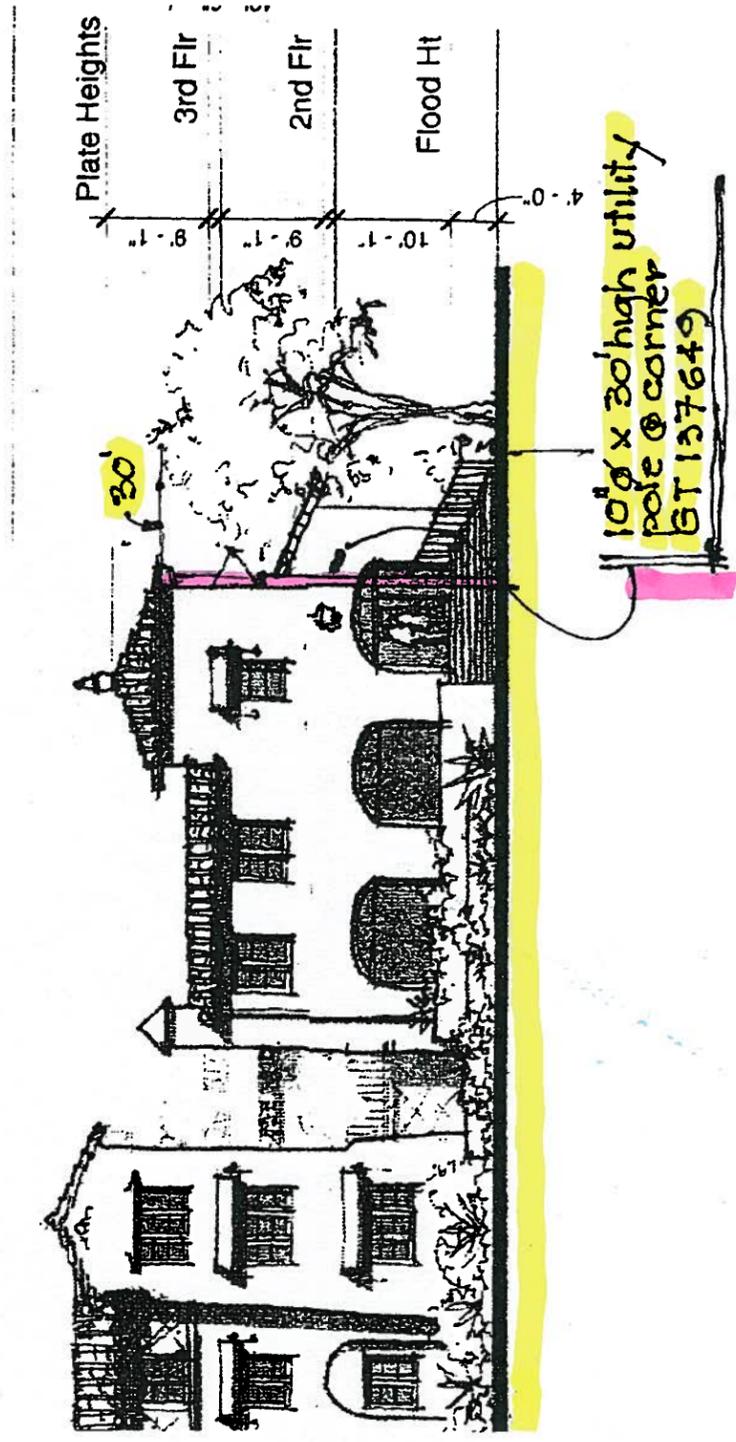
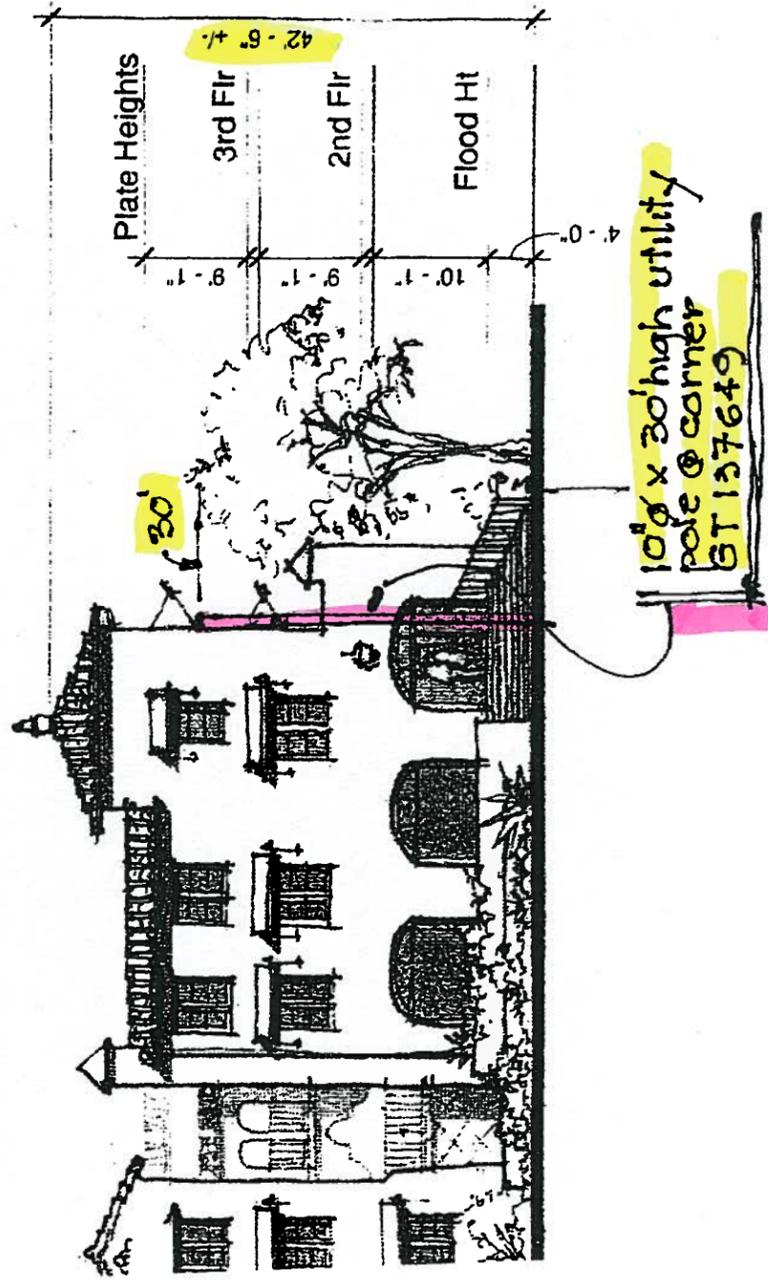
**Haley & Salsipuedes Apartments**  
Santa Barbara, CA

