# CITY OF SANTA BARBARA
# CITY COUNCIL

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

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

**Ariel Pierre Calonne**
*City Attorney*

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

# MAY 6, 2014
# 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 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
12:30 p.m. - Ordinance Committee Meeting, Council Chamber
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)**

**1. Subject: Loan Restatement Request On Property Located At 625-627 Coronel Place**

Recommendation: That Finance Committee consider and recommend that Council approve a restatement of the 1984 Loan Agreement Funded with Redevelopment Agency Housing Set-aside Funds and authorize the Community Development Director to execute, subject to approval as to form by the City Attorney, such agreements and related City documents as necessary.

**2. Subject: Finance Committee Review Of The Fiscal Year 2015 Recommended Budget**

Recommendation: That Finance Committee hear a report from staff regarding proposed fee changes by General Fund departments which would take effect on July 1, 2014.

**ORDINANCE COMMITTEE MEETING - 12:30 P.M. IN THE COUNCIL CHAMBER (120.03)**

**Subject: Average Unit-Size Density Incentive Program Review Process**

Recommendation: That Ordinance Committee forward a recommendation to City Council for parameters requiring Planning Commission review of Average Unit-Size Density Incentive Program rental projects.

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

## CALL TO ORDER

## PLEDGE OF ALLEGIANCE

## ROLL CALL

## CEREMONIAL ITEMS

**1. Subject: Employee Recognition - Service Award Pins (410.01)**

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through May 31, 2014.

**2. Subject: Proclamation Declaring May 5-9, 2014, As Girls Incorporated Week (120.04)**

## CHANGES TO THE AGENDA

## PUBLIC COMMENT

## CONSENT CALENDAR

**3. Subject: Minutes**

Recommendation: That Council waive further reading and approve the minutes of the regular meeting of April 22, 2014.

**4. Subject: Records Destruction For Administrative Services Department (160.06)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Administrative Services Department in the City Clerk's Office and Human Resources Division.

## CONSENT CALENDAR (CONT'D)

**5. Subject: Records Destruction For Community Development Department (160.06)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Community Development Department in the Administration, Housing and Human Services, and Building and Safety Divisions.

**6. Subject: Capital Improvement Projects: Third Quarter Report For Fiscal Year 2014 (230.01)**

Recommendation: That Council accept a report on the City's Capital Improvement Projects for the Third Quarter of Fiscal Year 2014.

**7. Subject: Agreement With Ensemble Theatre Company For Parking Lot 5 Design Services (550.05)**

Recommendation: That Council authorize the City Administrator to execute an Agreement for reimbursement in the amount of $29,882.92 for Parking Lot 5 Exit Design Services to the Ensemble Theatre Company.

**8. Subject: Contract For Design For Recycled Water Distribution System Modeling (540.13)**

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services Contract with Carollo Engineers in the amount of $42,535 for Design Services for Recycled Water Distribution System Modeling, and authorize the Public Works Director to approve expenditures of up to $4,253 for extra services of Carollo Engineers that may result from necessary changes in the scope of work.

**9. Subject: Set A Date For Public Hearing Regarding Renewal Of Levy For Fiscal Year 2015 For The Wildland Fire Suppression Assessment (290.00)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Declaring its Intention to Continue the Wildland Fire Suppression Assessment Within the Foothill and Extreme Foothill Zones; Declaring the Work to be of More Than General or Ordinary Benefit and Describing the District to be Assessed to Pay the Costs and Expenses Thereof; Preliminarily Approving the Updated Engineer's Report; Stating Intention to Continue Assessments for Fiscal Year 2015; and Establishing a Time of 2:00 P.M. on Tuesday, May 20, 2014, in the City Council Chambers for a Public Hearing on the Wildland Fire Suppression Assessment.

## CONSENT CALENDAR (CONT'D)

**10. Subject: Set A Date For Public Hearing Regarding Appeal Of Architectural Board Of Review Approval For 510 N. Salsipuedes Street (640.07)**

Recommendation: That Council set the date of May 20, 2014, at 2:00 p.m. for hearing the appeal filed by Trevor J. Martinson of the Architectural Board of Review Final Review Approval of an application for property owned by People's Self-Help Housing and located at 510 North Salsipuedes Street, Assessor's Parcel No. 031-222-018, C-M (Commercial Manufacturing) Zone, General Plan Designation: Commercial Industrial/Medium High Residential. The project proposes the construction of a 66,196 square-foot, three-story, 40-unit affordable apartment project with attached garage and community center. Three existing lots will be merged to create one 41,099 square-foot property. An appeal of the Architectural Board of Review Project Design Approval was denied by Council on November 26, 2013.

NOTICES

11. The City Clerk has on Thursday, May 1, 2014, 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.

**This concludes the Consent Calendar.**

## REPORT FROM THE FINANCE COMMITTEE

## REPORT FROM THE ORDINANCE COMMITTEE

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

PUBLIC WORKS DEPARTMENT

**12. Subject: Contract For Preliminary Design Services For Recommissioning The Charles E. Meyer Desalination Facility (540.10)**

Recommendation: That Council:

A. Authorize the Public Works Director to execute a City Professional Services Contract, subject to approval as to form by the City Attorney, with Carollo Engineers, Inc., in the amount of $746,025 for preliminary design services for recommissioning the Charles E. Meyer Desalination Facility, and authorize the Public Works Director to approve expenditures of up to $74,603 for extra services of Carollo Engineers, Inc., that may result from necessary changes in the scope of work;

(Cont'd)

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)

PUBLIC WORKS DEPARTMENT (CONT'D)

12. **(Cont'd)**

B. Authorize the City Administrator to negotiate and execute a City Professional Services contract, subject to approval as to form with the City Attorney, with McCabe and Company, Inc., in an amount not to exceed $90,000 for support services related to the City's existing Coastal Development Permit for the Desalination Plant; and

C. Authorize the City Attorney to negotiate and execute a City Professional Services contract with Hanson Bridgett LLP, in an amount not to exceed $25,000 for legal support services related to contracting for services to design, build, and operate the Desalination Plant, and other contractual requirements as needed.

## COUNCIL AND STAFF COMMUNICATIONS

## COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

## CLOSED SESSIONS

**13. 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 Kristine Schmidt, Acting Administrative Services Director, regarding negotiations with the Treatment and Patrol Bargaining Units and Firefighters Association.

Scheduling: Duration, 30 minutes; anytime
Report: None anticipated

**14. 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 *Donald Sipple, and New Cingular Wireless PSC LLC, et al., v. The City of Alameda, California, et al.*, LASC Case No. BC432270.

Scheduling: Duration, 10 minutes; anytime
Report: None anticipated

## CLOSED SESSIONS (CONT'D)

**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 City Attorney - Anticipated Litigation (160.03)**

Recommendation: That Council hold a closed session to consider anticipated litigation pursuant to Government Code section 54956.9(d)(2) & (e)(2) and take appropriate action as needed. The anticipated litigation is based upon significant exposure to litigation arising out of the County of Santa Barbara's claims to parking citation insurance proceeds.

Scheduling: Duration, 10 minutes; anytime
Report: None anticipated

## ADJOURNMENT

File Code 120.03

CITY OF SANTA BARBARA

# FINANCE COMMITTEE

MEETING AGENDA

DATE: May 6, 2014
TIME: 12:30 P.M.
PLACE: David Gebhard Public Meeting Room
630 Garden Street

Dale Francisco, Chair
Bendy White
Gregg Hart

James L. Armstrong
City Administrator

Robert Samario
Finance Director

## ITEMS TO BE CONSIDERED:

**1. Subject: Loan Restatement Request On Property Located At 625-627 Coronel Place**

Recommendation: That Finance Committee consider and recommend that Council approve a restatement of the 1984 Loan Agreement Funded with Redevelopment Agency Housing Set-aside Funds and authorize the Community Development Director to execute, subject to approval as to form by the City Attorney, such agreements and related City documents as necessary.

**2. Subject: Finance Committee Review Of The Fiscal Year 2015 Recommended Budget**

Recommendation: That Finance Committee hear a report from staff regarding proposed fee changes by General Fund departments which would take effect on July 1, 2014.

Agenda Item No. 1

File Code No. 120.03

# CITY OF SANTA BARBARA

## FINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Finance Committee

**FROM:** Administration, Housing and Human Services Division, Community Development Department

**SUBJECT:** Loan Restatement Request On Property Located At 625-627 Coronel Place

**RECOMMENDATION:**

That Finance Committee consider and recommend that Council approve a restatement of the 1984 Loan Agreement Funded with Redevelopment Agency Housing Set-aside Funds and authorize the Community Development Director to execute, subject to approval as to form by the City Attorney, such agreements and related City documents as necessary.

**DISCUSSION:**

Background:

In 1984, the former Redevelopment Agency of the City of Santa Barbara provided Lower Westside Associates, a California limited partnership ("Partnership"), a residual receipts loan in the amount of $585,000 ("Agency Loan") secured by the improvements located at 625-629 Coronel Place. At the time of the Agency Loan, the underlying real property was leased from another entity. In 1990, Coronel Place, Inc., a California nonprofit public benefit corporation ("Owner") acquired title to the real property and improvements ("Project"); paid accrued unpaid interest, and assumed the Agency Loan.

The Project consists of 2 apartment buildings providing twenty (20) rental units for low and moderate income households. It has 2 two-bedroom units, 10 three-bedroom units, 2 four-bedroom units and 6 five-bedroom units.

The Agency Loan (assumed by the City) is due and payable on July 17, 2014. There are very few 3, 4 and 5 bedroom affordable units in the City. In exchange for agreeing to extend the repayment term of the Agency Loan, the Owner has agreed to also extend the term of the affordability term for an additional 30 years.

Loan Restatement:

Currently the Owner is paying $2,823 per month based upon project year 2013 Residual Receipts. The restated Agency Loan, with the City as the successor to the Agency ("City Loan") will provide as follows:

1. The maturity date will be extended 30 years to July 17, 2044. The interest rate will continue to accrue at 4.5% and the monthly payments will be first applied to the outstanding interest balance and then to principal.

2. Beginning January 1, 2015 the monthly payment will be $4,525, or the calculated Residual Receipts payment, if greater.

3. Beginning December 1, 2020, after existing bond financing is paid in full, the monthly payment shall be increased to $9,525, or the calculated residual receipts payment, if greater.

4. The allowed reserves included in the calculation of the residual receipts payment will be increased from 6% to 10% of the annual gross rental income. These additional reserves will provide a source of funds which will be used, as needed, to extend the useful life of the Project.

All other loan terms remain unchanged and the City Loan will remain subordinate only to the existing bond financing due to be paid in full in November 2020.

Loan Security

The City Loan will remain subject and subordinate only to bond financing that has a current balance of approximately $725,000. A breakdown of current Project financing is as follows:

| | | |
|---|---|---|
| Bond Financing | $ 725,000 | (due 11/2020) |
| City of Santa Barbara | $ 533,000 | (due 07/2014) |
| LTD Partners | $ 27,993 | (due 12/2021) |
| SBCHC | $ 288,876 | (due 01/2024) |
| Total: | $1,574,869 | |

The City Loan will remain in second lien position with an estimated loan-to-value ("LTV") of 9% based on a very conservative property valuation of $6 million. The City Loan, plus all other financing on the Project, results in a combined LTV of 26%. Currently, the Owner is paying $8,754 monthly on the existing bond financing which will be paid in full on November 15, 2020.

Based on the minimum monthly payments proposed, the City Loan will be paid in full on or before January 30, 2024, however as discussed below, the affordability provisions will remain in effect until July 2044.

Long-Term Affordability

The City previously restricted rents and occupancy of the units through the conditions outlined in the 1984 Agency Loan. To retain title priority of the affordability restrictions,

the City Loan will also incorporate the restricted rents and occupancy requirements of the Project for an additional 30 years until July 17, 2044.

In addition to extending the affordability term, the affordable restrictions shall provide that if upon annual review it is determined that a households' adjusted gross income has exceeded 120% of area median income (AMI), the tenant's monthly rent could increase to that amount equal to 1/12 of 30% of the households' income upon 90 days written notice. In such cases, however, the maximum rent charged the tenant will not exceed the Housing and Urban Development (HUD) published Fair Market Rents (FMR) or exception FMR, if applicable.

As stated above, this Project has very desirable 3, 4 and 5 bedroom units. It is hoped that this provision will encourage turnover in the larger units to accommodate a very long waiting list and maintain the required proportion of low-income units for larger households.

The Project is extremely well maintained and has always been in full compliance with the City's affordability and reporting requirements. Based on the modified payment schedule the City Loan will be paid in full by January 30, 2021 with the affordability restrictions continuing an additional twenty-five years beyond payoff, expiring July 17, 2044.

Benefits

The requested Loan Restatement Agreement benefits both the Owner and the City. The Owner benefits by being able to anticipate predictable project cash flow to facilitate the provision of quality affordable housing to current and future residents for the next several decades.

The City benefits by providing no additional funding, extending the affordability restrictions 30 years, and increasing the City Loan security. In addition, due to the demise of the RDA and its funding, these guaranteed payments will support the necessary monitoring and enforcement of the City's affordable housing program.

**BUDGET/FINANCIAL INFORMATION:**

The City will incur no costs in connection with this request. The current principal balance of the Agency Loan is approximately $533,000.

**ATTACHMENT(S):** April 7, 2014 Request Letter from Santa Barbara Community Housing Corp.

**PREPARED BY:** David Rowell, Project Planner/DER/SLG

**SUBMITTED BY:** Bettie Weiss, Acting Community Development Director

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

ATTACHMENT

SANTA BARBARA
COMMUNITY HOUSING CORPORATION
*Providing Santa Barbara with Affordable Housing Since 1975*

April 7, 2014

Mr. David Rowell
Project Planner
City of Santa Barbara
Community Development Department
630 Garden Street
Santa Barbara, CA 93101

*Re: Modification of Loan Agreement for 625-627 Coronel Place, Santa Barbara, California*

Dear David;

Pursuant to your previous discussions with Ms. Cynthia Young, Santa Barbara Community Housing Corporation would like to request the following modifications to the Loan Agreement for the real property identified as 625-627 Coronel Place, Santa Barbara, California.

1. The Loan Agreement shall be extended for a period of thirty (30) years, due on July 17, 2044;
2. Beginning January 1, 2015 the monthly payment shall be $4,525.00, or the RDA calculated payment, whichever is greater;
3. The reserve account will be adjusted to ten percent (10%) of the Annual Gross Rental Income (the current reserve amount is six (6%) percent);
4. Current Bond financing will be paid in full on November 15, 2020, thereafter beginning December 1, 2020, SBCHC will pay $9,525.00 per month, or the RDA calculated payment, whichever is greater.
5. Any request by SBCHC that the City of Santa Barbara consent to the subordination of all City owned debt and covenants to conventional financing, shall not be unreasonably withheld.
6. The following statement shall be added to Section 6 – Public Benefit of the Covenants: (d) If the household's certified income exceeds 120% of the median income, upon expiration of the household's lease and upon ninety days written notice, the rent may be increased to one-twelfth (1/12) of thirty percent (30%) of the household's adjusted income. The maximum rent will not exceed the HUD published fair market rent for the year the tenant is over 120% of median income.

11 East Haley Street ▫ Santa Barbara, CA 93101 ▫ www.chcsb.com ▫ (805) 963-9644 ▫ Fax (805) 963-3467

The cooperation of the City of Santa Barbara will allow for the continued financial viability of the project and ensure that Santa Barbara Community Housing Corporation has the ability to provide well maintained affordable housing for an additional thirty years.

Thank you for your anticipated cooperation in this matter.

Sincerely,

Emmet Hawkes
Executive Director

Agenda Item No. 2

File Code No. 120.03

# CITY OF SANTA BARBARA

## FINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Finance Committee

**FROM:** Administration Division, Finance Department

**SUBJECT:** Finance Committee Review Of The Fiscal Year 2015 Recommended Budget

**RECOMMENDATION:**

That Finance Committee hear a report from staff regarding proposed fee changes by General Fund departments which would take effect on July 1, 2014.

**DISCUSSION:**

On April 22, 2014 the Finance Committee approved a schedule for their review of certain elements of the Fiscal Year 2015 Recommended Budget. The Finance Committee review schedule is included as an attachment to this report.

At this meeting, staff will be presenting proposed changes to fees for services charged by General Fund departments.

**ATTACHMENT:** Finance Committee Review Schedule

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

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

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

ATTACHMENT

# CITY OF SANTA BARBARA
## Finance Committee Review Schedule
## Fiscal Year 2015 Recommended Budget

| Meeting Date and Time | Department |
|---|---|
| **Tuesday, April 22, 2014**<br>12:30 p.m. – 1:45 p.m. | ➢ Proposed Finance Committee Budget Review Schedule |
| **Tuesday, April 29, 2014**<br>12:30 p.m. – 1:45 p.m. | ➢ General Fund non-departmental revenues and assumptions<br>➢ General Fund Multi-Year Forecast (updated) |
| **Tuesday, May 6, 2014**<br>12:30 p.m. – 1:45 p.m. | ➢ General Fund departmental proposed fee changes<br>➢ Loan Restatement Request On Property Located At 625-627 Coronel Place (Non-Budget Item) |
| **Tuesday, May 13, 2014**<br>12:00 p.m. – 1:45 p.m. | ➢ Enterprise fund proposed fee changes<br>➢ Pension Update<br>➢ Potential Revenues from Improved State finances<br>➢ 3rd Quarter Review (Non-Budget Item) |
| **Tuesday, May 20, 2014**<br>12:30 p.m. – 1:45 p.m. | ➢ SBAG Financing<br>➢ Follow-up on items requested by Finance Committee<br>➢ Staff recommended adjustments, if any<br>➢ Finance Committee decisions/ recommendations |

Note: No Council meeting on May 27, 2014.

File Code 120.03

CITY OF SANTA BARBARA

# ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: May 6, 2014
TIME: 12:30 p.m.
PLACE: Council Chambers

Randy Rowse, Chair
Frank Hotchkiss
Cathy Murillo

Office of the City Administrator

Kate Whan
Administrative Analyst

Office of the City Attorney

Ariel Pierre Calonne
City Attorney

## ITEM FOR CONSIDERATION

**Subject: Average Unit-Size Density Incentive Program Review Process**

Recommendation: That Ordinance Committee forward a recommendation to City Council for parameters requiring Planning Commission review of Average Unit-Size Density Incentive Program rental projects.

File Code No. 120.03

# CITY OF SANTA BARBARA

## ORDINANCE COMMITTEE REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Council Ordinance Committee

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

**SUBJECT:** Average Unit-Size Density Incentive Program Review Process

**RECOMMENDATION:**

That Ordinance Committee forward a recommendation to City Council for parameters requiring Planning Commission review of Average Unit-Size Density Incentive Program rental projects.

**DISCUSSION:**

Background

On March 4, 2014, the City Council voted 5 to 2 to refer to the Ordinance Committee for further consideration the Planning Commission's role in reviewing certain rental projects using the Average Unit-Size Density (AUD) Incentive Program and directed the Ordinance Committee to identify the parameters for requiring Planning Commission review of said projects.

Currently, Planning Commission review and action is only required for ownership housing projects proposed under the AUD program, as they require a Tentative Subdivision Map. All other AUD projects may be referred to the Planning Commission for comments by either the Architectural Board of Review (ABR) or Historic Landmarks Commission (HLC), pursuant to Santa Barbara Municipal Code Sections 22.28.050 and 22.22.133, respectively. Applicants may also voluntarily seek comments from the Planning Commission on any project.

Recommended Parameters

At the March 4th meeting, the City Council determined that Planning Commission review of AUD rental projects would be conceptual only and would not be appealable. The Council also stated that only projects in the High Density Residential or Priority Housing Overlay areas would be subject to mandatory Planning Commission review.

The purpose of the Ordinance Committee's review is to determine an appropriate numerical "trigger" (lot size and/or number of units) for which AUD projects receive a Planning Commission (PC) concept review prior to formal action by either the ABR or

HLC. Previous discussions with the Planning Commission and Council indicate that the trigger should be objective, rather than subjective, to provide greater certainty to applicants of the project review process.

The intent of the High Density Residential and Priority Housing Overlay land use designations is to act as an incentive for the development of smaller rental and workforce units in areas close to transit and within easy walking or biking distance to commercial services and recreational opportunities. Therefore, staff recommends against creating a threshold based solely on the number of units proposed, as it may encourage applicants to propose less units than they otherwise would just to avoid a Planning Commission concept review. Staff recommends that the numerical trigger be based on project lot size. Other considerations include:

- Avoid setting the threshold so low that almost all High Density or Priority Housing residential projects require Planning Commission concept review;
- Avoid setting the threshold so low that similarly sized projects in the Medium High Density areas are exempt from Planning Commission review; and
- Avoid establishing a threshold such that projects in areas already determined to be more appropriate for high density development are subject to a more onerous review process than those in lower density areas.

Staff has done additional research on lots designated as High Density or Priority Housing Overlay (refer to Attachment 1), including those identified as Opportunity Sites in the Housing Element, and has calculated the number of units that could be constructed on lots of various sizes (refer to Attachment 2). Based on that research and the factors listed below, Staff recommends that AUD rental projects on sites of 15,000 square feet or larger receive a Planning Commission concept review:

- Lots of 15,000 square feet or more represent approximately 51% of all lots within the High Density and Priority Housing Overlay designations – seemingly an appropriate amount of projects to trigger additional scrutiny;
- Lots of that size or larger better lend themselves to alternate site designs, building massing and densities than smaller lots; and
- In order to develop under the AUD program on a 15,000 square-foot lot, the project must contain at least nine dwelling units, and could contain up to 21 units.

Staff also recommends that the Land Development Team review all projects that require Planning Commission comments (i.e. project sites ≥15,000 sf) through the Pre-Application Review Team (PRT) process so that a coordinated staff review can benefit the design review boards and occur prior to the Planning Commission review.

A flowchart of the proposed review process is provided as Attachment 3.

Next Steps

The Ordinance Committee recommendation will be considered by Council and staff will confirm Council's support of the program parameters prior to preparing the full ordinance and holding a hearing at the Planning Commission.

**ATTACHMENT(S):**
1. Lot Size Table
2. Density Calculations
3. AUD Planning Commission Process Flowchart
4. AUD Map

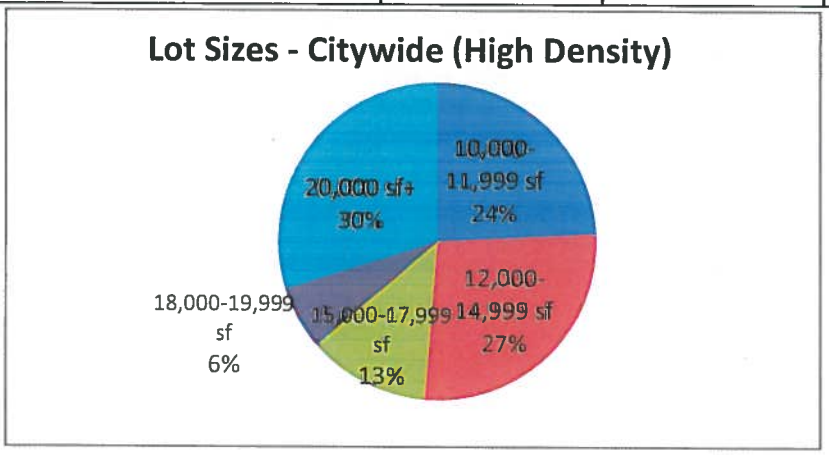
**PREPARED BY:** Allison De Busk, Project Planner

**SUBMITTED BY:** Bettie Weiss, Acting Community Development Director/City Planner

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

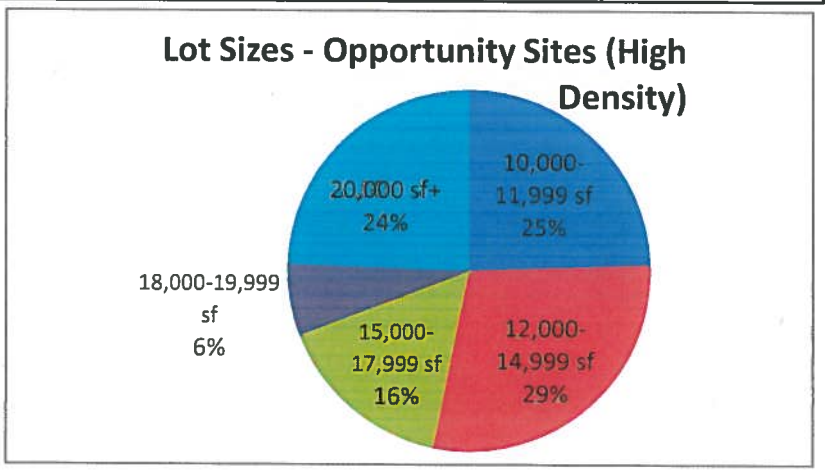
## LOT SIZES - Citywide

| Lot Size (square feet) | Medium-High | High | Priority Housing Overlay |
|---|---|---|---|
| 10,000 – 11,999 | 280 | 68 | 86 |
| 12,000 – 14,999 | 196 | 76 | 87 |
| 15,000 – 17,999 | 129 | 35 | 47 |
| 18,000 – 19,999 | 47 | 18 | 19 |
| 20,000 + | 338 | 84 | 103 |
| **Total** | **990** | **281** | **342** |

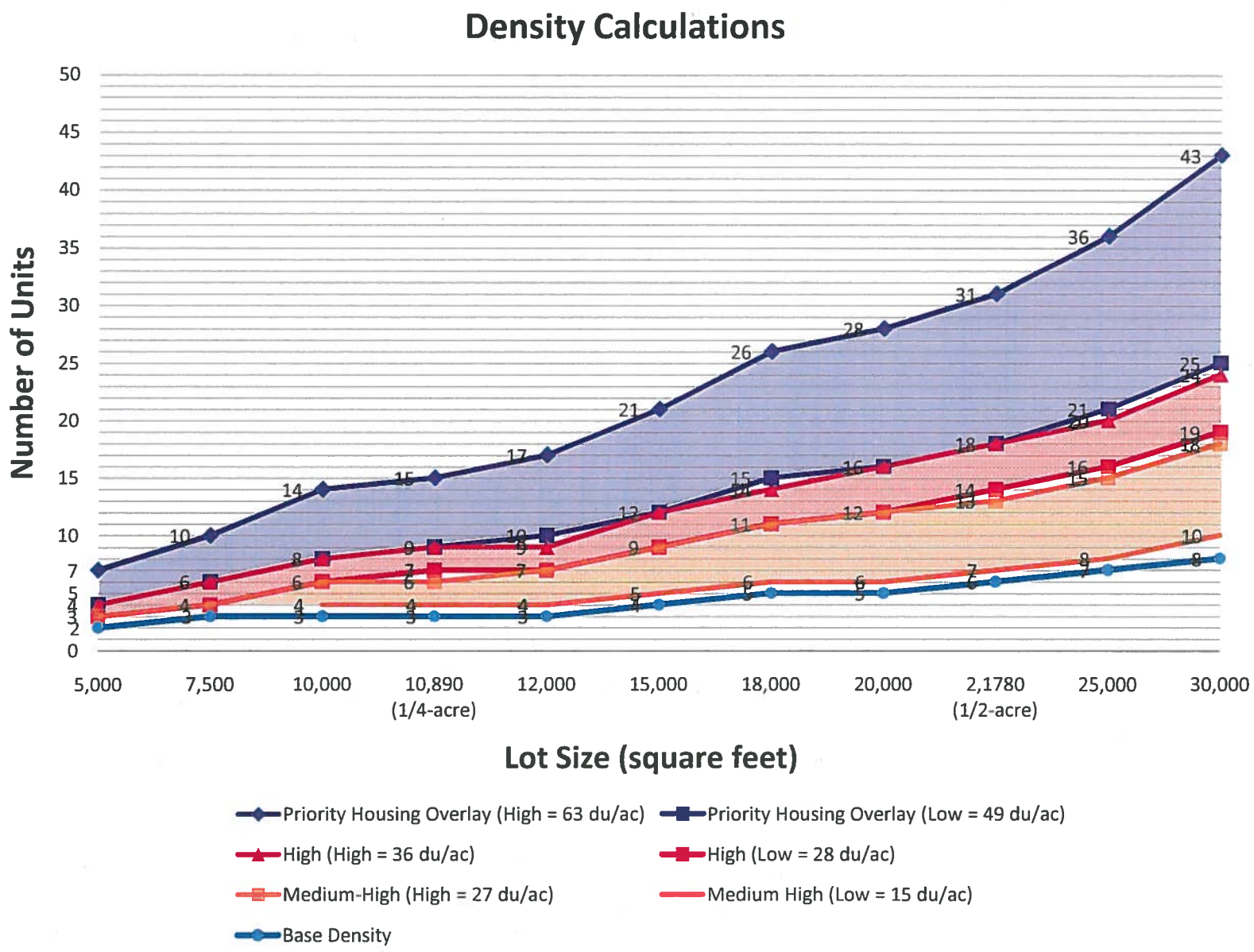



## LOT SIZES - Opportunity Sites*

| Lot Size (square feet) | Medium-High | High |
|---|---|---|
| 10,000 – 11,999 | 59 | 23 |
| 12,000 – 14,999 | 57 | 27 |
| 15,000 – 17,999 | 34 | 15 |
| 18,000 – 19,999 | 8 | 6 |
| 20,000 + | 80 | 23 |
| **Total** | **238** | **94** |




* An Opportunity Site is defined as those parcels determined to be feasible and desirable for residential redevelopment within the current planning period. A complete desription and methodology is provided in the Housing Element.




ATTACHMENT 2

# *DRAFT* Average Unit Size Density Program Process

High/Overlay Density project site of 15,000 square feet or more (Not Condominiums)

Project Submittal

Case Planner Assigned

1st Conceptual Design Review

Staff Involvement
- LDT Staff review (PRT required)
- Staff Memo Prepared
  - GP consistency

2nd Conceptual Design Review

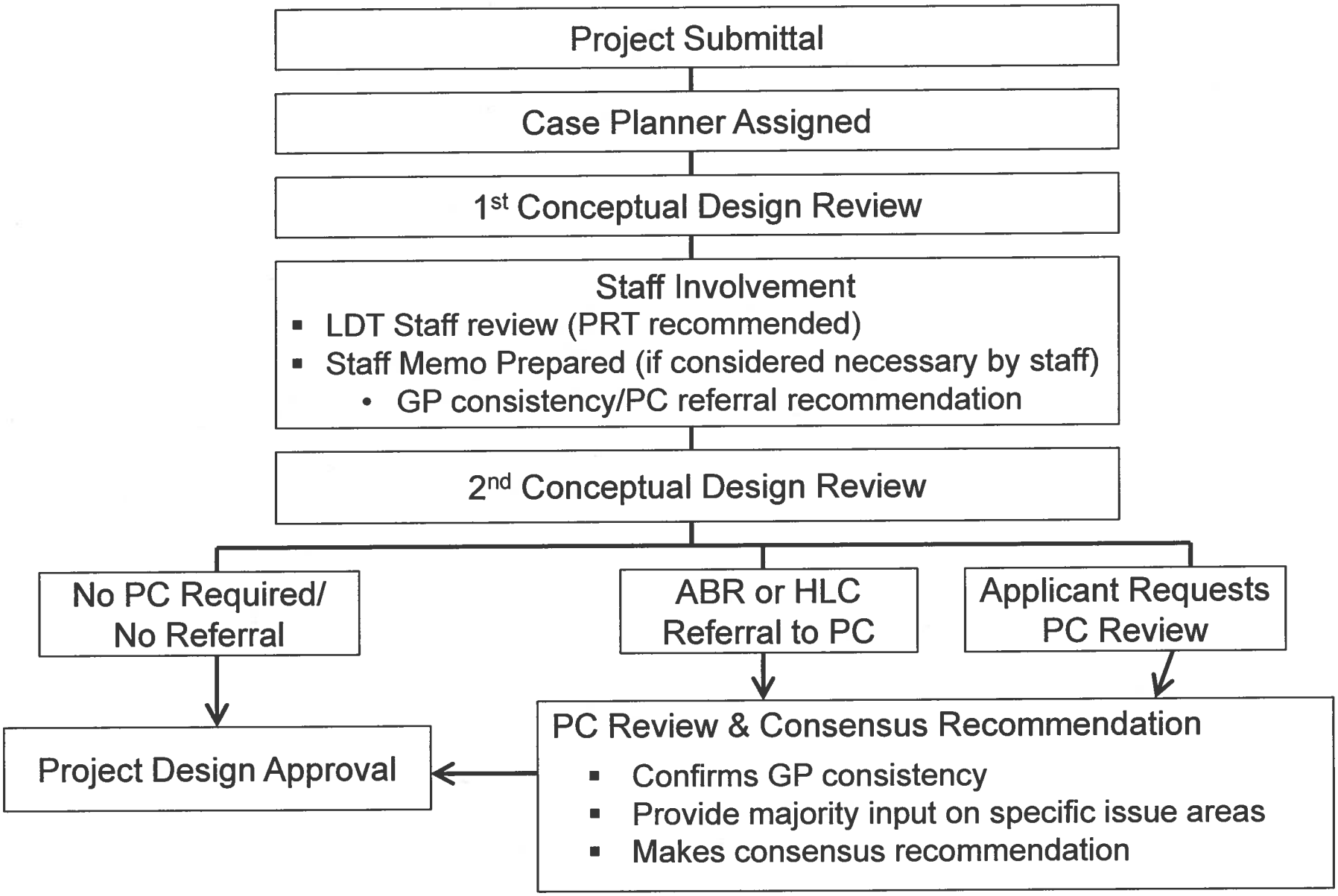
PC Review & Consensus Recommendation
- Confirms GP consistency
- Provide majority input on specific issue areas
- Makes consensus recommendation

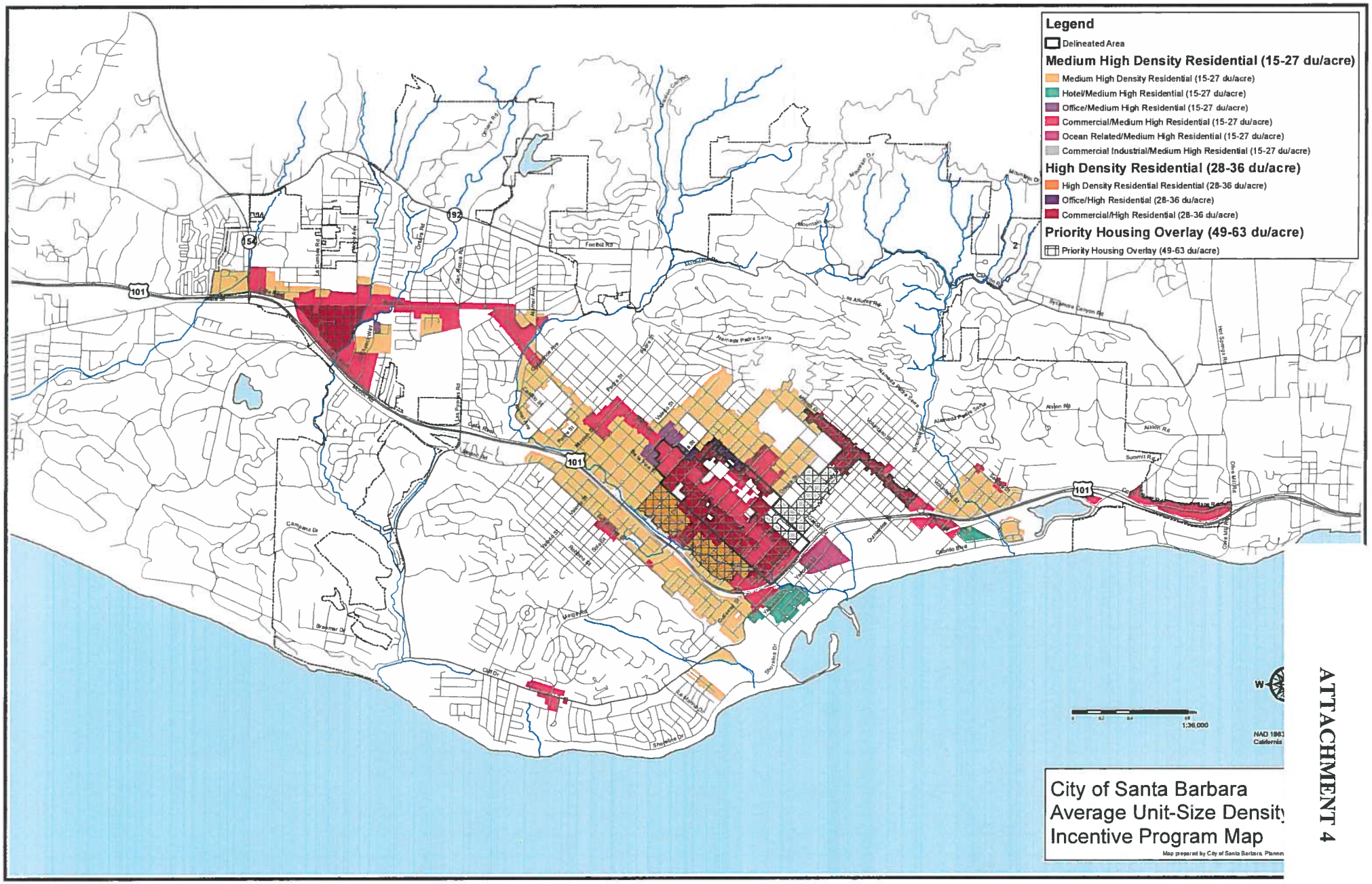
Project Design Approval

ATTACHMENT 3

# *DRAFT* Average Unit Size Density Program Process

## All Others (Not Condominiums)






ATTACHMENT 4

Agenda Item No. 1

File Code No. 410.01

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

**FROM:** City Administrator's Office

**SUBJECT:** Employee Recognition – Service Award Pins

**RECOMMENDATION:**

That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through May 31, 2014.

**DISCUSSION:**

Since 1980, the City Employees' Recognition Program has recognized length of City Service. Service award pins are presented to employees for every five years of service. Those employees achieving 25 years of service or more are eligible to receive their pins in front of the City Council.

Attached is a list of those employees who will be awarded pins for their service through May 31, 2014.