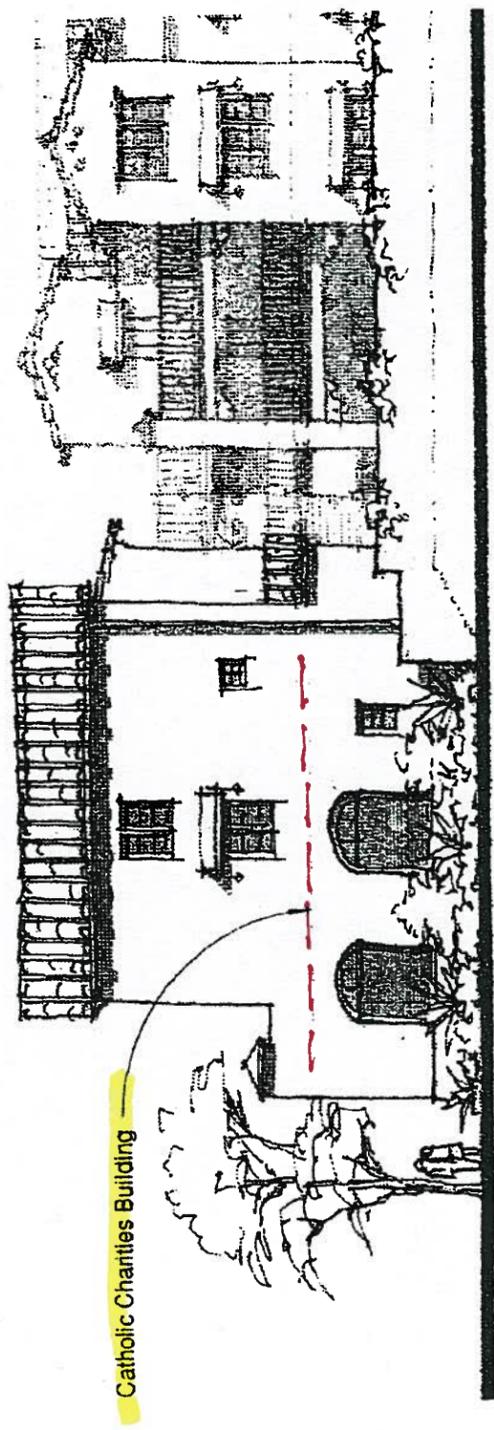
**Roof Plan**



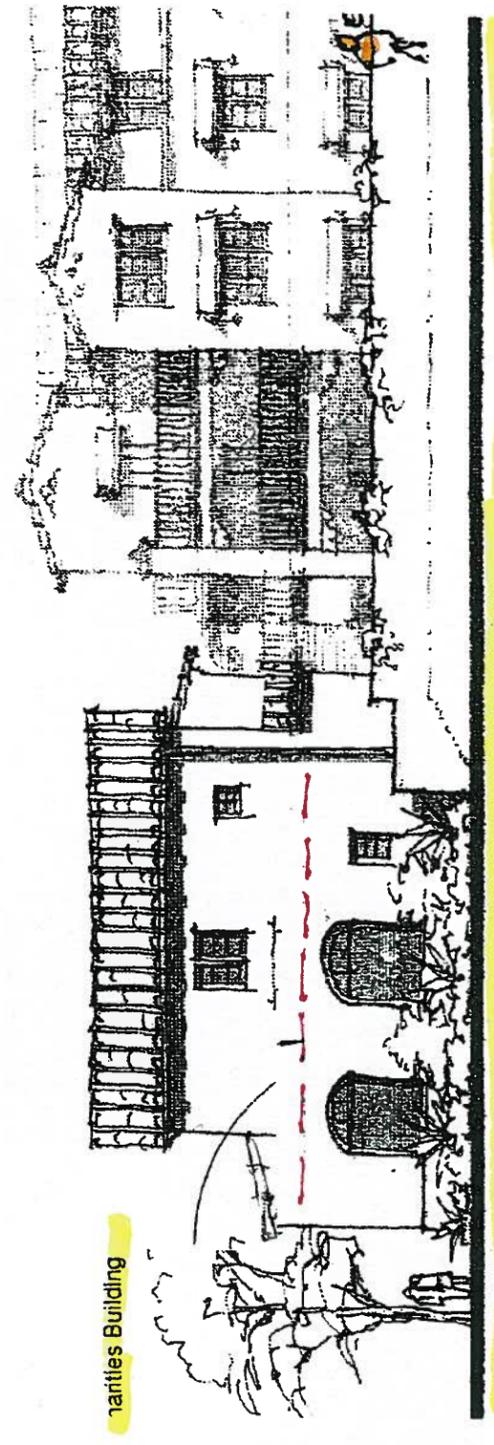


**DOCUMENTATION SUBMITTED BY APPELLANT**



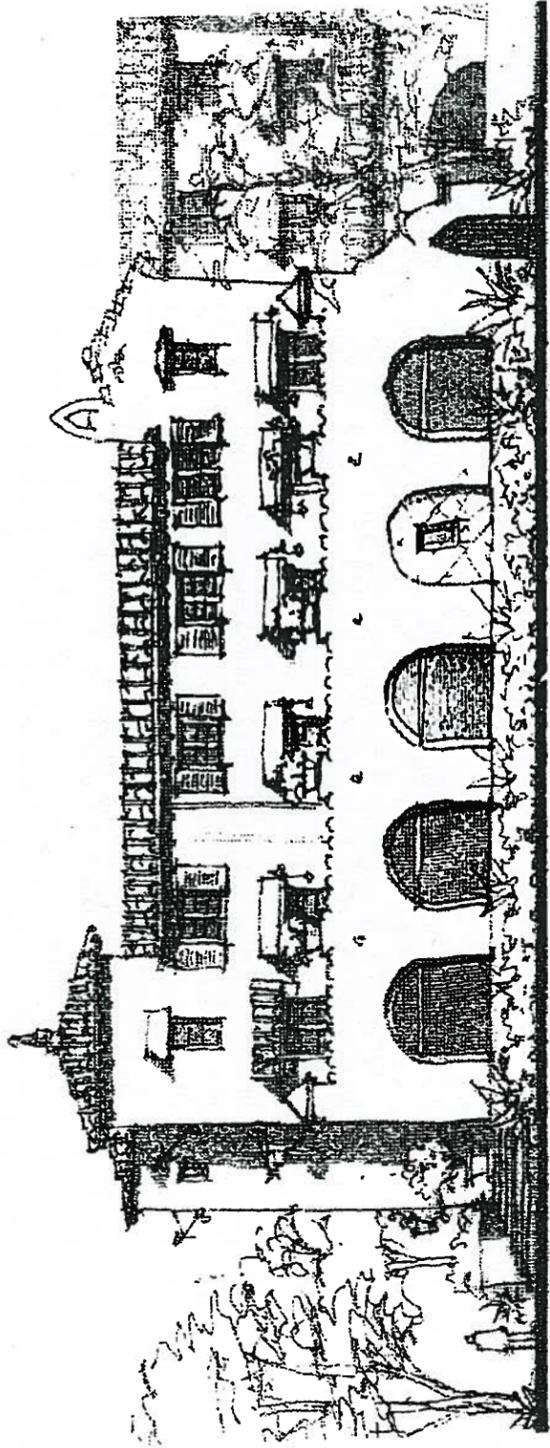


Catholic Charities Building

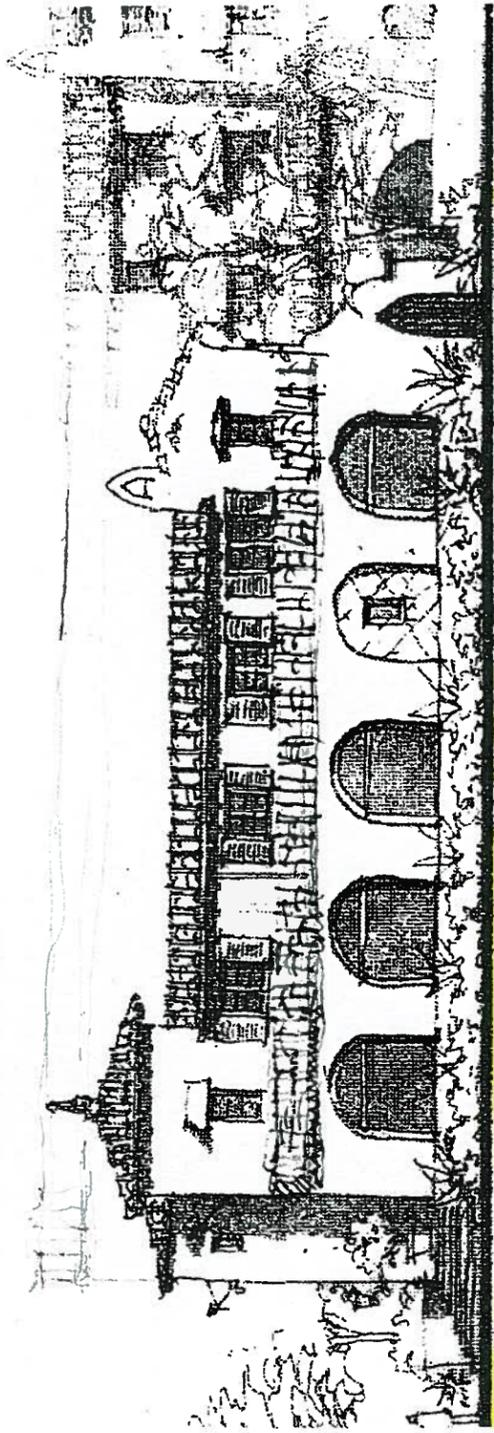


Maritimes Building

North East Elevation  
1/16" = 1'-0"



② South East Elevation - Haley Street  
1/16" = 1'-0"



South East Elevation - Haley Street  
1/16" = 1'-0"

**CORRESPONDENCE**  
**RECEIVED BY THE CITY CLERK'S OFFICE**



# HOUSING

AUTHORITY OF THE  
CITY OF SANTA BARBARA

808 Laguna Street / Santa Barbara  
California / 93101

Tel (805) 965-1071  
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November 18, 2013

The Honorable Mayor Helene Schneider  
and Members of the City Council  
City of Santa Barbara  
City Hall, De La Guerra Plaza  
Santa Barbara, CA 93101

RE: AFFORDABLE HOUSING DEVELOPMENT AT HALEY AND SALSIPUEDES STS. BY  
PEOPLES' SELF-HELP HOUSING

Dear Mayor Schneider and Members of the City Council:

This letter is offered in support of the above referenced development. It further recommends that the City Council deny the appeal of this project's ABR approval set for November 26, 2013.