**ATTACHMENT:** May 2014 Service Awards

**PREPARED BY:** Myndi Hegeman, Administrative Specialist

**SUBMITTED BY:** Kristine Schmidt, Acting Administrative Services Director

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

# MAY 2014 SERVICE AWARDS

May 6, 2014, Council Meeting

## 5 YEARS

Rebecca Klarich, Public Safety Dispatcher, Police Department

## 10 YEARS

Doug Smith, Senior Accountant, Finance Department
Jose Torres, Water Distribution Equipment Operator I, Public Works Department

## 15 YEARS

Deirdre Randolph, Community Development Programs Supervisor II, Community Development Department
Deane Carr, Water Treatment Plant Operator II, Public Works Department
Perry Cabugos, Senior Water Treatment Plant Technician, Public Works Department
Hipolito Aispuro, Grounds Maintenance Worker II, Parks & Recreation Department

## 30 YEARS

Caroline Ortega, Buyer, Finance Department

# City of Santa Barbara

## PROCLAMATION
### GIRLS INCORPORATED WEEK
**May 5-9, 2014**

***WHEREAS, Girls Inc.*** *is a research, education and advocacy organization whose mission is to inspire all girls to be strong, smart and bold; and*

***WHEREAS,*** *For over 150 years nationally and more than 50 years locally,* ***Girls Inc.*** *has provided vital educational programs to help confront societal messages about their value and potential, and prepares them to take risks, master physical, intellectual, and emotional challenges and to lead successful, independent, fulfilling lives; and*

***WHEREAS, Girls Inc.*** *asserts girls have the right to be themselves and sist gender stereotypes express themselves with originality and enthusiasm, take risks, to strive freely, and to take pride in success; and*

***WHEREAS, Girls Inc.*** *professionally trained staff and volunteers encourage girls to build skills and self-confidence through hands-on activities and programs that let girls discover their strengths in areas such as math, science, technology, sports, adventure, leadership, career planning and life skills.*

***NOW, THEREFORE, I, HELENE SCHNEIDER,*** *as Mayor of the City of Santa Barbara, California, do hereby proclaim* ***May 5th – May 9th, 2014 as GIRLS INCORPORATED WEEK*** *in honor of your commitment to nurturing girls' dreams, supporting girls' rights and creating endless opportunities for girls to recognize their power and potential to succeed in life.*

***IN WITNESS WHEREOF,*** *I have hereunto set my hand and caused the Official Seal of the City of Santa Barbara, California, to be affixed this 21st day of April 2014.*

**HELENE SCHNEIDER**
**Mayor**

MAY 06 2014 #2
120.04

# CITY OF SANTA BARBARA
# CITY COUNCIL MINUTES

## REGULAR MEETING
## APRIL 22, 2014
## COUNCIL CHAMBER, 735 ANACAPA STREET

---

**CALL TO ORDER**

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

**PLEDGE OF ALLEGIANCE**

Mayor Schneider.

**ROLL CALL**

Councilmembers present: Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.
Councilmembers absent: Councilmember Dale Francisco.
Staff present: City Administrator James L. Armstrong, City Attorney Ariel Pierre Calonne, Deputy City Clerk Deborah L. Applegate.

**PUBLIC COMMENT**

Speakers: Clint Orr; Steve Reynalds; Phil Walker; Ethan Shenkman; Sherrie Fisher and George Amoon, Santa Barbara Metropolitan Transit District; Art Posch; Lee Moldaver.

**CONSENT CALENDAR (Item Nos. 1 – 6)**

Motion:
Councilmembers Murillo/Hart to approve the Consent Calendar as recommended.
Vote:
Unanimous voice vote (Absent: Councilmember Francisco).


MAY 06 2014 #3

**1. Subject: Minutes**

Recommendation: That Council waive further reading and approve the minutes of the regular meeting of April 8, 2014.

Action: Approved the recommendation.

**2. Subject: Award Of Independent Audit Contract (210.01)**

Recommendation: That Council authorize the Finance Director to execute an extension of the existing professional services agreement for two years with Lance, Soll & Lunghard, LLP, Certified Public Accountants (LSL), to perform independent audits of the City of Santa Barbara for the fiscal years ending June 30, 2014, and June 30, 2015, in a total two-year amount not to exceed $111,865.

Action: Approved the recommendation; Agreement No. 23,809.1 (April 22, 2014, report from the Finance Director).

**3. Subject: Santa Barbara South Coast Tourism Business Improvement District Annual Report (290.00)**

Recommendation: That Council receive the Annual Report from the Santa Barbara South Coast Tourism Business Improvement District.

Action: Approved the recommendation (April 22, 2014, report from the Finance Director).

**4. Subject: Authorization Of El Estero Wastewater Treatment Plant Emergency Biosolids Hauling And Final Use Expenditures (540.13)**

Recommendation: That Council approve Emergency Purchase Order No. 31400306, in the total amount of $100,000, for the emergency hauling, composting, and final use of El Estero Wastewater Treatment Plant biosolid

Action: Approved the recommendation (April 22, 2014, report from the Public Works Director).

NOTICES

5. The City Clerk has on Thursday, April 17, 2014, 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.

6. Receipt of communication advising of vacancy created on the Arts Advisory Committee with the resignation of Carol M. Taylor. The vacancy will be part of the current City Advisory Groups Semiannual Recruitment.

This concluded the Consent Calendar.

## REPORT FROM THE FINANCE COMMITTEE

Finance Committee Member Bendy White reported that the Committee reviewed the Recommended Budget for Fiscal Year 2015 and provided additional topics that will be included in the review schedule over the next few months.

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

FINANCE DEPARTMENT

**7. Subject: Fiscal Year 2015 Recommended Operating And Capital Budget (230.05)**

Recommendation: That Council:

A. Receive the Fiscal Year 2015 Recommended Operating and Capital Budget;

B. Hear a report from staff in connection with the filing of the Fiscal Year 2015 Recommended Budget; and

C. Approve the proposed Schedule of Council Budget Review Meetings and Public Hearings related to the Fiscal Year 2015 Recommended Budget.

Documents:

- April 22, 2014, report from the Finance Director.
- PowerPoint presentation prepared and presented by Staff.

Speakers:

Staff: Finance Director Bob Samario, City Administrator James Armstrong.

Motion:

Councilmembers White/Hart to approve the recommendations and approve the proposed Schedule of Council Budget Review Meetings and Public Hearings related to the Fiscal Year 2015 Recommended Budget, with a potential change to the timeframe of the June 2, 2014, meeting.

Vote:

Unanimous voice vote (Absent: Councilmember Francisco).

COMMUNITY DEVELOPMENT DEPARTMENT

**8. Subject: Response To 2013-2014 Santa Barbara County Grand Jury Report Entitled: "What Is 2-1-1? Will It Survive In Santa Barbara County?" (150.04)**

Recommendation: That Council:

A. Receive the Santa Barbara County Grand Jury Report on 2-1-1; and

(Cont'd)

**8. (Cont'd)**

B. Authorize the Mayor to send a letter forwarding the City's response to the Grand Jury Report.

Documents:
- April 22, 2014, report from the Acting Community Development Director.
- PowerPoint presentation prepared and presented by Staff.

Speakers:
Staff: Community Development Business Manager Susan Gray.

Motion:
Councilmembers White/Rowse to approve the recommendations, authorizing the Mayor to send a letter forwarding the City's response to the Grand Jury Report.

Vote:
Majority voice vote (Noes: Councilmember Murillo; Absent: Councilmember Francisco).

**MAYOR AND COUNCIL REPORTS**

**9. Subject: Request from Councilmember Hotchkiss and Councilmember Rowse Regarding The Sit-Lie And Abusive Panhandling Ordinance (520.04)**

Recommendation: That Council consider the request from Councilmember Hotchkiss and Councilmember Rowse regarding a referral to the Ordinance Committee on the Sit-Lie and Abusive Panhandling Ordinance.

Documents:
April 22, 2014, report from the City Administrator.

Speakers:
Members of the Public: Brandon Morse.

Motion:
Councilmembers Hotchkiss/Rowse to forward the Sit-Lie and Abusive Panhandling Ordinance to the Ordinance Committee for further consideration, elaboration and possible preparation of new Ordinances.

Vote:
Unanimous voice vote (Absent: Councilmember Francisco).

Councilmember Francisco arrived at 3:54 p.m.

**10. Subject: Request from Councilmember Murillo and Councilmember Hart Regarding The Proposed Gang Injunction (520.04)**

Recommendation: That Council consider the request from Councilmember Murillo and Councilmember Hart regarding the proposed gang injunction.
(Estimated Time: 4:00 p.m.)

Documents:
- April 22, 2014, report from the City Administrator.
- January 13, 2014, letter from Daraka Larimore-Hall.

Speakers:
- Staff: City Attorney Ariel Calonne, Police Chief Camerino Sanchez, Police Captain Alex Altavilla, City Administrator James Armstrong.
- Members of the Public: Paul Zink; Pastor Gerardo Jerry Menchaca, New Beginnings Church; Keith Terry; Aurora Marquez; Phillip Rendon; Vincent Castro; Gabby Hernandez; Marissa Garcia; Christy Haynes, Neighborhood Advisory Council; Reverend Judy Stevens; Alison Reed; Brandon Morse; Kathy Swift; Tom Parker; Matthew Margulies, M.D.; Isabel James; Naomi Greene; Jacqueline Inda; Nancy Martin; Brittany Heaton; Rogelio Trujillo; Britta Young; Barbara Lotito, Las Abuelitas of Santa Barbara.

Recess: 5:44 p.m. – 6:00 p.m. Deputy City Clerk Susan Tschech took the place of Deputy City Clerk Deborah Applegate.

Speakers (Cont'd):
- Members of the Public: Sebastian Aldana, Jr.; Bonnie Raisin; Richard Ramos; Dora Perez; Nicole Collins, People Organizing for the Defense and Equal Rights of Santa Barbara Youth; Pat Hardy; Hector Agredano; Michal Lynch; Maria Zapata; Adriana Jaimes; Tania Israel; Sylvia Araya; Chelsea Lancaster; Abraham Lizama.

Motion:
Councilmembers Murillo/Hart to direct the City Attorney to halt the proceedings for implementation of the Gang Injunction.

Vote:
Failed to carry by voice vote (Ayes: Councilmembers Hart, Murillo; Noes: Councilmembers Francisco, Hotchkiss, Rowse, White, Mayor Schneider).

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 7:09 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____ATTEST:_____

HELENE SCHNEIDER
MAYOR

DEBORAH L. APPLEGATE
DEPUTY CITY CLERK

_____

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK

Agenda Item No. 4

File Code No. 160.06

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Records Destruction For Administrative Services Department

**RECOMMENDATION:**

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Administrative Services Department in the City Clerk's Office and Human Resources Division.

**DISCUSSION:**

The City Council adopted Resolution No. 14-006 on February 11, 2014, approving the City of Santa Barbara Records Management Policies and Procedures Manual. The Manual contains the records retention and disposition schedules for all City departments. The schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice.

Pursuant to the Manual, the Administrative Services Director submitted a request for records destruction to the City Clerk Services Manager to obtain written consent from the City Attorney. The City Clerk Services Manager agreed that the list of records proposed for destruction conformed to the retention and disposition schedules. The City Attorney has consented in writing to the destruction of the proposed records.

The Administrative Services Director requests the City Council to approve the destruction of the Administrative Services Department records in the City Clerk's Office and Human Resources Division listed on Exhibit A of the proposed Resolution, without retaining a copy.

**SUSTAINABILITY IMPACT:**

Under the City's sustainability program, one of the City's goals is to increase recycling efforts and divert waste from landfills. The Citywide Records Management Program outlines that records approved for destruction be recycled, reducing paper waste.

**PREPARED BY:** Susan Tschech, Deputy City Clerk

**SUBMITTED BY:** Kristy Schmidt, Acting Administrative Services Director

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

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA RELATING TO THE DESTRUCTION OF RECORDS HELD BY THE ADMINISTRATIVE SERVICES DEPARTMENT IN THE CITY CLERK'S OFFICE AND HUMAN RESOURCES DIVISION

WHEREAS, the City Council adopted Resolution No. 14-006 on February 11, 2014, approving the City of Santa Barbara Records Management Policies and Procedures Manual;

WHEREAS, the City of Santa Barbara Records Management Policies and Procedures Manual contains the records retention and disposition schedules for all City departments. The records retention and disposition schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice;

WHEREAS, Government Code section 34090 provides that, with the approval of the City Council and the written consent of the City Attorney, the head of a City department may destroy certain city records, documents, instruments, books or papers under the Department Head's charge, without making a copy, if the records are no longer needed;

WHEREAS, the Administrative Services Director submitted a request for the destruction of records held by the Administrative Services Department to the City Clerk Services Manager to obtain written consent from the City Attorney. A list of the records, documents, instruments, books or papers proposed for destruction is attached hereto as Exhibit A and shall hereafter be referred to collectively as the "Records";

WHEREAS, the Records do not include any records affecting title to real property or liens upon real property, court records, records required to be kept by statute, records less than two years old, video or audio recordings that are evidence in any claim or pending litigation, or the minutes, ordinances or resolutions of the City Council or any City board or commission;

WHEREAS, the City Clerk Services Manager agrees that the proposed destruction conforms to the City's retention and disposition schedules;

WHEREAS, the City Attorney consents to the destruction of the Records; and

WHEREAS, the City Council of the City of Santa Barbara finds and determines that the Records are no longer required and may be destroyed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA that the Administrative Services Director, or her designated representative, is authorized and directed to destroy the Records without retaining a copy.

**EXHIBIT A**

ADMINISTRATIVE SERVICES DEPARTMENT

CITY CLERK'S OFFICE

| Records Series | Date(s) |
|---|---|
| Advisory Group Member Information | 2011 |
| City Council Meeting Audio Recordings | 2003 |
| Contracts, Agreements, and Leases | 1974 – 1975 |
| Correspondence | 2011 |
| Election Records | |
| November 5, 2013, General Municipal Election | 2013 |
| Campaign Statements | 2006 |
| Initiative Petitions, Disqualified | 1998 – 1999 |
| Nomination Documents (November 8, 2005, General Municipal Election) | 2005 |
| Ethics Training Logs | 2008 |
| General Administrative Files | 1995 – 2000 |
| Reports and Studies | 2011 |
| Staff Working Papers | 2004 – 2005 |
| Statements of Economic Interest | 2008 |

HUMAN RESOURCES DIVISION

| Records Series | Date(s) |
|---|---|
| Closed Eligibility and Examination Files | Prior to April 2012 |
| Employment Eligibility Forms (I-9) | Prior to March 2011 |
| Personnel Folders | Prior to 1989 |

Agenda Item No. 5

File Code No. 160.06

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

**FROM:** Administration, Housing & Human Services Division, Community Development Department

**SUBJECT:** Records Destruction For Community Development Department

**RECOMMENDATION:**

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Community Development Department in the Administration, Housing and Human Services, and Building and Safety Divisions.

**DISCUSSION:**

The City Council adopted Resolution No. 14-006 on February 11, 2014, approving the City of Santa Barbara Records Management Policies and Procedures Manual. The Manual contains the records retention and disposition schedules for all City departments. The schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice.

Pursuant to the Manual, the Community Development Director submitted a request for records destruction to the City Clerk Services Manager to obtain written consent from the City Attorney. The City Clerk Services Manager agreed that the list of records proposed for destruction conformed to the retention and disposition schedules. The City Attorney has consented in writing to the destruction of the proposed records.

The Community Development Director requests the City Council to approve the destruction of the Community Development Department records in the Administration, Housing and Human Services, and Building and Safety Divisions listed on Exhibit A of the proposed Resolution, without retaining a copy.

**SUSTAINABILITY IMPACT:**

Under the City's sustainability program, one of the City's goals is to increase recycling efforts and divert waste from landfills. The Citywide Records Management Program outlines that records approved for destruction be recycled, reducing paper waste.

**PREPARED BY:** Gabriele Cook, Administrative Specialist

**SUBMITTED BY:** Bettie Weiss, Acting Community Development Director

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

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA RELATING TO THE DESTRUCTION OF RECORDS HELD BY THE COMMUNITY DEVELOPMENT DEPARTMENT IN THE ADMINISTRATION, HOUSING AND HUMAN SERVICES, AND BUILDING AND SAFETY DIVISIONS

WHEREAS, the City Council adopted Resolution No. 14-006 on February 11, 2014, approving the City of Santa Barbara Records Management Policies and Procedures Manual;

WHEREAS, the City of Santa Barbara Records Management Policies and Procedures Manual contains the records retention and disposition schedules for all City departments. The records retention and disposition schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice;

WHEREAS, Government Code section 34090 provides that, with the approval of the City Council and the written consent of the City Attorney, the head of a City department may destroy certain city records, documents, instruments, books or papers under the Department Head's charge, without making a copy, if the records are no longer needed;

WHEREAS, the Community Development Director submitted a request for the destruction of records held by the Community Development Department to the City Clerk Services Manager to obtain written consent from the City Attorney. A list of the records, documents, instruments, books or papers proposed for destruction is attached hereto as Exhibit A and shall hereafter be referred to collectively as the "Records";

WHEREAS, the Records do not include any records affecting title to real property or liens upon real property, court records, records required to be kept by statute, records less than two years old, video or audio recordings that are evidence in any claim or pending litigation, or the minutes, ordinances or resolutions of the City Council or any City board or commission;

WHEREAS, the City Clerk Services Manager agrees that the proposed destruction conforms to the City's retention and disposition schedules;

WHEREAS, the City Attorney consents to the destruction of the Records; and

WHEREAS, the City Council of the City of Santa Barbara finds and determines that the Records are no longer required and may be destroyed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA that the Community Development Director, or her designated representative, is authorized and directed to destroy the Records without retaining a copy.

**EXHIBIT A**

COMMUNITY DEVELOPMENT DEPARTMENT

BUILDING AND SAFETY

| Records Series | Date(s) |
|---|---|
| Administrative Subject/Correspondence Files | 2010-11 |
| Cashier Journal Summary Reports | July 2010 – January 2012 |
| Monthly Report of Building Statistics | 2005-06 |

ADMINISTRATION, HOUSING & HUMAN SERVICES

| Records Series | Date(s) |
|---|---|
| Community Development Block Grant Project Files (Active) | 2003, 2006, 2008 |
| Community Development Block Grant Project Files | 2007-08 |
| Human Services Project Files | FY 2006 |
| Housing Rehabilitation Loan Program Files | 2007-2008 |
| Rental Housing Mediation Task Force Records | 2007- 2/2009 |
| Contracts and Agreements | 1972, 1993 through 1998 |
| Leases | 2005, 2007, and 2009 |
| Reports and Studies | 1972 through 1978 and 1985 |

Agenda Item No. 6

File Code No. 230.01

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Capital Improvement Projects: Third Quarter Report For Fiscal Year 2014

**RECOMMENDATION:**

That Council accept a report on the City's Capital Improvement Projects for the Third Quarter of Fiscal Year 2014.

**EXECUTIVE SUMMARY:**

This report summarizes progress on capital improvement projects in the third quarter of Fiscal Year 2014. The value of projects with construction in progress totals $10,777,077, and the value of projects in the design phase totals $129,042,624.

**DISCUSSION:**

The following discussion highlights construction activity during the third quarter of Fiscal Year 2014.

CONSTRUCTION HIGHLIGHTS

Seven projects were completed in the third quarter of Fiscal Year 2014, from January through March 2014. Attachment 1 reflects the completed capital projects for this quarter. Attachments 2 and 3 display the completed capital projects by fund for the first three quarters of Fiscal Year 2014. The following describes some of the highlights of completed construction:

- Bridge Preventative Maintenance Program ($324,301) – The work was located at seven bridges throughout the City, including four bridges over Mission Creek (Carrillo Street, Arrellaga Street, Mission Street, and State Street), one bridge over the Laguna Channel (Yanonali Street), one bridge over Sycamore Creek (East Cabrillo Boulevard), and one bridge over Tecolotito Creek (Hollister Avenue). The work consisted of deck treatments and crack repairs.

- Runway 15R-33L Pavement Rehabilitation ($2,121,815) – The completed project consisted of the rehabilitation of Runway 15R-33L at the Airport. The runway is one of two parallel runways that runs north-south, intersecting the Airport's main runway. Runway 15R-33L is used primarily by small general aviation aircraft. The asphalt concrete runway pavement had not had any major maintenance work in ten years and needed rehabilitation.

- Low Impact Development Demonstration Permeable Paver Parking Lots ($2,018,315) – The project consisted of installing over 85,000 square feet of permeable concrete pavers in the parking lots at Oak Park, Stevens Park, and the Westside Neighborhood Center to capture and treat the volume of storm water generated from a 1-inch, 24-hour storm event.

- Wastewater Main Rehabilitation Project Fiscal Year 2013 ($899,993) – The completed project consisted of rehabilitating approximately 3.25 miles of existing 6, 8, 10, and 12-inch sanitary sewer mains utilizing cured-in-place, and spiral-wound trenchless lining technologies in addition to pre-rehabilitation cleaning, and post-rehabilitation Closed Circuit Television Inspections, per the Pipeline Assessment Certification Program standards.

- Ortega Groundwater Treatment Plant Rehabilitation and Improvements ($8,968,283) – The completed project consisted of refurbishing the existing pressure vessels, replacing storage tanks, and improving the related pumping and collection systems at the Ortega Groundwater Treatment Plant. Existing electrical, piping, and pumping systems, along with structural improvements, were made at the City Hall and Vera Cruz wells.

  This priority project will help meet peak summer water demands and supplement depleted surface water supplies during droughts. Groundwater supplies also serve as an emergency source in the event of catastrophic interruption of the supplies from the Santa Ynez River and the State Water Project.

In addition, 12 projects are currently under construction, with an approximate construction contract value of $10,777,077 (Attachment 4). The following are highlights of construction projects in progress:

Successor Agency to the Redevelopment Agency of the City of Santa Barbara:

- Police 911 Call Center Relocation – The general contractor has begun construction ($1,019,828), and the systems integrator contractor is performing analysis and procurement in preparation to move communication and computer systems to the new location.

Public Works Streets:

- Community Development Block Grant Fiscal (CDBG) Year 2013-2014 Sidewalk Access Ramp Project – The construction ($94,960) consists of fifteen new sidewalk access ramps at eight intersections throughout the City within the eligible CDBG census tracts. The project is funded by CDBG and Measure A funds. Construction started on February 16, 2014, and is anticipated to finish in May 2014.

Public Works Wastewater:

- El Camino De La Luz Sewer Crossing – The construction ($120,543) entails the cleaning, rehabilitation, and inspection of a 60-year old 18-inch cast iron pipe that spans the length of the pedestrian walkway adjoining the end of El Camino De La Luz and La Mesa Park, in addition to the cleaning and lining of nearby manholes. Completion is scheduled for May 2014.

- On-Call Sewer Main Point Repairs-Fiscal Year 2014 – The construction ($200,825) began in July 2013 and is progressing smoothly at various locations throughout the City. This project involves open-trench excavation of 6 and 8-inch sewer pipes for rehabilitation. Completion is scheduled for July 2014.

- Wastewater Main Rehabilitation Fiscal Year 2014 – Construction ($1,199,430) started in late March 2014. This project entails the cleaning, trenchless rehabilitation, and inspection of 6 and 8-inch sewer pipes at various locations throughout the City. Completion is scheduled for August 2014.

Public Works Water:

- Water Main Replacement Fiscal Year 2013 ($2,476,062) – The City has added two additional sites to the contractor's scope of work to replace water mains on La Vista Grande and Gillespie Streets. This work will begin once the original contract work has been completed.

- Corporate Yard Well Wellhead Project ($438,587) – The construction contract was awarded in March 2014. The well and control equipment has been ordered, with construction scheduled to begin in August 2014.

PROJECTS IN DEVELOPMENT

In addition to the work in construction, there is a significant amount of work in the design phase. There are currently 39 projects under design, with an estimated total project cost of $129,042,624 (see Attachment 4).

Work is scheduled to be funded over several years, as generally shown in the City's Six-Year Capital Improvement Program Report. The projects rely on guaranteed or anticipated funding and grants.

The following are design project highlights.

Successor Agency to the Redevelopment Agency of the City of Santa Barbara:

- Lower West Downtown Lighting Improvement Project Phase 2 ($1,301,222) – The project received approval from the Architectural Board of Review and is on schedule to start construction in mid-July.

Public Works Wastewater:

- Coastal Infiltration Reduction Project Fiscal Year 2014 ($525,000) – Several large diameter sewer mains run along Cabrillo Boulevard and are buried below the sand on the beach. Approximately 2,400 lineal feet of these pipes have been identified as having defects that allow infiltration into the sanitary sewer system. Due to proximity to the ocean, it is suspected that these sewer mains are the largest contributors for seawater infiltration into the sewer system, which elevates the dissolved solids concentrations in the wastewater and subsequently affects the quality of our recycled water. This project will line these sewer mains and associated manholes to eliminate infiltration, and as a result, we expect to see reduced levels of dissolved solids concentrations in our wastewater, and will likely produce higher quality recycled water.

- On-Call Sewer Main Point Repairs Fiscal Year 2015 ($150,000) – The City has annual rehabilitation and repair projects to improve the quality and reliability of the sanitary sewer system. However, on occasion, damaged sewer mains are identified that need immediate repairs which cannot wait for the annual repair or rehabilitation contract. This on-call contract allows staff to efficiently repair damaged sewer mains throughout the fiscal year.

- Wastewater Lift Station Rehabilitation Fiscal Year 2016 ($500,000) – City staff is working on the project scope for three of our lift stations: Via Lucero, Braemar and El Camino De La Luz. Design work is expected to begin in July 2014.

Public Works Water:

- Groundwater Development ($599,958) – This project will provide on-call hydrogeologic engineering design services for various groundwater well projects. The City relies on groundwater as one of the many potable water sources to meet the needs of its customers. There are several groundwater wells in the City that require rehabilitation and/or replacement in order to continue providing this supplemental water supply. The current drought conditions increase the need for these projects.

Waterfront:

- Marina One Phases Five through Eight ($6,785,000) – The consultant completed the design for the last remaining phases of the Marina One dock replacement. Each phase will take roughly one year, encompassing Docks A through K. An expansion on Dock F may be included in the project, depending on bid pricing.

**SUMMARY:**

The first three quarters of Fiscal Year 2014 ended with approximately $47 million in completed construction, with approximately $12 million coming from grant funding.

**ATTACHMENT(S):**

1. Completed Capital Improvement Projects for Third Quarter Fiscal Year 2014
2. Completed Capital Improvement Projects Funding First through Third Quarter Fiscal Year 2014 - Table
3. Completed Capital Improvement Projects Funding by Category First through Third Quarter Fiscal Year 2014 - Chart
4. Capital Projects with Design and Construction in Progress

**PREPARED BY:** Pat Kelly, Assistant Public Works Director/City Engineer/TB

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

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

**Attachment 1**

## COMPLETED CAPITAL PROJECTS - THIRD QUARTER FISCAL YEAR 2014

| Project Name | Design Costs | Construction Contract | Construction Change Order Costs | Construction Management Costs | Total Project Costs |
|---|---|---|---|---|---|
| Micheltorena Street at California Street Storm Drain Replacement | $6,913 | $19,600 | -$759 | $5,461 | **$31,215** |
| Bridge Preventive Maintenance | $64,135 | $198,608 | $7,618 | $53,940 | **$324,301** |
| Runway 15R-33L Pavement Rehabilitation | $259,603 | $1,743,655 | -$132,450 | $251,007 | **$2,121,815** |
| LID Permeable Paver Parking Lots | $87,560 | $1,717,418 | -$53,623 | $266,960 | **$2,018,315** |
| Wastewater Main Rehabilitation Fiscal Year 2013 | $41,651 | $438,012 | $334,418 | $85,912 | **$899,993** |
| De La Vina at Figueroa Intersection Improvement | $28,174 | $271,444 | $12,110 | $100,033 | **$411,761** |
| Ortega Groundwater Treatment Plant Rehabilitation | $919,606 | $5,219,630 | $603,404 | $2,225,643 | **$8,968,283** |
| **TOTALS** | **$1,407,642** | **$9,608,367** | **$770,718** | **$2,988,956** | **$14,775,683** |

# COMPLETED CAPITAL IMPROVEMENT PROJECTS FUNDING
# FISCAL YEAR 2014

## FIRST QUARTER

| PROJECT TITLE | FUNDING | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **First Quarter** | Airport | Creeks | Downtown Parking | Parks | General Fund | Facilities | RDA | Streets | Water | Wastewater | Waterfront | Grants | **TOTAL PROJECT COSTS** |
| Corporate Yard Well Replacement | | | | | | | | | $ 1,207,283 | | | | $ 1,207,283 |
| Santa Barbara Westerly Launch Ramp Project | | | | | | | | | | | $ 431,245 | | $ 431,245 |
| Cater Water Treatment Plant Advanced Treatment Project | | | | | | | | | $ 21,637,702 | | | | $ 21,637,702 |
| On-Call Sewer Main Point Repairs Fiscal Year 2013 | | | | | | | | | | $ 141,286 | | | $ 141,286 |
| Intersection Improvement Project at Anacapa and Carrillo Streets (1) | | | | | | | | $ 296,282 | | | | $ 400,000 | $ 696,282 |

(1) Highway Safety Improvement Program Grant

**Total First Quarter $ 24,113,798**

## SECOND QUARTER

| PROJECT TITLE | FUNDING | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Second Quarter** | Airport | Creeks | Downtown Parking | Parks | General Fund | Facilities | RDA | Streets | Water | Wastewater | Waterfront | Grants | **TOTAL PROJECT COSTS** |
| El Estero Wastewater Treatment Plant Manhole Rehabilitation | | | | | | | | | | $ 160,465 | | | $ 160,465 |
| ARRA Road Maintenance (1) | | | | | | | | | | | | $ 1,367,567 | $ 1,367,567 |
| Taxiway H,J, C Pavement Rehabilitation (2) | $ 314,764 | | | | | | | | | | | $ 3,069,797 | $ 3,384,561 |
| Conejo Road Sewer Main Extension | | | | | | | | | | $ 206,941 | | | $ 206,941 |
| Mission Creek Fish Passage Ph. 2 (3) | | $ 574,406 | | | | | | | | | | $ 3,031,392 | $ 3,605,798 |

(1) ARRA

(2) FAA Airport Improvement Program

(3) Department of Fish and Game

**Total Second Quarter $ 8,725,332**

# COMPLETED CAPITAL IMPROVEMENT PROJECTS FUNDING
# FISCAL YEAR 2014

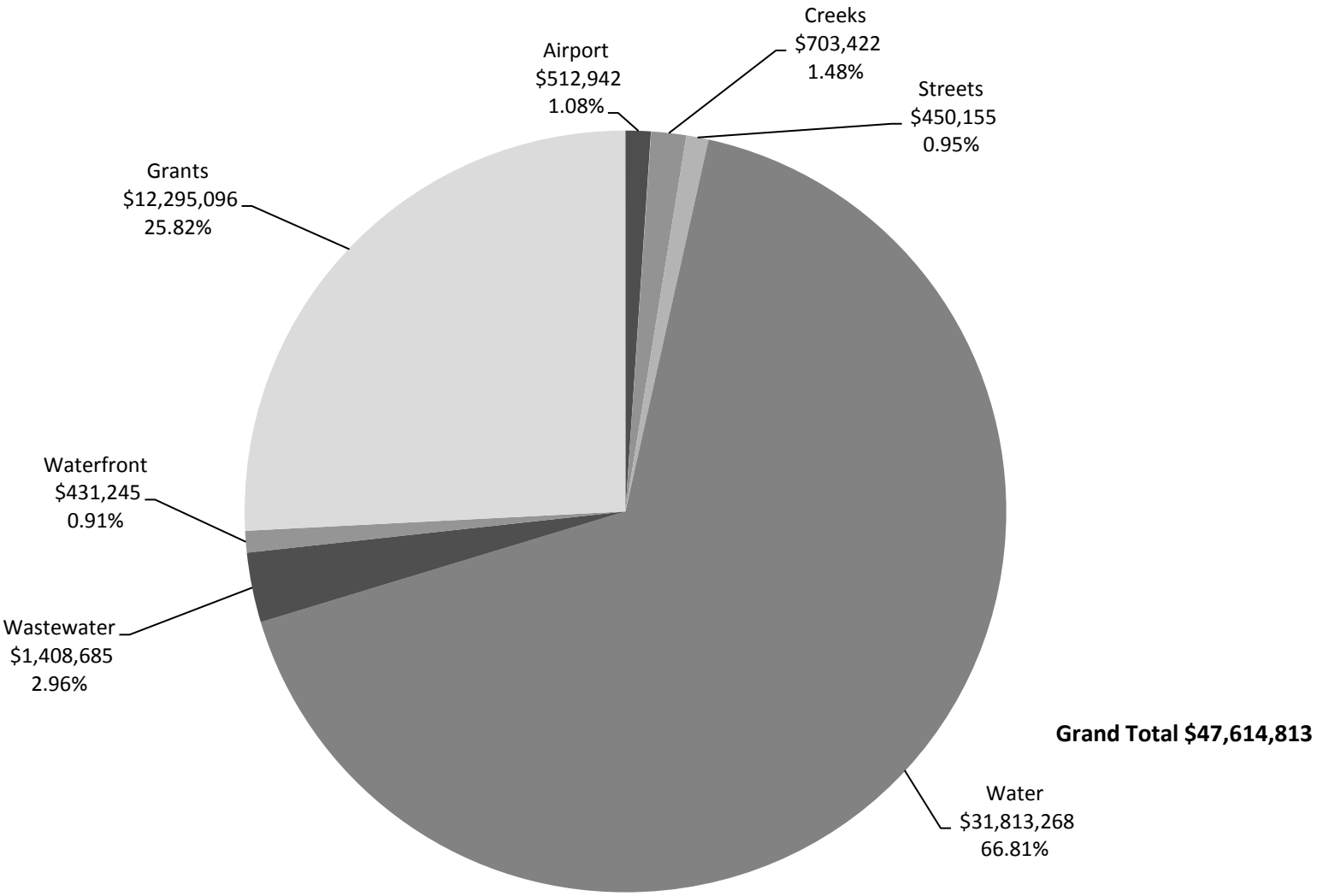
**THIRD QUARTER**

| PROJECT TITLE | FUNDING | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Third Quarter** | Airport | Creeks | Downtown Parking | Parks | General Fund | Facilities | RDA | Streets | Water | Wastewater | Waterfront | Grants | **TOTAL PROJECT COSTS** |
| Micheltorena St @ California St Storm Drain Replacement | | | | | | | | $ 31,215 | | | | | $ 31,215 |
| Bridge Preventive Maintenance (1) | | | | | | | | $ 37,197 | | | | $ 287,104 | $ 324,301 |
| Runway 15R-33L Pavement Rehabilitation (2) | $ 198,178 | | | | | | | | | | | $ 1,923,637 | $ 2,121,815 |
| LID Permeable Paver Parking Lots (3) | | $ 129,016 | | | | | | | | | | $ 1,889,299 | $ 2,018,315 |
| Wastewater Main Rehabilitation FY13 | | | | | | | | | | $ 899,993 | | | $ 899,993 |
| De La Vina @ Figueroa Intersection Improvement (4) | | | | | | | | $ 85,461 | | | | $ 326,300 | $ 411,761 |
| Ortega Groundwater Treatment Plant Rehabilitation | | | | | | | | | $ 8,968,283 | | | | $ 8,968,283 |
| | | | | | | | | | | | | **Total Third Quarter** | **$ 14,775,683** |

(1) Federal Highway Administation
(2) FAA Airport Improvement Program Grant 46
(3) Proposition 84 Stormwater
(4) Federal Highway Safety Improvement Program

| | Airport | Creeks | Downtown Parking | Parks | General Fund | Facilities | RDA | Streets | Water | Wastewater | Waterfront | Grants | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **GRAND TOTAL** | **$ 512,942** | **$ 703,422** | | | | | | **$ 450,155** | **$ 31,813,268** | **$ 1,408,685** | **$ 431,245** | **$ 12,295,096** | **$ 47,614,813** |
| **%** | **1.08%** | **1.48%** | | | | | | **0.95%** | **66.81%** | **2.96%** | **0.91%** | **25.82%** | **100.00%** |

# Completed Capital Projects Funding First through Third Quarter Fiscal Year 2014




**Grand Total $47,614,813**

# CAPITAL PROJECTS WITH DESIGN AND CONSTRUCTION IN PROGRESS

| PROJECT CATEGORY | DESIGN IN PROGRESS | |
|---|---|---|
| | No. of Projects | Total Value of Projects |
| Airport | 3 | $3,948,685 |
| Parking | 2 | $268,045 |
| Successor Agency to the Redevelopment Agency of the City of Santa Barbara | 1 | $1,301,222 |
| Public Works: Streets/Bridges | 8 | $69,728,560 |
| Public Works:Streets/Transportation | 11 | $6,933,873 |
| Public Works: Water/Wastewater | 14 | $40,077,239 |
| Waterfront | 1 | $6,785,000 |
| **TOTAL** | **40** | **$129,042,624** |

| PROJECT CATEGORY | CONSTRUCTION IN PROGRESS | |
|---|---|---|
| | No. of Projects | Construction Contract Costs |
| Successor Agency to the Redevelopment Agency of the City of Santa Barbara | 1 | $1,019,828 |
| Public Works: Streets/Transportation | 3 | $2,446,113 |
| Public Works: Water/Wastewater | 8 | $7,311,136 |
| **TOTAL** | **12** | **$10,777,077** |

Agenda Item No. 7

File Code No. 550.05

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Agreement With Ensemble Theatre Company For Parking Lot 5 Design Services

**RECOMMENDATION:**

That Council authorize the City Administrator to execute an Agreement for reimbursement in the amount of $29,882.92 for Parking Lot 5 Exit Design Services to the Ensemble Theatre Company.

**DISCUSSION:**

Prior to the renovation and reconstruction of the Victoria Hall Theater by the Ensemble Theatre Company (ETC), Parking Lot 5 had an entrance from both Victoria and Chapala Streets, and a single exit on Chapala Street. In order to renovate and reconstruct the Victoria Hall Theater, ETC required a construction staging area that both blocked the single exit and utilized eighteen (18) parking spots within the lot (ETC paid the City $20 per space per day.) Therefore, to keep Lot 5 functional during ETC's construction project the City required that ETC convert the Victoria Street entrance to a temporary exit, including constructing a temporary kiosk and reconfiguring and repositioning the gate arm, ticket column, and vehicle detector loops.

At the time ETC commenced the work to install the temporary exit at Victoria Street the City anticipated making the exit permanent to help alleviate historic "bottlenecks" created by vehicles exiting the parking lot on Chapala Street after performances in the nearby theaters. With that in mind, the City asked ETC, in conjunction with the temporary relocation of the exit, to also have a permanent layout designed by its architect, PMSM Architects. PMSM submitted the new permanent kiosk design to the Historic Landmarks Commission for review and approval, which was subsequently received. City staff conceptually agreed, pending Council approval, to reimburse ETC for certain costs of permitting, design, and construction for the additional scope of work for the permanent exit design. Under the terms of the agreement, the City will reimburse ETC expenses resulting from design, permitting, and partial construction layout of the permanent kiosk is $29,882.92. In lieu of a cash payment, the City would credit ETC the amount it owed to the City for the use of the City's eighteen (18) parking

spaces from July 1, 2013 to September 24, 2013. The proposed agreement is on file for public review in the City Clerk's Office.

In addition, in order to expedite construction of the permanent exit at Victoria Street, the City has asked that ETC leave the temporary exit lane improvements in place, including the temporary kiosk. ETC has agreed to donate ownership of all of the Victoria exit lane related improvements, including the temporary kiosk, to the City.

Public Works has received a proposal from ETC's consultant, PMSM Architects, to finish the final exit design, which includes designing the exit lane curb alignment and placement of the exit kiosk. Once City staff negotiates an acceptable proposal, staff will return to Council with a professional service agreement for final design services.

**PREPARED BY:** Browning Allen, Transportation Manager/VG/kts

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

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

Agenda Item No. 8

File Code No. 540.13

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Contract For Design For Recycled Water Distribution System Modeling

**RECOMMENDATION:**

That Council authorize the Public Works Director to execute a City Professional Services Contract with Carollo Engineers in the amount of $42,535 for Design Services for Recycled Water Distribution System Modeling, and authorize the Public Works Director to approve expenditures of up to $4,253 for extra services of Carollo Engineers that may result from necessary changes in the scope of work.