Peoples' Self-Help Housing (Peoples'), the developer of the subject 40 unit affordable housing project, presented their plans for the proposed project to the Housing Authority Commission on November 6, 2013. The Housing Authority Commission unanimously voted to support this well designed and very needed apartment project. The Housing Authority has gone an additional step in supporting this development by committing 14 "Project Based" Section 8 Housing Choice Vouchers to the project for the purpose of enhancing its revenue and cash flow needs at completion as well as guarantee access to these needed apartments by households on our waiting list.

As your Council knows, the availability of affordable housing remains one of our community's biggest challenges. The 2013 UCSB Economic Forecast Project showed that the South Coast rental housing market has a vacancy rate of less than 1%. Planning and economic professionals have long acknowledged that housing vacancy rates of less than 5% result in an unhealthy housing market for the community-at-large, and leads to over-crowding, substandard housing and rents that are beyond the reach of middle-income workers; to say nothing of low-income workers and seniors and disabled households on fixed incomes. The UCSB study goes on to state that "A tenant would need to earn over \$52,000/year (\$26.09/hr.), to qualify to rent the average Santa Barbara South Coast apartment" and "Nearly \$66,000/year, or \$32.95/hr., would be required to qualify for the average two bedroom rent." As we all know, a very large percentage of the Santa Barbara workforce, particularly those working in our important visitor serving economy, earn far less than these dollar amounts. Last year, the City and the Housing Authority completed a HUD required document known as "Analysis of Impediments to Fair Housing." This joint agency report revealed that over 57.5% of City residents pay more than 30% of their income for housing—another well recognized indicator of housing problems in the given community. This is particularly hard on low income households as their remaining income for other basics such as food and health care is so limited.

All of this speaks to the importance of new rental housing projects such as this one by Peoples' Self-Help. Peoples' ability to move forward and have this project realized are critical building blocks that promote the community's diversity, overall health and economic vitality.