**DISCUSSION:**

PROJECT DESCRIPTION

During the construction of the Tertiary Treatment Facility at the El Estero Wastewater Treatment Plant, the recycled water distribution system (system) will have to operate in a manner for which it was not designed. Multiple improvement projects and system changes are being planned to ensure the system can meet demands during the construction period. The proposed modeling services will analyze the effects these improvements will have on the system, including the following:

- Evaluate the system benefits and optimization of installing a booster pump station to serve Elings Park.
- Analyze the effects of connecting Valle Verde Well to the system.
- Ensure system demands can be met by reversing the flow to have the Phase II service area supply the Phase I service area during construction.
- Perform an overall system optimization for standard treatment plant operation, and with proposed expanded future demands.

DESIGN PHASE CONSULTANT ENGINEERING SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with Carollo Engineers in the amount of $42,535 for design, $4,253 for potential extra services, for a total amount of $46,788. Carollo Engineers was selected as part of a Request for Proposal process for similar services.

FUNDING

The following summarizes all estimated total Project costs:

**ESTIMATED TOTAL PROJECT COST**

| | |
|---|---|
| Design (by Contract with Carollo) | $42,535 |
| Extra Services | $ 4,253 |
| Other Design Costs - City staff | $12,500 |
| **TOTAL PROJECT COST** | **$59,288** |

There are sufficient funds appropriated for various projects in the Water Capital Fund approved by Council in the June 2013 budget adoption process. On May 13, 2014, as part of the City's 3rd Quarter Budget Review, we will be requesting Council's approval for a comprehensive reprogramming of some existing budgeted capital projects, to fund this and other extraordinary and unplanned drought related projects.

**PREPARED BY:** Joshua Haggmark, Acting Water Resources Manager/CT/mh

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

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

Agenda Item No. 9

File Code No. 290.00

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

**FROM:** Fire Prevention Division, Fire Department

**SUBJECT:** Set A Date For Public Hearing Regarding Renewal Of Levy For Fiscal Year 2015 For The Wildland Fire Suppression Assessment

**RECOMMENDATION:**

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Declaring its Intention to Continue the Wildland Fire Suppression Assessment Within the Foothill and Extreme Foothill Zones; Declaring the Work to be of More Than General or Ordinary Benefit and Describing the District to be Assessed to Pay the Costs and Expenses Thereof; Preliminarily Approving the Updated Engineer's Report; Stating Intention to Continue Assessments for Fiscal Year 2015; and Establishing a Time of 2:00 P.M. on Tuesday, May 20,2014, in the City Council Chambers for a Public Hearing on the Wildland Fire Suppression Assessment.

**DISCUSSION:**

On July 11, 2006, the City Council adopted Resolution 06-064 which declared the Council's intention to order expansion of vegetation road clearance, implementation of a defensible space inspection and assistance program, and implementation of a vegetation management program within the Foothill and Extreme Foothill Zones. The Resolution described the special benefit to be assessed and approved an Engineer's Report, confirmed the diagram and assessment, and ordered levy of the Wildland Fire Suppression Assessment District for Fiscal Year 2007. As required by the Resolution, the Assessment must be renewed annually by the Council. The City has renewed the Wildland Fire Suppression Assessment for the past seven years.

Assessment funds continue to reduce the risk and severity of wildland fires through the reduction of flammable vegetation. The assessment provides three primary services:

**Vegetation Road Clearance:** Each year the assessment provides approximately 14 miles of road clearance in the Foothill and Extreme Foothill Zones. The frequency is such that most roads in the District are cleared of impeding vegetation every three years. Clearing vegetation from the roadways is required of property owners by law and allows for safer egress of residents and ingress of first responders during an emergency. This year fire

crews cleared 14-1/2 miles of roadway to benefit the District. In 2015, the Department intends to undertake as much additional Vegetation Road Clearance work as possible in response to the heightened specific need for such work caused by the acute drought conditions.

**Defensible Space Inspection and Assistance:** This element of the assessment provides assistance to property owners in creating defensible space around their homes. Defensible space is a key element in preventing the ignition of homes during a wildfire by reducing the exposure of the home to burning vegetation. Defensible space assistance will again involve scores of site visits to assist homeowners. In addition, the assessment provides chipping services to residents of the District after the vegetation has been cut. Chipping services provides a cost effective way for homeowners to dispose of cut material. The chipped vegetation may be reused as a ground cover in landscaping. By the end of the chipping season in mid-June, the Fire Department will have chipped approximately 350 tons of material for district properties.

**Vegetation Management:** Vegetation management is the selective removal of flammable vegetation in open land outside of property owner's defensible space. The goal is to lessen the severity of a fire, in the event that one occurs, by depriving the fire of a large amount of fuel. This is accomplished by preferentially removing exotic plants, thinning, pruning and limbing vegetation to remove fire ladders, limbing up the canopy and pruning out dead material. Vegetation management retains the overall look of wildland areas and minimizes impacts to natural resources while reducing the amount of flammable vegetation. Vegetation management was successfully completed on 11 acres this past year. This project required staff to strengthen the public-private relationship by working with multiple, individual property owners and contract crews to link individual parcels across large areas of adjacent land. Working in cooperation with multiple property owners, there is a greater impact on reducing the community threat from wildfire. In addition to vegetation removal, this project also accomplished education, protection of natural resources unique to the area and outlined individual maintenance programs. The project areas are identified in the Wildland Fire Plan.

**ANNUAL LEVY:**

The Wildland Fire Assessment may be annually increased by the Consumer Price Index (CPI) in an amount not to exceed 4% per year. In adjusting for the Consumer Price Index, the allowable increase is calculated using the CPI from the past year plus any deferred increases from previous years. For Fiscal Year 2015, staff and the Assessment Engineer propose a CPI increase of 0.77%. The rate for Fiscal Year 2015 as suggested in the Engineer's Report will therefore be set at $75.72 per single family home in the Foothill Zone and $93.89 per single family home in the Extreme Foothill Zone. The total revenues from the assessment will be $248,907.

The Fiscal Year 2014 rates were $75.14 and $93.17 respectively, for a total assessment of $245,287. The increase for Fiscal Year 2015 will allow us to continue to provide the same level of service in all three areas.

As required in Resolution 06-064, an updated Engineer's Report has been prepared and includes the proposed budget and assessment rate. The updated Engineer's Report must be considered by the City Council at a noticed public hearing and serves as the basis for the continuation of the assessments. The updated Engineer's Report is available for review at Fire Department Administration, 925 Chapala Street and the City Clerk's Office at City Hall at 735 Anacapa Street.

**SUSTAINABILITY IMPACT:**

Vegetation removed through vegetation road clearance and the defensible space chipping assistance program is chipped and spread back on to the ground or in areas of local parks where feasible. The goal is reuse at least 80% of all chipped material locally avoiding the cost of disposal fees, extra vehicle trips and landfill use. Non-native pest plants are not chipped, but rather hauled off-site to be disposed of properly. In 2014 we exceeded that goal, achieving 99% reuse.

**PREPARED BY:** Joe Poiré, Fire Marshal

**SUBMITTED BY:** Patrick McElroy, Fire Chief

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

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA DECLARING ITS INTENTION TO CONTINUE THE WILDLAND FIRE SUPPRESSION ASSESSMENT WITHIN THE FOOTHILL AND EXTREME FOOTHILL ZONES; DECLARING THE WORK TO BE OF MORE THAN GENERAL OR ORDINARY BENEFIT AND DESCRIBING THE DISTRICT TO BE ASSESSED TO PAY THE COSTS AND EXPENSES THEREOF; PRELIMINARILY APPROVING THE UPDATED ENGINEER'S REPORT; STATING INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2015; AND ESTABLISHING A TIME OF 2:00 P.M. ON TUESDAY, MAY 20, 2014, IN THE CITY COUNCIL CHAMBERS FOR A PUBLIC HEARING ON THE WILDLAND FIRE SUPPRESSION ASSESSMENT

WHEREAS, the City of Santa Barbara is authorized, pursuant to the authority provided in California Government Code Section 50078 et seq. and Article XIIID of the California Constitution, to levy assessments for fire suppression services;

WHEREAS, an assessment for fire suppression has been given the distinctive designation of the "Wildland Fire Suppression Assessment" ("Assessment"), and is primarily described as encompassing the Foothill and Extreme Foothill zones as defined in the Wildland Fire Plan of 2004;

WHEREAS, the Assessment was authorized by an assessment ballot proceeding conducted in 2006 and approved by 51% of the weighted ballots returned by property owners, and such assessments were levied by the City of Santa Barbara City Council by Resolution No. 06-064 passed on July 11, 2006; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations.

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

SECTION 1. SCI Consulting Group, the Engineer of Work, has prepared an engineer's

report in accordance with Article XIIID of the California Constitution. The Report has been made, filed with the City Clerk and duly considered by the Council and is hereby deemed sufficient and preliminarily approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.

SECTION 2. It is the intention of this Council to continue to levy and collect assessments for the Wildland Fire Suppression Assessment for fiscal year 2014-15. Within the Assessment District, the proposed services to be funded by the assessments ("Services") are generally described as including but not limited to, the following: (1) continuation of the vegetation road clearance program to cover all public roads within the Foothill and Extreme Foothill Zones (continuing this program will reduce fuel, enhance evacuation routes, and decrease fire response times); (2) enhancing the defensible space fire prevention inspection and assistance program for all properties in the Foothill and Extreme Foothill Zones; and (3) implementation of a vegetation management program in the Foothill and Extreme Foothill Zones. As applied herein, "vegetation road clearance" means the treatment, clearing, reducing, or changing of vegetation near roadways in the Foothill and Extreme Foothill Zones where vegetation poses a fire hazard and does not meet Fire Department Vegetation Road Clearance Standards within the high fire hazard area (as provided in Santa Barbara Municipal Code Section 8.04.020.M). "Defensible space" is a perimeter created around a structure where vegetation is treated, cleared or reduced to slow the spread of wildfire towards a structure, reduce the chance of a structure fire burning to the surrounding area, and provides a safe perimeter for firefighters to protect a structure (as provided in Chapter 49, Section 4907 "Requirements For Wildland-Urban Interface Areas, Defensible Space" as adopted by the City of Santa Barbara pursuant to Santa Barbara Municipal Code Section 8.04.010). "Vegetation management" means the reduction of fire hazard through public education, vegetation hazard reduction, and other methods as needed to manage vegetation in areas with unique hazards such as heavy, flammable vegetation, lack of access due to topography and roads, and/or firefighter safety.

SECTION 3. The estimated fiscal year 2014-15 cost of providing the Services is $248,907. This cost results in a proposed assessment rate of SEVENTY FIVE DOLLARS AND SEVENTY-TWO CENTS ($75.72) per single-family equivalent benefit unit in the Foothill Zone and NINETY THREE DOLLARS AND EIGHTY-NINE CENTS ($93.89) in the Extreme Foothill Zone for fiscal year 2014-15. The Assessments include a provision for an annual increase equal to the change in the Los Angeles-Riverside-Orange County Area Consumer Price Index ("CPI), not to exceed 4% (four percent) per year without a further vote or balloting process. The total allowable CPI adjustment for 2014-15 is 0.77% and the rates have been adjusted, accordingly.

SECTION 4. The public hearing shall be held, before the City Council in the City of Santa Barbara City Council Chambers, located at 735 Anacapa Street, Santa Barbara, CA 93101 as follows: on Tuesday, May 20, 2014 at the hour of 2:00 p.m. for the purpose of this Council's determination whether the public interest, convenience and necessity require the Services and this Council's final action upon the Report and the assessments therein.

SECTION 5. The Clerk of the Council shall cause notice of the hearing to be given by publishing a notice, at least ten (10) days prior to the date of the hearing above-specified, in a newspaper circulated in the City.

# CITY OF SANTA BARBARA

## WILDLAND FIRE SUPPRESSION ASSESSMENT

# PRELIMINARY ENGINEER'S REPORT

MAY 2014

PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 50078 *ET SEQ.*, AND ARTICLE XIIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:

**SCIConsultingGroup**
4745 MANGELS BOULEVARD
FAIRFIELD, CALIFORNIA 94534
PHONE 707.430.4300
FAX 707.430.4319
WWW.SCI-CG.COM

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## CITY OF SANTA BARBARA

### CITY COUNCIL

Helene Schneider,
Cathy Murillo, Mayor Pro Tempore
Dale Francisco, Councilmember
Gregg Hart, Councilmember
Frank Hotchkiss, Councilmember
Randy Rowse, Councilmember
Harwood "Bendy" White, Councilmember

### FIRE PREVENTION BUREAU

Patrick McElroy, Fire Chief
Joe Poire, Fire Marshal
Chris Braden, Fire Services Specialist

### CITY ATTORNEY'S OFFICE

Ariel Pierre Calonne, City Attorney
Sarah Knecht, Assistant City Attorney

### ENGINEER OF WORK

SCI Consulting Group

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## INTRODUCTION

The City of Santa Barbara is located about 100 miles northwest of Los Angeles, largely on the slopes between the Pacific Ocean and the Santa Ynez Mountains. The City of Santa Barbara provides fire services throughout the City limits. Fire services include fire suppression, protection, prevention, evacuation planning, and education.

Due to topography, location, climate and infrastructure, the Santa Barbara community has a relatively high inherent risk of wildland fires. Listed below are some of the major wildland fires that have occurred in Santa Barbara County since 1970:

**FIGURE 1 – WILDLAND FIRE HISTORY IN SANTA BARBARA COUNTY**

| Year | Fire Name | Acres | Homes Lost |
|---|---|---|---|
| 1971 | Romero Canyon Fire | 14,538 | 4 |
| 1977 | Sycamore Canyon Fire | 805 | 234 |
| 1977 | Hondo Canyon Fire | 10,000 | 0 |
| 1979 | Eagle Canyon Fire | 4,530 | 5 |
| 1990 | Painted Cave Fire | 4,900 | 524 |
| 1993 | Marre Fire | 43,864 | 0 |
| 2002 | Sudden Fire | 7,160 | 0 |
| 2004 | Gaviota Fire | 7,440 | 1 |
| 2007 | Zaca Fire | 240,207 | 0 |
| 2008 | Gap Fire | 9,443 | 0 |
| 2008 | Tea Fire | 1.940 | 210 |
| 2009 | Jesusita Fire | 8,733 | 80 |

In response to the considerable wildland fire risk in the area, the City of Santa Barbara Fire Department prepared a Wildland Fire Plan in January, 2004, in which it identified four High Fire Hazard Zones: The Coastal Zone, the Coastal Interior Zone, the Foothill Zone, and the Extreme Foothill Zone. The two Zones with the highest wildland fire risk are the Foothill and Extreme Foothill Zones (the "Zones"), and these are the Zones that are included in this assessment.

These Zones are at a high risk of wildland fires due to the following factors:

- **Climate.** The climate consists of cool, moist winters and hot, dry summers. The low humidity and high summer temperatures increase the likelihood that a spark will ignite a fire in the area, and that the fire will spread rapidly.
- **Topography.** Periodic wind conditions known as "Sundowner" and "Santa Ana" winds interact with the steep slopes in the Santa Ynez Mountains and the ocean influence, resulting in an increase in the speed of the wind to severe levels. These two types of wind conditions increase the likelihood that fires will advance

downslope towards the Foothill and Extreme Foothill Zones. In addition, these winds can greatly increase the rate at which a fire will spread.

- **Chaparral.** Much of the undeveloped landscape is covered with chaparral. Chaparral sheds woody, dead, and organic materials rich in flammable oils, which accumulate over time. Areas covered with chaparral typically experience wildland fires which burn the accumulated plant materials, and renew the chaparral for its next cycle of growth. Therefore, areas of chaparral which are not thinned, and from which the dead plant materials are not removed or burned off in prescribed fires, provide ample opportunities for wildland fires to occur and to spread.
- **Road Systems.** Many of the roads in the Foothill and Extreme Foothill Zones do not meet current Fire Department access and vegetation road clearance standards, and many are made even more narrow due to the encroachment of vegetation. A number of the bridges have weight requirements that are below Fire Department weight standards. In addition, many driveways are long and steep, posing a safety hazard. All of these factors make it more difficult and more hazardous for the Fire Department to provide fire suppression services in these areas.
- **Water Supply.** In the Extreme Foothill Zone, the City water supply is limited in some areas, and not available in others. These factors increase the risks associated with fires, due to the reduced availability of water to fight any fires that occur.
- **Fire Response Time.** Much of the Extreme Foothill Zone, and some of the Foothill Zone, is outside the City's 4 minute Fire Department response time. As a result, fires in these areas may have more time to spread and to increase in severity before fire suppression equipment can reach them.
- **Proximity to the Los Padres National Forest.** The Los Padres National Forest (LPNF) is a large forest to the north of the Foothill and Extreme Foothill zones. The LPNF provides a great deal of potential fuel for any wildland fire in the area. Wildland fires that start in the LPNF have the potential to move south toward the Foothill and Extreme Foothill zones.

This Engineer's Report (the "Report") was prepared to: 1) contain the information required by Government Code Section 50078.4, including a) a description of each lot or parcel of property to be subject to the assessment, b) the amount of the assessment for each lot or parcel for the initial fiscal year, c) the maximum amount of the assessment which may be levied for each lot or parcel during any fiscal year, d) the duration of the assessment, e) the basis of the assessment, f) the schedule of the assessment, and g) a description specifying the requirements for protest and hearing procedures for the assessment pursuant to Section 50078.6; 2) establish a budget to provide services to reduce the severity and damage from wildland fires (the "Services") that will be funded by the 2014-15

assessments; 3) determine the benefits received from the Services by property within the City of Santa Barbara Wildland Fire Suppression Assessment District (the "Assessment District") and; 4) assign a method of assessment apportionment to lots and parcels within the Assessment District. This Report and the assessments have been made pursuant to the California Government Code Section 50078 et. seq. (the "Code") and Article XIIID of the California Constitution (the "Article").

In Fiscal Year 2006-07, the City of Santa Barbara City Council (the "Council") by Resolution called for an assessment ballot proceeding and public hearing on the then-proposed establishment of a wildland fire suppression assessment.

On May 5, 2006 a notice of assessment and assessment ballot was mailed to property owners within the proposed Assessment District boundaries. Such notice included a description of the Services to be funded by the proposed assessments, a proposed assessment amount for each parcel owned, and an explanation of the method of voting on the assessments. Each notice also included a postage prepaid ballot on which the property owner could mark his or her approval or disapproval of the proposed assessments as well as affix his or her signature.

After the ballots were mailed to property owners in the Assessment District, the required minimum 45 day time period was provided for the return of the assessment ballots. Following this 45 day time period, a public hearing was held on June 20, 2006 for the purpose of allowing public testimony regarding the proposed assessments. At the public hearing, the public had the opportunity to speak on the issue. After the conclusion of the public input portion of the hearing, the hearing was continued to July 11, 2006 to allow time for the tabulation of ballots.

With the passage of Proposition 218 on November 6, 1996, The Right to Vote on Taxes Act, now Article XIIIC and XIIID of the California Constitution, the proposed assessments could be levied for fiscal year 2006-07, and continued in future years, only if the ballots submitted in favor of the assessments were greater than the ballots submitted in opposition to the assessments. (Each ballot is weighted by the amount of proposed assessment for the property that it represents).

After the conclusion of the public input portion of the Public Hearing held on June 20, 2006, all valid received ballots were tabulated by the City of Santa Barbara Clerk. At the continued public hearing on July 11, 2006, after the ballots were tabulated, it was determined that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted).

As a result, the Council gained the authority to approve the levy of the assessments for fiscal year 2006-07 and to continue to levy them in future years. The Council took action,

by a Resolution passed on July 31, 2006, to approve the first year levy of the assessments for fiscal year 2006-07.

The authority granted by the ballot proceeding was for a maximum assessment rate of $65.00 per single family home, increased each subsequent year by the Los Angeles Area Consumer Price Index (CPI) not to exceed 4% per year. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

In each subsequent year for which the assessments will be continued, the Council must preliminarily approve at a public meeting a budget for the upcoming fiscal year's costs and services, an updated annual Engineer's Report, and an updated assessment roll listing all parcels and their proposed assessments for the upcoming fiscal year. A new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations. At this meeting, the Council will also call for the publication in a local newspaper of a legal notice of the intent to continue the assessments for the next fiscal year and set the date for the noticed public hearing. At the annual public hearing, members of the public can provide input to the Council prior to the Council's decision on continuing the services and assessments for the next fiscal year.

If the assessments are so confirmed and approved, the levies will be submitted to the Santa Barbara County Auditor/Controller for inclusion on the property tax roll for Fiscal Year 2014-15. The levy and collection of the assessments will continue year-to-year until terminated by the City Council.

If the City Council approves this Engineer's Report for fiscal year 2014-15 and the assessments by Resolution, a notice of assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. Following the minimum 10-day time period after publishing the notice, a public hearing will be held for the purpose of allowing public testimony about the proposed continuation of the assessments for fiscal year 2014-15.

A Public Hearing is scheduled for May 20, 2014. At this hearing, the Council will consider approval of a resolution confirming the assessments for fiscal year 2014-15. If so confirmed and approved, the assessments will be submitted to the Santa Barbara County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2014-15.

The Assessment District is narrowly drawn to include only properties that benefit from the additional fire protection services that are provided by the assessment funds. The

Assessment Diagram included in this report shows the boundaries of the Assessment District.

In 2008 per California Public Resource Code 4201-4204 and Government Code 51175 - 89, the Office of the State Fire Marshal (OSFM) completed an analysis to identify Local Responsibility Area areas of Very High Fire Hazard Severity Zones (VHFHSZ) within the City of Santa Barbara. Discussions between OSFM and the City of Santa Barbara Fire Department were concluded in 2010. As a result additional parcels have been added to the 2004 City of Santa Barbara high fire hazard area, Foothill Zone. These additional parcels are not included in the Wildland Fire Suppression Assessment District at this time, and Services provided to these parcels are not funded from this assessment.

## PROPOSITION 218

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIIIC and XIIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including a property-owner balloting, for the formation and continuation of assessments, and these requirements were satisfied by the process used to establish this assessment.

## SILICON VALLEY TAXPAYERS ASSOCIATION, INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority ("SVTA vs. SCCOSA") case. This ruling is the most significant legal decision clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District

This Engineer's Report is consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIIIC and XIIID of the California Constitution because the Services to be funded are clearly defined; the Services are available to all benefiting property in the Assessment District, the benefiting property in the Assessment District will directly and tangibly benefit from improved protection from fire damage, increased safety of property and other special benefits and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property.

There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated.

### DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the Court of Appeal for the Second District of California amended its original opinion upholding a benefit assessment district for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review and the court's decision in Dahms became binding precedent for assessments. In Dahms, the court upheld an assessment that conferred a 100% special benefit to the assessed parcels on the rationale that the services and improvements funded by the assessments were provided directly and only to property in the assessment district over and above those services or improvements provided by the city generally.

### BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the ground that the assessments had been apportioned to assessed property based, in part, on relative costs within sub-areas of the assessment district instead of proportional special benefits.

### BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

### GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

### COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIIIC and XIIID of the California Constitution and with the SVTA decision because the Services to be funded are clearly defined; the Services are available to and will be directly provided to all benefiting property in the Assessment District; and the Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with Dahms because, similar to the Downtown Pomona assessment validated in Dahms, the Services will be directly provided to property in the Assessment District. Moreover, while Dahms could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more conservative measure of general benefits.

The Engineer's Report is consistent with Bonander because the Assessments have been apportioned based on the overall cost of the Services and proportional special benefit to each property. Finally, the Assessments are consistent with Buetz because the general benefits have been explicitly calculated and quantified and excluded from the Assessments.

## DESCRIPTION OF SERVICES

The City of Santa Barbara Fire Department provides a range of fire protection, prevention, and educational services to the City and its residents.

The following is a description of the wildland fire suppression Services that are provided for the benefit of property within the Assessment District. Prior to the passage of the assessment in 2006, the baseline level of service was below the standard described in the City's 2004 Wildland Fire Plan. Due to inadequate funding, the level of service continued to diminish and would have diminished further had this assessment not been instituted. With the passage of this assessment, the services were enhanced significantly. The formula below describes the relationship between the final level of improvements, the baseline level of service (pre 2006) had the assessment not been instituted, and the enhanced level of improvements funded by the assessment.

| Final Level of Service | = | Baseline Level of Service | + | Enhanced Level of Service |
|---|---|---|---|---|

Baseline level of service is pre-2006.

The services (the "Services") undertaken by the City of Santa Barbara Fire Department and the cost thereof paid from the levy of the annual assessment provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the California Government Code Section 50078 et. seq., (the "Code") the Services are generally described as follows:

- Expansion of the vegetation road clearance program to cover all public roads within the Foothill and Extreme Foothill Zones. This program reduces fuel, enhance evacuation routes, and decrease fire response times
- Implementation of a defensible space and fire prevention inspection and chipping assistance program for all properties in the Foothill and Extreme Foothill Zones
- Implementation of a vegetation management program in the Foothill and Extreme Foothill Zones

As applied herein, "vegetation road clearance" means the treatment, clearing, reducing, or changing of vegetation near roadways in the Foothill and Extreme Foothill Zones where vegetation poses a fire hazard and does not meet Fire Department Vegetation Road Clearance Standards within the high fire hazard area (As provided in Santa Barbara Municipal Code Section 8.04).

"Defensible space" is a perimeter created around a structure where vegetation is treated, cleared or reduced to slow the spread of wildfire towards a structure, reduce the chance of

a structure fire burning to the surrounding area, and provides a safe perimeter for firefighters to protect a structure (As provided in Chapter 49 of the California Fire Code, as adopted by the City of Santa Barbara pursuant to Santa Barbara Municipal Code Section 8.04).

"Vegetation management" means the reduction of fire hazard through public education, vegetation hazard reduction, and other methods as needed to manage vegetation in areas with unique hazards such as heavy, flammable vegetation, lack of access due to topography and roads, and/or firefighter safety.

## COST AND BUDGET

### FIGURE 2 - COST AND BUDGET FY 2014-15

| CITY OF SANTA BARBARA<br>Wildland Fire Suppression Assessment<br>Estimate of Costs | *Total Budget* |
|---|---|
| **Services Costs** | |
| Evacuation Planning - Evacuation Roadway Clearing | |
| Staffing | $43,000 |
| Materials | $4,000 |
| Project Costs | $45,000 |
| Defensible Space | |
| Staff | $36,000 |
| Materials | $6,000 |
| Chipping Program | $36,000 |
| Vegetation Management | |
| Staffing | $40,534 |
| Project | $48,733 |
| **Totals for Installation, Maintenance and Servicing** | $259,267 |
| Less: District Contribution for General Benefits | ($20,000) |
| Net Cost of Installation, Maintenance and Servicing to Assessment District | $239,267 |
| Incidental Costs: | |
| District Administration and Project Management | $6,150 |
| Allowance for County Collection | $3,490 |
| Subtotals - Incidentals | $9,640 |
| Total Wildland Fire Suppression District Budget<br>(Net Amount to be Assessed) | $248,907 |
| Assessment District Budget Allocation to Parcels | |
| Total Assessment Budget | $248,907 |
| Single Family Equivalent Benefit Units in District | 3,287 |
| Assessment per Single Family Equivalent Unit (SFE) | $ 75.72 |

# METHOD OF APPORTIONMENT

## METHOD OF APPORTIONMENT

This section includes an explanation of the special benefits derived from the Services, the criteria for the expenditure of assessment funds and the methodology used to apportion the total assessments to properties within the Assessment District.

The Assessment District area consists of all Assessor Parcels within the Foothill and Extreme Foothill zones of the High Fire Hazard Area as defined by the 2004 Wildland Fire Plan. The method used for apportioning the assessment is based upon the proportional special benefits from the Services derived by the properties in the assessment area over and above general benefits conferred on real property or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Improvements
2. Calculation of the proportion of these benefits that are general
3. Determination of the relative special benefit within different areas within the Assessment District
4. Determination of the relative special benefit per property type
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

## DISCUSSION OF BENEFIT

California Government Code Section 50078 et. seq. allows agencies which provide fire suppression services, such as the City of Santa Barbara Fire Department, to levy assessments for fire suppression services. Section 50078 states the following:

> *"Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article."*

In addition, California Government Code Section 50078.1 defines the term "fire suppression" as follows:

> *"(c) "Fire suppression" includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard."*

Therefore, the Services provided by the Assessment District fall within the scope of services that may be funded by assessments under the Code.

The assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's specific use of the Services or a property owner's specific demographic status. With reference to the requirements for assessments, Section 50078.5 of the California Government Code states:

> *"(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit."*
> *"The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used."*

Proposition 218, as codified in Article XIIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

> *"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIIIA of the California Constitution.

The following section describes how and why the Services specially benefit properties. This benefit is particular and distinct from its effect on property in general or the public at large.

## BENEFIT FACTORS

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services that are provided to property in the Assessment District. These benefit factors confer a direct advantage to the assessed properties; otherwise they would be general benefit.

The following benefit categories have been established that represent the types of special benefit conferred to residential, commercial, industrial, institutional and other lots and parcels resulting from the services to reduce the severity and damage from wildland fires that are provided in the Assessment District. These categories of special benefit are derived from the statutes passed by the California Legislature and other studies, which describe the types of special benefit received by property from the Services of the Assessment District. These types of special benefit are summarized as follows:

**INCREASED SAFETY AND PROTECTION OF REAL PROPERTY ASSETS FOR ALL PROPERTY OWNERS WITHIN THE ASSESSMENT DISTRICT.**

As summarized previously, properties in the Assessment District are currently at higher risk for wildland fires. Uncontrolled fires would have a devastating impact on all properties within the Assessment District. The assessments fund an increase in services to mitigate the wildland fire threat, and thereby can significantly reduce the risk of property damage associated with fires. Clearly, fire mitigation helps to protect and specifically benefits both improved properties and vacant properties in the Assessment District.

> *"Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than $120 billion and countless billions more in related cost."*[1]
> *"Over 140,000 wildfires occurred on average each year, burning a total of almost 14.5 million acres. And since 1990, over 900 homes have been destroyed each year by wildfires."*[2]
> *"A wildfire sees your home as just another fuel source. The survivable space you construct around your home will keep all but the most ferocious wildfires at bay."*[3]
> *"A reasonably disaster-resistant America will not be achieved until there is greater acknowledgment of the importance of the fire service and a willingness at all levels of government to adequately fund the needs and responsibilities of the fire service."*[4]
> *"The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses."* [5]
> *"Statistical data on insurance losses bears out the relationship between excellent fire protection…and low fire losses."* [6]

**PROTECTION OF VIEWS, SCENERY AND OTHER RESOURCE VALUES, FOR PROPERTY IN THE ASSESSMENT DISTRICT**

The Assessment District provides funding for the mitigation of the wildland fire threat to protect public and private resources in the Assessment District. This benefits even those properties that are not directly damaged by fire by maintaining and improving the aesthetics and attractiveness of public and private resources in the community, as well as ensuring that such resources remain safe and well maintained.

> *"Intensely burned forests are rarely considered scenic."* [7]
> *"Smoke affects people…for example; in producing haze that degrades the visual quality of a sunny day…The other visual quality effect is that of the fire on the landscape. To many people, burned landscapes are not attractive and detract from the aesthetic values of an area."*[8]
> *"A visually preferred landscape can be the natural outcome of fuels treatments."*[9]

**ENHANCED UTILITY AND DESIRABILITY OF THE PROPERTIES IN THE ASSESSMENT DISTRICT.**

The assessments fund Services to reduce the severity and damage from wildland fires in the Assessment District. Such Services enhance the overall utility and desirability of the properties in the Assessment District.

> *"Residential satisfaction surveys have found that having nature near one's home is extremely important in where people choose to live…This is especially true at the wildland-urban interface where some of the most serious fuels management must occur."* [10]
> *"People are coming to the [Bitterroot] valley in part because of its natural beauty which contributes to the quality of life that so many newcomers are seeking."*[11]

## BENEFIT FINDING

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from increased safety and protection of real property, increased protection of scenery and views, and enhanced utility of properties in the Assessment District. These are special benefits to property in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

## GENERAL VERSUS SPECIAL BENEFIT

Article XIIIC of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to "separate the general benefits from the special benefits conferred on a parcel." The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

**Total Benefit = General Benefit + Special Benefit**

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not "particular and distinct" and are not "over and above" benefits received by other properties. SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide "an indirect, derivative advantage" and are not necessarily proximate to the improvements.

The starting point for evaluating general and special benefits is the pre 2006 baseline level of service, had the assessment not been approved by the community. The assessment

will fund Services "over and above" this general, baseline level and the special benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

| General Benefit | = | Benefit to real property outside of improvement district | + | Benefit to real property inside of improvement district | + | Benefit to public at large |
|---|---|---|---|---|---|---|

Special benefit, on the other hand, is defined in the state constitution as "a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large." The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it "receives a direct advantage from the improvement (e.g., proximity to a park)." In this assessment, as noted, the improved Services are available when needed to all properties in the Assessment District, so the overwhelming proportion of the benefits conferred to property is special, and are only minimally received by property outside the Assessment District or the public at large.

Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit. (Art. XIIID, sections 2(i) & 4(f).) Arguably, all of the Services being funded by the assessment would be a special benefit because the Services particularly and distinctly benefit the properties in the Assessment District over and above the baseline benefits.

Nevertheless, arguably some of the Services benefit the public at large and properties outside the Assessment District. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

(In the 2009 *Dahms* case, the court upheld an assessment that conferred a 100% special benefit to the assessed parcels on the rationale that the services and improvements funded by the assessments were provided directly and only to property in the assessment district over and above those services or improvements provided by the city generally. Similarly, the Assessments described in this Engineer's Report fund wildland fire services directly and only to the assessed parcels located within the assessment area. Moreover, every property within the Assessment District will receive the Services. While the *Dahms* decision would permit an assessment based on 100% special benefit and zero or minimal general benefits, in this report, the general benefit is estimated and described and budgeted so that it is funded by sources other than the Assessment.)

## CALCULATING GENERAL BENEFIT

This section provides a measure of the general benefits from the assessments

### BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries. Properties proximate to, but outside of, the boundaries of the Assessment District receive some benefit from the Services due to some degree of indirectly reduced fire risk to their property. These parcels that are proximate to the boundaries of the Assessment District are estimated to receive less than 50% of the benefits relative to parcels within the Assessment District because they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment District was formed, there were approximately 550 of these "proximate" properties.

**Assumptions:**

550 parcels outside the district but proximate to the District Boundaries

3,550 parcels in the Assessment District.

50% relative benefit compared to property within the Assessment District.

**Calculation:**

General Benefit to property outside the Assessment District

= (550/(550+3,550))*0.5=6.7%

Although it can reasonably be argued that properties protected inside, but near the Assessment District boundaries are offset by similar fire protection provided outside, but near the Assessment District's boundaries, we use the more conservative approach of finding that 6.7% of the Services may be of general benefit to property outside the Assessment District.

### BENEFIT TO PROPERTY *INSIDE* THE DISTRICT THAT IS *INDIRECT AND DERIVATIVE*

The "indirect and derivative" benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Services are clearly "over and above" and "particular and distinct" when compared with the pre-2006 baseline level of Services, had the assessment district not passed.

In determining the Assessment District boundaries, the District has been careful to limit it to an area of parcels that will directly receive the benefit of the improved Services. All

parcels will directly benefit from the use of the improved Services throughout the Assessment District in order to achieve the desired level of wildland fire suppression and protection throughout the Assessment District. Fire protection and suppression will be provided as needed throughout the area.

The SVTA vs. SCCOSA decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension of a local government service to benefit lands previously not receiving that particular service. The Fire Department therefore concludes that, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits and it is not possible or appropriate to separate any general benefits from the benefits conferred on parcels in the Assessment District.

### BENEFIT TO THE PUBLIC AT LARGE

With the type and scope of Services provided to the Assessment District, it is very difficult to calculate and quantify the scope of the general benefit conferred on the public at large. Because the Services directly serve and benefit all of the property in the Assessment District, any general benefit conferred on the public at large would be small. Nevertheless, there may be some indirect general benefit to the public at large.

The public at large uses the public highways and other regional facilities when traveling in and through the Assessment District and they may benefit from the services without contributing to the assessment. Although the protection of this critical infrastructure is certainly a benefit to all the property within the Assessment District, it is arguably "indirect and derivative" and possibly benefits people rather than property. A fair and appropriate measure of the general benefit to the public at large therefore is the amount of highway, and regional facilities within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that less than 1.0% of the land area in the Assessment District is covered by highways and regional facilities. This 1.0% therefore is a fair and appropriate measure of the general benefit to the public at large within the Assessment District

### SUMMARY OF GENERAL BENEFITS

Using a sum of the measures of general benefit for the public at large and land outside the Assessment District, we find that approximately 7.7% of the benefits conferred by the Assessment District may be general in nature and should be funded by sources other than the assessment.

**General Benefit Calculation**

| | | |
|---|---|---|
| | **6.7%** | **(Outside the Assessment District)** |
| **+** | **0.0%** | **(Inside the district – indirect and derivative)** |
| **+** | **1.0%** | **(Public at Large)** |
| **=** | **7.7%** | **(Total General Benefit)** |

The Assessment District's total budget for 2014-15 is $259,267. The Assessment District must obtain funding from sources other than the assessment in the amount of approximately $19,964 ($259,267*7.7%) to pay for the cost of the general benefits. This is because the assessments levied by the Fire Department may not exceed the special benefits provided by the Services, and the Assessment Engineer concluded that a combined total of 7.7% of the cost of Services provide a general benefit to properties outside the Assessment District and a benefit to the public at large. For Fiscal Year 2014-15, the City will contribute at least $20,000, or 7.7% of the total Assessment District budget, to the Assessment District from sources other than this assessment. This contribution constitutes more than the 7.7% general benefits estimated by the Assessment Engineer.

## ZONES OF BENEFIT

Initially, the Fire Department evaluated the geographic area within and around the City limits (including the City of Santa Barbara, Santa Barbara County, Montecito and National Forest lands) based upon three fire hazard risk variables: vegetation (fuel), topography and weather. This analysis was used to narrowly determine the boundaries of the "high fire hazard area." Further, zones were narrowly drawn within the high fire hazard area and graded "extreme," "high," "moderate" or "low". Next, the Fire Department evaluated the roof type, proximity of structures, road systems, water supply, fire response times and historic fire starts within the high fire hazard area and developed 4 specific zones:

- Extreme Foothill Zone
- Foothill Zone
- Coastal Zone
- Coastal Interior Zone

These zones were used to apply appropriate policies and actions based upon hazard and risk. The results of this analysis were tabulated and presented in Tables 2 through 4 in the 2004 Wildland Fire Plan.

Accordingly, "Zones of Benefit" corresponding to the fire risk zones are used to equitably assign special benefit, and are used for the basis of the "Fire Risk Factors" discussed below. Each zone was narrowly drawn, and has been given a score, based upon the

evaluated risk criteria, as shown in Figure 3. (The assessment provides Services in the Extreme Foothill Zone and the Foothill Zone only.)