As an operating arm of the City, created by the City Council for the purpose of providing needed affordable housing, we have long learned that our task is both huge and difficult. Doing it in this "post RDA" age is even more challenging. To have quality, non-profit housing developers and operators such as Peoples' assist us in meeting our affordable housing challenge is critically important. They need to be welcomed, encouraged and not further delayed as "time is money" and their motivation is not profit driven. They are here to assist our community address a well-recognized and long-established community need.

For these reasons, we recommend that the City Council deny the appeal of the project's ABR approval and move this important project forward.

Sincerely,

HOUSING AUTHORITY OF THE  
CITY OF SANTA BARBARA

A handwritten signature in blue ink that reads "Mary Johnston". The signature is written in a cursive style.

MARY JOHNSTON  
Chair

cc: Housing Authority Commission  
Rob Pearson, Executive Director



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** City Clerk's Office, Administrative Services Department

**SUBJECT:** Certification Of The Election Results Of The Official Canvass For The General Municipal Election Of November 5, 2013

**RECOMMENDATION:** That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Reciting the Fact of the Vote-By-Mail General Municipal Election Held on November 5, 2013, Declaring the Results and Such Other Matters as Required by the State Elections Code; and
- B. Receive a final presentation on the November 5, 2013 Election.

### **DISCUSSION:**

The Vote-By-Mail General Municipal Election was held on Tuesday, November 5, 2013, for the purpose of electing the Mayor and three City Councilmembers and deciding one measure.

The Certification of Election Results of the Official Canvass from the City Clerk's Office is an exhibit to the Resolution.

As provided in the City Charter, the terms of office for Mayor Helene Schneider, Councilmembers Frank Hotchkiss and Harwood "Bendy" White, and Councilmember-Elect Gregg Hart will begin on January 7, 2014, the first scheduled meeting in January following the certification of election results. A swearing-in ceremony will be held at the City Council meeting on that date.

The Council will receive a brief presentation on the final Election logistics and voter turnout.

**PREPARED BY:** Gwen Peirce, CMC, City Clerk Services Manager

**SUBMITTED BY:** Marcelo A. López, Assistant City Administrator

**APPROVED BY:** City Administrator's Office

RESOLUTION NO. \_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA RECITING THE FACT OF THE VOTE-BY-MAIL GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 5, 2013 DECLARING THE RESULTS AND SUCH OTHER MATTERS AS REQUIRED BY THE STATE ELECTIONS CODE

WHEREAS, a Vote-By-Mail General Municipal Election was held and conducted in the City of Santa Barbara on Tuesday, November 5, 2013, per the City Charter and as required by law;

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for holding of elections in charter cities; and

WHEREAS, the City Clerk canvassed the returns of the election and has certified the results to this City Council, the results are received, attached and made a part hereof as "Exhibit A".

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

SECTION 1. Pursuant to the requirements of State Elections Code Sections 10264 and 9269, the results of the City of Santa Barbara's November 5, 2013, General Municipal Election are declared to be the following:

A. That the whole number of ballots cast in the vote-by-mail precincts was 17,473 and the whole number of provisional ballots cast in the vote-by-mail precincts was 186, making a total of 17,659 ballots cast in the City.

B. That the names of persons voted for at the City's General Municipal Election for Mayor are as follows:

Wayne Scoles  
Helene Schneider

That the names of persons voted for at the City's General Municipal Election for Member of the City Council are as follows:

Harwood "Bendy" White  
Lesley Wiscomb  
Matthew Hunter Kramer  
Frank Hotchkiss  
Gregg Hart

Cruzito Herrera Cruz  
Megan Diaz Alley  
Jason Nelson  
David Landecker  
Michael Jordan

That the measure voted upon at the election is as follows:

Shall the Santa Barbara City Council be authorized to enact a City ordinance allowing the exchange of City park property along State Street at the John C. Fremont Army Reserve Center and MacKenzie Park for the Federal property adjacent to the Fremont Army Reserve Center and the State Street right-of-way?

C. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates and for and against the measure were as listed in Exhibit "A" attached.

D. The City Council does declare and determine that Helene Schneider was elected as Mayor for the full term of four years.

E. The City Council does declare and determine that Gregg Hart, Frank Hotchkiss and Harwood "Bendy" White were elected as Members of the City Council for the full term of four years.

F. That as a result of the election, a majority of the voters voting on the measure voted in favor of it, and that the measure was carried, and shall be deemed adopted and ratified.

SECTION 2. The City Clerk, by preserving a copy of this Resolution in the official records of the City, shall enter on the records of the City Council of the City, a statement of the results of the election, showing; (1) The whole number of ballots cast in the City; (2) The names of the persons voted for; (3) The measure voted upon; (4) For what office each person was voted for; (4) The number of votes given at each precinct to each person, and for and against each measure; (5) The total number of votes given to each person, and for and against each measure as required by State Elections Code Section 10264.

SECTION 3. That, as required by State Elections Code Section 10265, the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected in the manner and at the time so provided in the City Charter.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**EXHIBIT A  
CITY CLERK'S CERTIFICATE OF CANVASS**

I, Gwen Peirce, City Clerk Services Manager of the City of Santa Barbara, do certify that I have canvassed the returns of the General Municipal Election held on November 5, 2013, and find that the number of votes given at each precinct and the number of votes given in the City to persons voted for, the respective offices for which the persons were candidates, were as follows:

**ELECTION TALLY**

Precinct #	Mayoral Candidates			Council Candidates											Measure F			Reg. Voters	Ballots Cast	Turnout %
	Scoles	Schneider	Total	White	Wiscomb	Kramer	Hotchkiss	Hart	Herrera Cruz	Alley	Nelson	Landecker	Jordan	Total	Yes	No	Total			
Precinct 109	163	416	579	275	210	28	263	220	65	186	174	171	68	1,660	443	102	545	1,970	614	31.17%
Precinct 112	87	207	294	150	103	19	130	115	24	80	108	98	34	861	233	48	281	1,126	315	27.98%
Precinct 113	134	459	593	292	154	27	208	290	64	234	146	227	67	1,709	445	98	543	2,205	620	28.12%
Precinct 116	177	714	891	513	184	33	220	474	95	413	218	353	74	2,577	683	158	841	2,909	945	32.49%
Precinct 118	120	452	572	339	153	25	186	267	48	208	142	241	63	1,672	463	70	533	1,948	604	31.01%
Precinct 121	194	787	981	551	239	40	299	493	102	426	223	383	78	2,834	756	136	892	3,273	1,022	31.23%
Precinct 123	111	448	559	322	144	16	180	283	62	213	133	196	61	1,610	433	82	515	1,923	584	30.37%
Precinct 126	219	699	918	483	249	24	308	403	105	376	267	337	66	2,618	700	178	878	2,768	970	35.04%
Precinct 128	315	954	1,269	747	499	38	561	597	46	351	369	442	110	3,760	1089	130	1,219	3,072	1,358	44.21%
Precinct 133	305	732	1,037	515	411	36	447	431	109	350	347	299	104	3,049	829	170	999	2,735	1,098	40.15%
Precinct 143	244	681	925	497	330	19	423	426	42	251	348	296	103	2,735	794	95	889	2,207	985	44.63%
Precinct 144	320	589	909	447	364	16	467	436	35	232	372	261	84	2,714	765	97	862	2,114	980	46.36%
Precinct 202	462	718	1,180	551	446	48	532	482	43	298	491	333	163	3,387	951	147	1,098	3,108	1,230	39.58%
Precinct 204	283	737	1,020	544	347	39	344	529	62	299	306	355	136	2,961	842	122	964	2,500	1,066	42.64%
Precinct 207	395	924	1,319	710	517	48	612	587	62	358	440	444	157	3,935	1105	171	1,276	2,795	1,409	50.41%
Precinct 214	192	475	667	345	193	31	249	326	42	222	243	205	65	1,921	519	101	620	1,711	692	40.44%
Precinct 218	252	786	1,038	561	288	33	396	510	99	320	316	309	126	2,958	846	144	990	3,119	1,081	34.66%
Precinct 219	216	619	835	436	293	19	348	389	50	273	314	303	69	2,494	734	85	819	2,084	900	43.19%
Precinct 222	226	730	956	510	303	36	349	488	47	330	280	324	77	2,744	801	109	910	2,539	1,000	39.39%
Provisionals	46	132	178	96	45	9	48	83	25	69	37	65	20	497	102	34	136	-	186	-
<b>Precinct Subtotal</b>	<b>4,461</b>	<b>12,259</b>	<b>16,720</b>	<b>8,884</b>	<b>5,472</b>	<b>584</b>	<b>6,570</b>	<b>7,829</b>	<b>1,227</b>	<b>5,489</b>	<b>5,274</b>	<b>5,642</b>	<b>1,725</b>	<b>48,696</b>	<b>13,533</b>	<b>2,277</b>	<b>15,810</b>	<b>46,106</b>	<b>17,659</b>	<b>38.30%</b>