**FIGURE 3 - RELATIVE HAZARD/RISK SCORING FOR HIGH FIRE HAZARD AREA ZONES**

| Hazard/Risk Attribute | Extreme Foothill Zone | Foothill Zone | Coastal Zone | Coastal Interior Zone |
|---|---|---|---|---|
| Combined Hazard Assessment - vegetation (fuel), topography, weather* | 40 | 30 | 20 | 10 |
| Roof Type** | 1 | 2 | 2 | 3 |
| Proximity | 1 | 3 | 1 | 3 |
| Road | 3 | 3 | 1 | 1 |
| Water | 3 | 1 | 1 | 1 |
| Response | 3 | 2 | 2 | 2 |
| Ignitions | 1 | 1 | 1 | 1 |
| Total Score | 52 | 42 | 28 | 21 |

* The Hazard Assessment element of this analysis is the most significant. Scores have been "weighted" by a factor of 10.

** In the Extreme Foothill Zone fire retardant roofing materials are more prevalent, resulting in lower risk in this area.

Figure 4 shows the numeric scoring system used to develop the relative total scores.

**FIGURE 4 - SCORING SYSTEM**

| Qualititative Score | Numeric Score |
|---|---|
| Very High | 4 |
| High | 3 |
| Moderate | 2 |
| Low | 1 |

The total relative scores for each zone are tabulated and normalized, based up the Foothill Zone, and shown in Figure 5.

**FIGURE 5 - WILDLAND FIRE RISK FACTORS**

| Zone | Raw Score | Wildland Fire Risk Factor |
|---|---|---|
| Extreme Foothill Zone | 52 | 1.24 |
| Foothill Zone | 42 | 1.00 |
| Coastal Zone** | 28 | .67 |
| Coastal Interior Zone** | 21 | .50 |

**Coastal Zone and Coastal Interior Zone are included in this analysis for clarity; however these zones are not included in the Assessment District.

## ASSESSMENT APPORTIONMENT

In the process of determining the appropriate method of assessment, the Assessment Engineer considered various alternatives. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because vacant, commercial, industrial and other properties also receive special benefits from the assessments.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger commercial/industrial properties and residential properties with multiple dwelling units receive a higher degree of benefit than other similarly used properties that are significantly smaller. For two properties used for commercial purposes, there clearly is a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that benefit from reduced wildland fire risk. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative size of the property and the potential use of property by residents and employees. This method is further described below.

## METHOD OF ASSESSMENT

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel of one acre or less in the Foothill Zone (one “Single Family Equivalent Benefit Unit” or “SFE”). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer’s Report, all

properties are assigned an SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

The relative benefit to properties from fire related Services is:

**EQUATION 1 – RELATIVE BENEFIT TO PROPERTIES**

$$\textbf{Benefit} \approx \sum \textbf{(Fire Risk Factors)} * \sum \textbf{(Structure Value Factors)}$$

That is, the benefit conferred to property is the "sum" the risk factors multiplied by the "sum" of the structure values factors.

### FIRE RISK FACTORS

Typical fire assessments (non-wildland) are evaluated based upon the fire risk of a certain property type. These evaluations consider factors such as use of structure (e.g. used for cooking), type of structure (centralized heating), etc.

Wildland fires, on the other hand, are initiated largely from external ignitions and are far less affected by structural, mechanical and electrical systems inherent to the building (except roof type). The principle Wildland fire risk factors are:

- Vegetation (fuel)
- Topography
- Weather
- Roof type
- Proximity of Structure
- Road Systems
- Water Supply
- Response
- Ignitions

These factors were fully evaluated in the 2004 Wildland Fire Plan and are manifested in the relative zone scores as shown in Figures 3, 4 and 5, above. Hence, the Fire Risk Factor for all properties within the Foothill Zone is 1.00 and the Fire Risk Factor for all properties in the Extreme Foothill Zone is 1.24.

### STRUCTURE VALUE FACTORS

The relative value of different property types was evaluated within the high fire hazard area to determine the Structure Value Factor according to the following formula:

**EQUATION 2 - STRUCTURE VALUE FACTORS**

| | | | | | | |
|---|---|---|---|---|---|---|
| **∑ (Structure Value Factors)** | ≈ | **(Structure Weighting Factor * Average Improved Value)** | * | **(Land Weighting Factor * Average Total Value)** | * | **(Unit Density Factor)** |

Where:

"Structure Weight Factor" = 10 to "weight" relative importance of structure over land.

"Average Improved Value" is average of value of all improvements (e.g. structures), per property type, as provide by County Assessor records.

Land Weighting Factor = 1

"Average Total Value" is average of value of all land + improvements (e.g. structures), per property type, as provide by County Assessor records. County assessor land values were not used directly because experience has shown total values to be more comprehensive.

Unit Density Factor corresponds values with units (i.e. "per residential unit" or "per acre") based upon effective density of structure on parcel.

Figure 6 below is a tabulation of the Structure values for each property type as defined by Equation 2, above.

**FIGURE 6 – STRUCTURE VALUE FACTORS**

| Property Type | Structure Value Factor | Unit |
|---|---|---|
| Single Family | 1.0000 | per each* |
| Multi-Family | 0.3683 | per res. unit |
| Commercial/Industrial | 0.8187 | per acre |
| Office | 0.7058 | per acre |
| Institutional | 0.3841 | per each |
| Storage | 0.0952 | per acre |
| Agricultural | 0.0809 | per acre |
| RangeLand | 0.0181 | per acre |
| Vacant | 0.0324 | per each |

*for homes on an acre or less. For homes on more than one acre, the Structure Value Factor is increased by 0.0809 per acre

### RESIDENTIAL PROPERTIES

All improved residential properties with a single residential dwelling unit on one acre or less are assigned one Single Family Equivalent or 1.0 SFE in the Foothill Zone. In the Extreme Foothill Zone, all improved residential properties on one acre or less are assessed 1.24 SFEs (See Table 5). Residential properties on parcels that are larger than 1 acre receive additional benefit and are assigned additional SFEs on a "per acre" basis. Detached or attached houses, zero-lot line houses and town homes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the Services in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties was determined as per Equation 1 to be 0.3683 SFEs per residential unit in the Foothill Zone and 0.4567 per residential unit in the Extreme Foothill Zone. This rate applies to condominiums as well.

### COMMERCIAL/INDUSTRIAL & OFFICE PROPERTIES

Commercial and industrial properties are assigned benefit units per acre, since there is a relationship between parcel size, structure size and relative benefits. The relative benefit for commercial and industrial properties was determined as per Equation 1 to be 0.8187 SFEs per acre in the Foothill Zone and 1.0151 per acre in the Extreme Foothill Zone. The relative benefit for office properties was determined as per Equation 1 to be 0.7058 SFEs per acre in the Foothill Zone and 0.8751 per acre in the Extreme Foothill Zone.

### VACANT/UNDEVELOPED, OPEN SPACE AND AGRICULTURAL PROPERTIES

The relative benefit for vacant properties was determined as per Equation 1 to be 0.0324 SFEs per parcel in the Foothill Zone and 0.04012 per parcel in the Extreme Foothill Zone. Open space and agricultural land have minimal improvements and few, if any; structures that require defensible space, and are assigned benefit "per acre." The relative benefit for open space properties was determined as per Equation 1 to be 0.0181 SFEs per acre in the Foothill Zone and 0.0224 per acre in the Extreme Foothill Zone. The relative benefit for agricultural properties was determined as per Equation 1 to be 0.0809 SFEs per acre in the Foothill Zone and 0.1002 per acre in the Extreme Foothill Zone.

### OTHER PROPERTIES

Institutional properties, such as publicly owned properties (and are used as such), for example, churches, are assessed at 0.3841 per parcel in the Foothill zone and 0.4762 per Parcel in the Extreme Foothill zone. The relative benefit for storage properties was determined as per Equation 1 to be 0.0952 SFEs per acre in the Foothill Zone and 0.1180 per acre in the Extreme Foothill Zone.

Article XIIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from assessment unless there is clear and convincing evidence that those properties receive no special benefit.

All public properties that are specially benefited are assessed. Publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

### SUMMARY OF BENEFITS FOR EACH PROPERTY TYPE

Figure 7 summarizes the relative benefit for each property type.

**FIGURE 7 - RELATIVE BENEFIT FACTORS FOR FOOTHILL AND EXTREME FOOTHILL ZONES**

| | Foothill Zone | | Extreme Foothill Zone | |
|---|---|---|---|---|
| **Property Type** | **Benefit Factors (SFEs)** | **Unit** | **Benefit Factors (SFEs)** | **Unit** |
| Single Family | 1.0000 | per each | 1.2400 | per each |
| Multi-Family | 0.3683 | per unit | 0.4567 | per unit |
| Commercial/Industrial | 0.8187 | per acre | 1.0152 | per acre |
| Office | 0.7058 | per acre | 0.8752 | per acre |
| Institutional | 0.3841 | per each | 0.4763 | per each |
| Storage | 0.0952 | per acre | 0.1181 | per acre |
| Agricultural | 0.0809 | per acre | 0.1003 | per acre |
| RangeLand | 0.0181 | per acre | 0.0225 | per acre |
| Vacant | 0.0324 | per each | 0.0402 | per each |

### APPEALS OF ASSESSMENTS LEVIED TO PROPERTY

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the Fire Chief of the City of Santa Barbara Fire Department or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the Chief or his or her designee will promptly review the appeal and any information provided by the property owner. If the Chief or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the Chief or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the Chief or his or her designee shall be referred to the City Council and the decision of the Council shall be final.

### ADDITIONAL BACKGROUND ON RELATIVE BENEFIT

In essence, when property owners are deciding how to cast their ballot for a proposed assessment, each property owner must weigh the perceived value of the Services proposed to them and their property with the proposed cost of the assessment to their property. If property owners of a certain type of property are either opposed or in support of the assessment in much greater percentages than owners of other property types, this is an indication that, as a group, these property owners perceive that the proposed assessment has relatively higher or lower "utility" or value to their property relative to owners of other property types. One can also infer from these hypothetical ballot results, that the apportionment of benefit (and assessments) was too high or too low for that property type. In other words, property owners, by their balloting, ultimately indicate if they perceive the special benefits to their property to exceed the cost of the assessment, and,

as a group, whether the determined level of benefit and proposed assessment (the benefit apportionment made by the Assessment Engineer) is consistent with the level of benefits perceived by the owners of their type of property relative to the owners of other types of property.

### DURATION OF THE ASSESSMENT

The duration of the assessment is one year, and may be continued each year by a vote of the City Council. The assessment cannot be increased in future years without approval from property owners in another assessment ballot proceeding, except for an annual adjustment tied to the change in the Los Angeles-Riverside-Orange County Area Consumer Price Index, not to exceed 4% per year.

## CRITERIA AND POLICIES

This sub-section describes the criteria that shall govern the expenditure of assessment funds and ensures equal levels of benefit for properties of similar type. The criteria established in this Report, as finally confirmed, cannot be substantially modified; however, the Council may adopt additional criteria to further clarify certain criteria or policies established in this Report or to establish additional criteria or policies that do not conflict with this Report.

### ASSESSMENT FUNDS MUST BE EXPENDED WITHIN THE FOOTHILL AND EXTREME FOOTHILL ZONES

The net available assessment funds, after incidental, administrative, financing and other costs, shall be expended exclusively for Services within the boundaries of the Assessment District, namely, the Foothill and Extreme Foothill Zones.

### EXISTING GENERAL FUNDS

Prior to formation, Wildland Fire Services were funded with approximately $200,000 from the City of Santa Barbara general fund. The intent of the program is that this general fund revenue will be maintained by the City to the extend feasible and the assessment will augment the current funding and services. Further, a portion of the general fund revenue is needed to pay for any and all general benefits from the wildland fire Services, as described above.

## ASSESSMENT

**WHEREAS**, the City Council of the City of Santa Barbara is proceeding with the proposed levy of assessments under California Government Code sections 50078 et seq. (the "Code") and Article XIIID of the California Constitution (the "Article");

**WHEREAS,** the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Services upon all assessable parcels within the Assessment District;

**NOW, THEREFORE,** the undersigned, by virtue of the power vested in me under said Code and Article and the order of the Council of said City, hereby make the following assessment to cover the portion of the estimated cost of said Services, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for said Services and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2014-15 is generally as follows:

**SUMMARY COST ESTIMATE FY 2014-15**

| Budget | |
|---|---|
| Evacuation Planning – Evacuation Roadway Clearing | $92,000 |
| Defensible Space | $78,000 |
| Vegetation Management | $89,267 |
| Total for Installation, Maintenance and Servicing | $259,267 |
| Less: Contribution for General Benefits | ($20,000) |
| Incidental Costs: | |
| Administration and Project Management | $6,150 |
| Allowance for County collection | $3,490 |
| Subtotal – Incidentals | $9,640 |
| Total Wildland Fire Suppression Assessment Budget | $248,907 |

An Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Assessment District. The distinctive number of each parcel or lot of land in said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said Services, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in the Cost

Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the Los Angeles-Riverside-Orange County Area as of January of each succeeding year, with the maximum annual adjustment not to exceed 4%.

In the event that the actual assessment rate for any given year is not increased by an amount equal to the maximum of 4% or the yearly CPI change plus any CPI change in previous years that was in excess of 4%, the maximum authorized assessment shall increase by this amount. In such event, the maximum authorized assessment shall be equal to the base year assessment as adjusted by the increase to the CPI, plus any and all CPI adjustments deferred in any and all prior years. The CPI change above 4% can be used in a future year when the CPI adjustment is below 4%. For 2014-15, the allowable CPI increase is 0.77%.

Hence, the proposed rates for 2014-15 will increase by 0.77% from the 2013-14 rates – from $75.14 to $75.72 per single family home in the Foothill Zone and from $93.17 to $93.89 per single family home in the Extreme Foothill Zone. The total revenue derived from the assessment is $248,907 for 2014-15.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the City of Santa Barbara for the fiscal year 2014-15. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of Santa Barbara County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2014-15 for each parcel or lot of land within the said Assessment District.

Dated: May 6, 2014

Engineer of Work

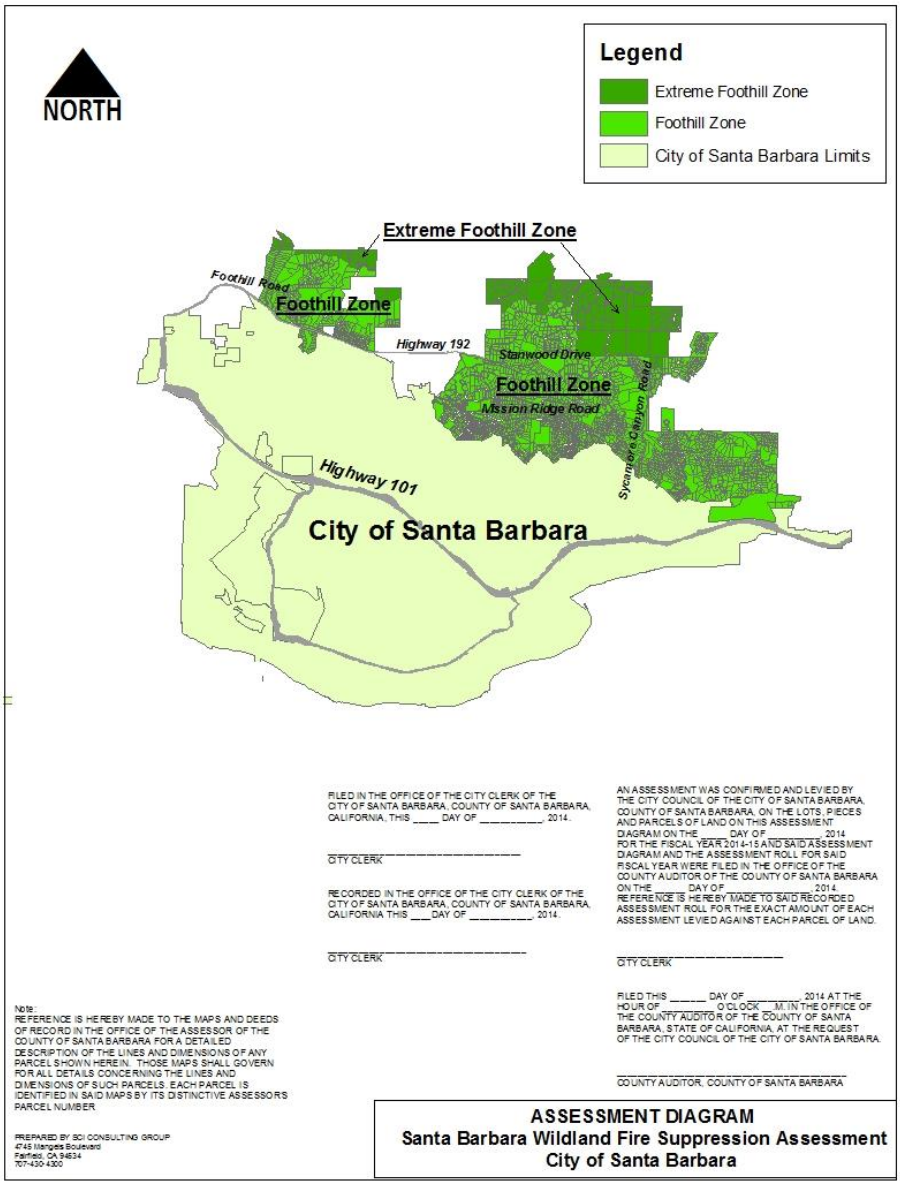
REGISTERED PROFESSIONAL ENGINEER
JOHN W. BLISS
No. C052091
Exp: 12-31-14
CIVIL
STATE OF CALIFORNIA

By

John W. Bliss, License No. C052091

## ASSESSMENT DIAGRAM

The Assessment District includes all properties within the boundaries of the Wildland Fire Suppression District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Santa Barbara, for fiscal year 2014-15, and are incorporated herein by reference, and made a part of this Diagram and this Report.



# APPENDICES

## APPENDIX A – ASSESSMENT ROLL, FY 2014-15

The Assessment Roll is made part of this report and is available for public inspection during normal office hours. Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference, made part of this report. There records shall govern for all details concerning the description of the lots of parcels.

## APPENDIX B – CALIFORNIA GOVERNMENT CODE SECTION 50078 ET. SEQ.

50078. Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article. The assessment may be made for the purpose of obtaining, furnishing, operating, and maintaining fire suppression equipment or apparatus or for the purpose of paying the salaries and benefits of firefighting personnel, or both, whether or not fire suppression services are actually used by or upon a parcel, improvement, or property.

50078.1. As used in this article:

(a) "Legislative body" means the board of directors, trustees, governors, or any other governing body of a local agency specified in subdivision (b).

(b) "Local agency" means any city, county, or city and county, whether general law or chartered, or special district, including a county service area created pursuant to the County Service Area Law, Chapter 2.2 (commencing with Section 25210.1) of Part 2 of Division 2 of Title 3.

(c) "Fire suppression" includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard.

50078.2. (a) The ordinance or resolution shall establish uniform schedules and rates based upon the type of use of property and the risk classification of the structures or other improvements on, or the use of, the property. The risk classification may include, but need not be limited to, the amount of water required for fire suppression on that property, the structure size, type of construction, structure use, and other factors relating to potential fire and panic hazards and the costs of providing the fire suppression by the district to that property. The assessment shall be related to the benefits to the property assessed.

(b) The benefit assessment levies on land devoted primarily to agricultural, timber, or livestock uses, and being used for the commercial production of agricultural, timber, or livestock products, shall be related to the relative risk to the land and its products. The amount of the assessment shall recognize normal husbandry practices that serve to mitigate risk, onsite or proximate water availability, response time, capability of the fire suppression service, and any other factors which reflect the benefit to the land resulting from the fire suppression service provided. A benefit assessment shall not be levied for wildland or watershed fire suppression on land located in a state responsibility area as defined in Section 4102 of the Public Resources Code. This subdivision is not applicable to any benefit assessment levied prior to January 1, 1984, on land devoted primarily to agricultural, timber, or livestock uses.

50078.3. Any ordinance or resolution adopted by a local agency pursuant to this article establishing uniform schedules and rates for assessments for fire suppression services

which substantially conforms with the model ordinance which the State Fire Marshal is authorized to adopt pursuant to Section 13111 of the Health and Safety Code shall be presumed to be in compliance with the requirements of Section 50078.2.

50078.4. The legislative body of the local agency shall cause to be prepared and filed with the clerk of the local agency a written report which shall contain all of the following:

(a) A description of each lot or parcel of property proposed to be subject to the assessment.

(b) The amount of the assessment for each lot or parcel for the initial fiscal year.

(c) The maximum amount of the assessment which may be levied for each lot or parcel during any fiscal year.

(d) The duration of the assessment.

(e) The basis of the assessment.

(f) The schedule of the assessment.

(g) A description specifying the requirements for protest and hearing procedures for the proposed assessment pursuant to Section 50078.6.

50078.5. (a) The legislative body may establish zones or areas of benefit within the local agency and may restrict the imposition of assessments to areas lying within one or more of the zones or areas of benefit established within the local agency.

(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit. The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used.

50078.6. The clerk of the local agency shall cause the notice, protest, and hearing procedures to comply with Section 53753. The mailed notice shall also contain the name and telephone number of the person designated by the legislative body to answer inquiries regarding the protest proceedings.

50078.13. The local agency shall pay the county for costs, if any, incurred by the county in conducting the election. An election called by a legislative body pursuant to this article is subject to all provisions of the Elections Code applicable to elections called by the local agency. The local agency may recover the costs of the election and any other costs of preparing and levying the assessment from the proceeds of the assessment.

50078.16. The legislative body may provide for the collection of the assessment in the same manner, and subject to the same penalties as, other fees, charges, and taxes fixed and collected by, or on behalf of the local agency. If the assessments are collected by the county, the county may deduct its reasonable costs incurred for that service before remittal of the balance to the local agency's treasury.

50078.17. Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure applies to any judicial action or proceeding to validate, attack, review, set aside, void, or annul an ordinance or resolution levying an assessment or modifying or amending an existing ordinance or resolution. If an ordinance or resolution provides for an automatic adjustment in an assessment, and the automatic adjustment results in an increase in the amount of an assessment, any action or proceeding to attack, review, set aside, void, or annul the increase shall be commenced within 90 days of the effective date of the increase. Any appeal from a final judgment in the action or proceeding brought pursuant to this section shall be filed within 30 days after entry of the judgment.

50078.19. This article does not limit or prohibit the levy or collection of any other fee, charge, assessment, or tax for fire suppression services authorized by any other provisions of law.

50078.20. Any fire protection district may specifically allocate a portion of the revenue generated pursuant to this article to pay the interest and that portion of the principal as will become due on an annual basis on indebtedness incurred pursuant to Section 8589.13 of this code and Section 13906 of the Health and Safety Code.

## APPENDIX C – ARTICLE XIIID OF THE CALIFORNIA CONSTITUTION

Proposition 218 was approved by voters as a Constitutional Amendment on November 6, 1996. It became Article XIIIC and Article XIIID of the California State Constitution and has imposed additional requirements for assessment districts. Following is a summary of the Article.

SEC.1. Application. Notwithstanding any other provision of law, the provisions of this article shall apply to all assessments, fees and charges, whether imposed pursuant to state statute or local government charter authority. Nothing in this article or Article XIIIC shall be construed to:

(a) Provide any new authority to any agency to impose a tax, assessment, fee, or charge.

(b) Affect existing laws relating to the imposition of fees or charges as a condition of property development.

(c) Affect existing laws relating to the imposition of timber yield taxes.

SEC. 2. Definitions. As used in this article:

(a) "Agency" means any local government as defined in subdivision (b) of Section 1 of Article XIIIC.

(b) "Assessment" means any levy or charge upon real property by an agency for a special benefit conferred upon the real property. "Assessment" includes, but is not limited to, "special assessment," "benefit assessment," "maintenance assessment" and "special assessment tax."

(c) "Capital cost" means the cost of acquisition, installation, construction, reconstruction, or replacement of a permanent public improvement by an agency.

(d) "District" means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service.

(e) "Fee" or "charge" means any levy other than an ad valorem tax, a special tax, or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.

(f) "Maintenance and operation expenses" means the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care, and supervision necessary to properly operate and maintain a permanent public improvement.

(g) "Property ownership" shall be deemed to include tenancies of real property where tenants are directly liable to pay the assessment, fee, or charge in question.

(h) "Property-related service" means a public service having a direct relationship to property ownership.

(i) "Special benefit" means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute "special benefit."

SEC. 3. Property Taxes, Assessments, Fees and Charges Limited.

(a) No tax, assessment, fee, or charge shall be assessed by any agency upon any parcel of property or upon any person as an incident of property ownership except: (1) The ad valorem property tax imposed pursuant to Article XIII and Article XIIIA. (2) Any special tax receiving a two-thirds vote pursuant to Section 4 of Article XIIIA. (3) Assessments as provided by this article. (4) Fees or charges for property related services as provided by this article.

(b) For purposes of this article, fees for the provision of electrical or gas service shall not be deemed charges or fees imposed as an incident of property ownership.

SEC. 4. Procedures and Requirements for All Assessments.

(a) An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel. Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.

(b) All assessments shall be supported by a detailed engineer's report prepared by a registered professional engineer certified by the State of California.

(c) The amount of the proposed assessment for each identified parcel shall be calculated and the record owner of each parcel shall be given written notice by mail of the proposed assessment, the total amount thereof chargeable to the entire district, the amount chargeable to the owner's particular parcel, the duration of the payments, the reason for the assessment and the basis upon which the amount of the proposed assessment was calculated, together with the date, time, and location of a public hearing on the proposed assessment. Each notice shall also include, in a conspicuous place thereon, a summary of

the procedures applicable to the completion, return, and tabulation of the ballots required pursuant to subdivision (d), including a disclosure statement that the existence of a majority protest, as defined in subdivision (e), will result in the assessment not being imposed.

(d) Each notice mailed to owners of identified parcels within the district pursuant to subdivision (c) shall contain a ballot which includes the agency's address for receipt of the ballot once completed by any owner receiving the notice whereby the owner may indicate his or her name, reasonable identification of the parcel, and his or her support or opposition to the proposed assessment.

(e) The agency shall conduct a public hearing upon the proposed assessment not less than 45 days after mailing the notice of the proposed assessment to record owners of each identified parcel. At the public hearing, the agency shall consider all protests against the proposed assessment and tabulate the ballots. The agency shall not impose an assessment if there is a majority protest. A majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected property.

(f) In any legal action contesting the validity of any assessment, the burden shall be on the agency to demonstrate that the property or properties in question receive a special benefit over and above the benefits conferred on the public at large and that the amount of any contested assessment is proportional to, and no greater than, the benefits conferred on the property or properties in question.

(g) Because only special benefits are assessable, electors residing within the district who do not own property within the district shall not be deemed under this Constitution to have been deprived of the right to vote for any assessment. If a court determines that the Constitution of the United States or other federal law requires otherwise, the assessment shall not be imposed unless approved by a two-thirds vote of the electorate in the district in addition to being approved by the property owners as required by subdivision (e).

SEC. 5. Effective Date.

Pursuant to subdivision (a) of Section 10 of Article II, the provisions of this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article. Notwithstanding the foregoing, the following assessments existing on the effective date of this article shall be exempt from the procedures and approval process set forth in Section 4:

(a) Any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control. Subsequent increases in such assessments shall be subject to the procedures and approval process set forth in Section 4.

(b) Any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed. Subsequent increases in such assessments shall be subject to the procedures and approval process set forth in Section 4.

(c) Any assessment the proceeds of which are exclusively used to repay bonded indebtedness of which the failure to pay would violate the Contract Impairment Clause of the Constitution of the United States.

(d) Any assessment which previously received majority voter approval from the voters voting in an election on the issue of the assessment. Subsequent increases in those assessments shall be subject to the procedures and approval process set forth in Section 4.

## END NOTES

[1] Insurance Services Offices Inc. http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf

[2] Institute for Business & Home Safety, "Protect Your Home Against Wildfire Damage," http://www.ibhs.org/publications/view.asp?id=125

[3] Institute for Business & Home Safety, "Is Your Home Protected from Wildfire Damage? A Homeowner's Guide to Retrofit," http://www.ibhs.org/publications/view.asp?id=130

[4] U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.1, http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF

[5] U.S. Fire Administration, Department of Homeland Security, "America Burning, Recommissioned: Principal Findings and Recommendations," p.2, http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF

[6] Insurance Services Offices Inc., p. 1, http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf

[7] Renewable Natural Resources Foundation, "Workshop on National Parks Fire Policy: Goals, Perceptions, and Reality," Renewable Resources Journal, Volume 11, Number 1, Spring 1993, p. 6

[8] Weldon, Leslie A. C., "Dealing with Public Concerns in Restoring Fire to the Forest," General Technical Report INT-GTR-341 The Use of Fire in Forest Restoration, U.S. Forest Service, June 1996, p. 3

[9] U.S. Forest Service, Department of Agriculture, "Social Science to Improve Fuels Management: A Synthesis of Research on Aesthetics and Fuels Management," p. 1, http://ncrs.fs.fed.us/pubs/gtr/gtr_nc261.pdf

[10] U.S. Forest Service, Department of Agriculture, "Social Science to Improve Fuels Management: A Synthesis of Research on Aesthetics and Fuels Management," p. 25, http://ncrs.fs.fed.us/pubs/gtr/gtr_nc261.pdf

[11] Weldon, Leslie A. C., "Dealing with Public Concerns in Restoring Fire to the Forest," General Technical Report INT-GTR-341 The Use of Fire in Forest Restoration, U.S. Forest Service, June 1996, p. 2

Agenda Item No. 12

File Code No. 540.10

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Contract For Preliminary Design Services For Recommissioning The Charles E. Meyer Desalination Facility

**RECOMMENDATION:** That Council:

A. Authorize the Public Works Director to execute a City Professional Services Contract, subject to approval as to form by the City Attorney, with Carollo Engineers, Inc., in the amount of $746,025 for preliminary design services for recommissioning the Charles E. Meyer Desalination Facility, and authorize the Public Works Director to approve expenditures of up to $74,603 for extra services of Carollo Engineers, Inc., that may result from necessary changes in the scope of work;

B. Authorize the City Administrator to negotiate and execute a City Professional Services contract, subject to approval as to form with the City Attorney, with McCabe and Company, Inc., in an amount not to exceed $90,000 for support services related to the City's existing Coastal Development Permit for the Desalination Plant;

C. Authorize the City Attorney to negotiate and execute a City Professional Services contract with Hanson Bridgett LLP, in an amount not to exceed $25,000 for legal support services related to contracting for services to design, build, and operate the Desalination Plant, and other contractual requirements as needed.

**EXECUTIVE SUMMARY:**

After three years of below-average rainfall, the City declared a Stage One Drought on February 11, 2014. Lake Cachuma and Gibraltar Reservoir, which provide the majority of the City's water supply, are at low levels due to record low rainfall in the last year. According to the City's 2011 Long Term Water Supply Plan, in this situation, the City would consider using "Drought Supplies" such as banked State Water during dry periods or purchasing of water to fill in short term needs during the critical drought period. However, considering the unprecedented nature of the current statewide drought, the City needs to be prepared to bring the desalination plant back on-line to ensure reliable drought supplies should the dry weather persist through additional years.

**DISCUSSION:**

BACKGROUND

In the face of a challenging water supply crisis in the late 1980s, the City of Santa Barbara (City) constructed the Charles E. Meyer Desalination Facility, a seawater desalination facility, as an emergency supply. The desalination facility was constructed through a public-private partnership under which a private company designed, built and operated the facility in return for which the City, along with Montecito Water District and Goleta Water District, committed to purchase an agreed-upon amount of water. The production capacity of the facility was 7,500 acre feet per year (AFY), with the potential for an expansion up to 10,000 AFY. During the five-year contract period, the City agreed to purchase 3,181 AFY, the Montecito Water District agreed to purchase 1,250 AFY and the Goleta Water District agreed to purchase 3,069 AFY.

After the facility was constructed, it was in operation between March and June of 1992. After abundant rainfall in the 1991-1992 winter and subsequent winters, the City's drought condition was relieved, and the facility was placed in a standby mode. Despite being on standby mode, the $34 million total construction cost was paid to the contractor during the initial five-year contract period by the City, along with the Montecito and Goleta Water Districts, with the City's share being approximately $14.5 million. The other participating districts paid a share in proportion to their water entitlement. The Montecito and Goleta Water Districts elected to terminate their interest in the desalination facility after the initial five-year contract period.

On June 4, 1991, City voters elected to make desalination a permanent part of the City's water supply portfolio. With the approval of the Long Term Water Supply Program on July 5, 1994, the City added the facility to its permanent sources of water. A corresponding Environmental Impact Report was certified on May 24, 1994. On October 15, 1996, the California Coastal Commission issued a Coastal Development Permit to the City for permanent desalination facilities up to a maximum capacity of 10,000 AFY. The permit provided for intermittent or on-going operation.

The City's intention, as presented in the City's 2011 Long Term Water Supply Plan, is to use the facility as a drought relief measure, on an as-needed basis. A facility capacity of 3,125 AFY was used for purposes of analysis related to the 2011 plan. However, it is recommended that the capacity of the Facility be re-evaluated based on circumstances of the current drought.

Assuming a continuation of current weather conditions, staff is preparing to have a Design-Build-Operate contract for Council to consider for award as early as April 2015, which would tentatively have the desalination facility in operation by 2016. The scope of this preliminary design contract will include providing a detailed project delivery schedule for planning purposes. The findings of the preliminary design contract are

anticipated to be presented to Council in early Fall 2014. City staff continues to recommend deferring the substantial cost of reactivating the facility as long as reasonably possible, depending on water supply and demand factors.

PROJECT DESCRIPTION

The preliminary design service work consists of three phases, each of which will be conducted to the extent necessary, based on evolving water supply conditions:

*Phase 1: Study*

- Capacity alternatives
- Distribution analysis
- Define permit and regulatory requirements
- Reactivation plan
- Detailed facility inspection and documentation, detailed cost estimate
- Detailed project delivery schedule
- Financing alternatives

*Phase 2: Performance Specification*

- Develop performance specification contract documents
- Prequalify contractors to submit proposals/bids to design, permit, construct, operate, and maintain the facility

*Phase 3: Proposal/Bid Evaluation*

- Develop bid evaluation criteria
- Respond to bid phase questions
- Assist City in bid evaluation

Discussions will occur in the Study Phase between the Coastal Commission, the Regional Water Quality Control Board, Carollo Engineers, and City staff regarding the existing CDP. Also, the State Water Resources Control Board is developing Ocean Plan amendments which may affect requirements concerning the facility's ocean intake. The effect of these items, if any, is unknown at this time. Staff will keep Council informed as information becomes available.

PERMITS

As mentioned above, in 1996, the City obtained the necessary permits to make the desalination facility a permanent part of the City's water supply portfolio, including a Coastal Development Permit. The City has maintained the facility in such a manner that it could be restarted in accordance with the conditions of the permit. In March 2014, Staff sent a letter to the Coastal Commission advising them of the City's intentions of restarting the facility. In April 2014, Staff received a response from Coastal Commission staff stating they believed a new permit would be required. As part of the scope of

services recommended, staff has put together a team of experts on this issue to work with Coastal Commission staff to fully understand the scope of the existing permits and determine what, if any, additional studies or permits might be needed.. Staff anticipates having a much more defined path on this issue at the conclusion of the preliminary design study in early Fall 2014.

At this time, there are limited guidelines for the construction and operation of desalination facilities in California. The State Water Resources Control Board has been working on updates to the California Ocean Plan to establish standards for desalination plants. Staff has been told that a draft of the Ocean Plan Amendments and substitute environmental document are anticipated in late 2014. When made available, staff, along with our consultant team, will review these documents to better understand how they may impact our facility. Ocean Plan amendments are not anticipated until 2015.

PRELIMINARY DESIGN PHASE CONSULTANT SERVICES

A request for proposals was sent to 11 firms, with three qualified firms responding. A review panel consisting of five City employees and two representatives from the Montecito Water District evaluated the proposals and interviewed the three firms. The panel determined that Carollo was experienced in this type of work and most responsive to the City's needs. Therefore, staff recommends that Council authorize the Public Works Director to execute a contract with Carollo in the amount of $746,025 for preliminary design services and $74,603 for potential extra services, for a total amount of $820,628. At their meeting on April 14, 2014, the Water Commission voted 4/0 to concur with staff's recommendation.

Considering the complexities surrounding the City's existing Coastal Development Permit, staff recommends contracting with McCabe and Company for services related to lobbying the Coastal Commission to clarify the permitting requirements. Staff recommends that Council authorize the City Administrator to negotiate and execute a contract with McCabe and Company in an amount not to exceed $90,000.

The original facility was built through a design-build-operate contract in the early 1990s. This type of contracting method allows the design and construction to occur in parallel, which has the effect of expediting the delivery schedule while making the contractor responsible for the timely production and operation of the facility. Because of the unique and complex nature of design-build-operate contracts, staff recommends contracting with a legal firm who specializes in such contracts. Staff recommends that Council authorize the City Attorney to negotiate and execute a legal services contract with Hanson Bridgett LLP in an amount not to exceed $25,000. Hanson Bridgett is experienced with this method of procurement. The firm has worked on some of the largest public infrastructure projects in the state.

Because of the severe nature of this drought, the Montecito Water District board president has expressed an interest in joining Santa Barbara in its effort to reactivate the Facility. Once Staff has a better understanding of the issues involved, it will be in a better position to discuss what options might available to partner with Montecito Water District.

FUNDING

There are sufficient funds appropriated for various projects in the Water Capital Fund approved by Council in the June 2013 budget adoption process. On May 13, 2014, as part of the City's 3rd Quarter Budget Review, staff will be requesting Council's approval for a comprehensive reprogramming of some existing budgeted capital projects to fund this and other extraordinary and unplanned drought related projects.

**PREPARED BY:** Joshua Haggmark, Acting Water Resources Manager/RLR/mh

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

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

Agenda Item No. 13

File Code No. 440.05

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 06, 2014

**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 Kristine Schmidt, Acting Administrative Services Director, regarding negotiations with the Treatment and Patrol Bargaining Units and Firefighters Association.

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

**REPORT:** None anticipated

**PREPARED BY:** Kristine Schmidt, Acting Administrative Services Director

**SUBMITTED BY:** Kristine Schmidt, Acting Administrative Services Director

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

Agenda Item No. 14

File Code No. 160.03

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**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 *Donald Sipple, and New Cingular Wireless PSC LLC, et al., v. The City of Alameda, California, et al*., LASC Case No. BC432270.

**SCHEDULING:** Duration, 10 minutes; anytime

**REPORT:** None anticipated

**SUBMITTED BY:** Ariel Pierre Calonne, City Attorney

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

Agenda Item No. 15

File Code No. 160.03

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**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:** Ariel Pierre Calonne, City Attorney

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

Agenda Item No. 16

File Code No. 160.03

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** May 6, 2014

**TO:** Mayor and Councilmembers

**FROM:** City Attorney's Office

**SUBJECT:** Conference With City Attorney – Anticipated Litigation

**RECOMMENDATION:**

That Council hold a closed session to consider anticipated litigation pursuant to Government Code section 54956.9(d)(2) & (e)(2) and take appropriate action as needed.

The anticipated litigation is based upon significant exposure to litigation arising out of the County of Santa Barbara's claims to parking citation insurance proceeds.

**SCHEDULING:** Duration, 10 minutes; anytime

**REPORT:** None anticipated

**SUBMITTED BY:** Ariel Pierre Calonne, City Attorney

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