## ELECTION TALLY

I have also conducted a manual tally of 1% of the precincts in accordance with Section 15360 of the Election Code. The results of the manual tally are as follows:

Precinct #	Office/Candidate	Machine Tally	Manual Tally	Differences	If discrepancy, how resolved
214	<b>Mayor</b>				
	Scoles	192	192	0	
	Schneider	475	475	0	
214	<b>City Council</b>				
	White	345	345	0	
	Wiscomb	193	193	0	
	Kramer	31	31	0	
	Hotchkiss	249	249	0	
	Hart	326	326	0	
	Herrera Cruz	42	42	0	
	Alley	222	222	0	
	Nelson	243	242	1	Machine counted mark in voting position (oval)
	Landecker	205	205	0	
	Jordan	65	64	1	Machine counted mark in voting position (oval)
214	<b>Measure F</b>				
	Yes	519	519	0	
	No	101	101	0	

\_\_\_\_\_  
 Gwen Peirce, CMC  
 City Clerk Services Manager

Dated: \_\_\_\_\_



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** City Attorney's Office

**SUBJECT:** Conference with Legal Counsel – Pending Litigation

**RECOMMENDATION:**

That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *Jeannetta Ann Purdue Rizkalla And Tarek Ramzi Rizkalla, v. City Of Santa Barbara, et al.*, SBSC Case No.1383789.

**SCHEDULING:** Duration, 15 minutes; anytime

**REPORT:** None anticipated

**SUBMITTED BY:** Stephen P. Wiley, City Attorney

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013

**TO:** Mayor and Councilmembers

**FROM:** City Administrator's Office

**SUBJECT:** Conference With Labor Negotiator

**RECOMMENDATION:**

That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the General Bargaining Unit, Treatment and Patrol Bargaining Units, Hourly Bargaining Unit, Police Management Association, and regarding salaries and fringe benefits for certain unrepresented management and confidential employees.

**SCHEDULING:** Duration, 30 minutes; anytime

**REPORT:** None anticipated

**PREPARED BY:** Kristy Schmidt, Employee Relations Manager

**SUBMITTED BY:** Marcelo López, Assistant City Administrator

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 26, 2013  
**TO:** Mayor and Councilmembers  
**FROM:** City Attorney's Office  
**SUBJECT:** Conference with Legal Counsel – Pending Litigation

### RECOMMENDATION:

That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *People of the State of California, City of Santa Barbara v. Eastside, Westside, et al.* SBSC Case No. 1379826.

**SCHEDULING:** Duration, 30 minutes; anytime  
**REPORT:** None anticipated  
**SUBMITTED BY:** Stephen P. Wiley, City Attorney  
**APPROVED BY:** City Administrator's Office